

CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Gibson Energy Inc. (Gibson, the Company, we, our, us) is a North American liquids infrastructure company that has been focused on delivering energy in an environmentally and socially responsible manner for the past 70 years. Headquartered in Calgary, Alberta, our principal business consists of the storage, optimization, processing and gathering of liquids and refined products. 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.

We play an integral role in the Canadian energy value chain. As a leader in the midstream energy space, we have a responsibility to minimize emissions and energy use while promoting resource conservation and environmental stewardship. It is our commitment to act now, and continuously evolve our business strategy, to find new ways to sustainably meet the global energy demand and secure a more sustainable future for our company and for society as a whole. Gibson recognizes we have a role in finding new ways to sustainably meet the global energy demand while ensuring that low-carbon, Canadian energy is produced with leading climate-related and ESG performance. This is why we continue to embed sustainability considerations throughout our business and identify ways we can support the energy transition with our world-class asset base. To hold ourselves accountable, we have set meaningful targets and continue to see progress every year. We recognize the work that remains and are moving into the next step of our sustainability journey with energy and renewed ambition. Being a leader as the world transitions to a climate-resilient future is a critical role that Gibson is committed to take, for our business, community and country.

Given the nature of our liquids-based midstream operations, we have a relatively small GHG emissions profile as Gibson's oil and gas activities are limited to the midstream sector. Our operations comprise two integrated segments:



Infrastructure Segment

Our infrastructure assets include a network of oil terminals, rail loading and unloading facilities, gathering pipelines, a diluent recovery unit (DRU), a crude oil processing facility and other small terminals. Within this segment, our activities include storage and handling as well as processing of liquids and refined products. Gibson's two primary storage and handling facilities are the Hardisty Terminal and the Edmonton Terminal, which are the principal hubs for aggregating and exporting liquids and refined products out of the Western Canadian Sedimentary Basin. Gibson's additional storage and handling assets are gathering pipelines connected to the Hardisty Terminal as well as gathering pipelines located in the U.S. and other liquids terminals in Alberta and Saskatchewan. In 2022, Gibson placed the Biofuels Blending Project at the Edmonton Terminal into service, which added infrastructure to facilitate the storage, blending and transportation of renewable diesel. Our processing activities are focused at two assets and include our Moose Jaw Facility in Saskatchewan as well as our joint venture Hardisty Energy Terminal with the first DRU in Western Canada.

Marketing Segment

Marketing at Gibson involves purchasing, selling, storing and optimizing hydrocarbon products. Gibson's Marketing segment sources most of its hydrocarbon products from Western Canada and markets those products throughout Canada and the U.S. This segment's opportunities are typically location-, quality- or time-based.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

(C0.3) Select the countries/areas in which you operate.

Canada

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Equity share

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Midstream

Other divisions

Biofuels



C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	CA3748252069
Yes, a CUSIP number	374825206
Yes, a Ticker symbol	GEI

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Gibson's Board of Directors (the Board) recognizes the importance of managing sustainability and environmental, social and governance (ESG) factors, including climate-related issues, in our long-term strategy. Our Sustainability and ESG Committee of the Board (the SESG Committee) is responsible for reviewing the status and effectiveness of our sustainability performance, metrics and goals, including the oversight of processes to ensure compliance with all internal policies and applicable laws and regulations, with a focus on providing a desirable outcome for all stakeholders including investors, customers, employees, suppliers and the community.



	<p>The ESG Committee assists the Board in fulfilling its mandate on climate-related and sustainability issues by providing oversight and support to Gibson’s sustainability and ESG programs, goals and initiatives, management systems and reporting to the Board on management’s progress. The ESG Committee is also responsible for reviewing emerging risks and opportunities related to sustainability and ESG issues, including climate-related issues relevant to Gibson that may have the potential to impact our reputation and business performance including, but not limited to, climate change, energy transition, air and greenhouse gas (GHG) emissions, emissions reduction technologies, carbon pricing, biodiversity, social impacts such as stakeholder relations, and significant legislative and regulatory changes, including policy proposals and modifications that could materially impact our business. The chair of the ESG Committee is a globally recognized ESG expert, particularly with respect to climate-related issues and responsible investment.</p> <p>Case Study</p> <p>The ESG Committee is tasked with approving, and/or recommending to the Board for approval, the publication of Gibson’s material sustainability/ESG-related disclosures, including climate-related disclosures. In 2022, the ESG Committee was requested to review and approve two documents for publication: Gibson’s 2021 Sustainability Report as well as the 2022 CDP Climate Change questionnaire. Both of these disclosures were approved by the ESG Committee and published in 2022.</p>
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C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures 	Gibson’s ESG Committee has direct responsibility and oversight for governance of our climate-related issues including climate change, energy transition, air and GHG emissions, emissions reduction technologies, carbon pricing and significant legislative and regulatory changes. In 2022, these topics were scheduled agenda items at quarterly Board meetings and all ESG Committee meetings, which are typically held at least quarterly. The ESG Committee is currently comprised of three independent directors with expertise in accounting and financial services, corporate governance, risk management and strategic planning, among other topics.



	<p>Reviewing innovation/R&D priorities</p> <p>Overseeing and guiding employee incentives</p> <p>Reviewing and guiding strategy</p> <p>Overseeing and guiding the development of a transition plan</p> <p>Overseeing the setting of corporate targets</p> <p>Monitoring progress towards corporate targets</p> <p>Reviewing and guiding the risk management process</p>	<p>The agenda on sustainability/ESG and climate-related issues includes, but is not limited to, a review of strategy, business plans, risk management, objectives, relevant capital expenditures, performance monitoring and disclosure as well as emerging issues and trends material to Gibson's credibility and reputation. In 2022, the SESG Committee, along with the Corporate Governance, Compensation and Nomination (CGCN) Committee, reviewed and approved climate-related Short Term Incentive Plan (STIP) metrics including renewable energy and energy efficiency improvements, execution of a fuel switching project at the Moose Jaw Facility and identification of potential renewable energy partnerships to achieve additional energy/emissions reductions. Gibson's CEO, Sustainability Team and other subject matter experts provide the SESG Committee a summary of climate-related issues at each meeting. Topics reported on in 2022 included progress against annual STIP targets, updates on emissions reduction projects, an overview of biodiversity, proposed climate-related reporting standards and Canada's 2030 Emissions Reduction Plan, and other emerging issues/trends as well as other strategic priorities. In 2022, the Sustainability Team sought the SESG Committee's review and approval of our 2022 CDP Climate Change questionnaire and 2021 Sustainability Report. The Board and the SESG Committee continue to develop their climate-related knowledge and competencies through the review of climate-related articles and publications as well as participation in ESG conferences and seminars. Climate-related issues will continue to be scheduled agenda items at all meetings of the SESG Committee and at quarterly Board meetings.</p>
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C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Gibson's CGCN Committee recognizes that the Board's membership should represent a diversity of backgrounds, experience and skills. Directors are selected for their integrity and character as well as their breadth of experience and



		<p>business acumen. Each year, the CGCN Committee assesses the skills and expertise represented by the directors currently standing for election to ensure that the required skills are well represented. In addition, each director is required to complete an annual self-assessment in the “Director & Officer Questionnaire” whereby they are asked to rate their experience and background in several subject areas. This data is compiled into a matrix representing the broad skills for current directors and is maintained to identify areas for strengthening the Board, if any, and address them through the recruitment of new members as well as ongoing education of current directors. Included in the matrix representing the broad skills for current directors is competency specific to ESG management issues and opportunities, including climate-related competencies. Currently, 8 out of 9 directors indicated skills and competencies specific to ESG management. The chair of the SESG Committee is a globally recognized ESG expert, particularly with respect to climate-related issues and responsible investment. Additionally, all Gibson directors regularly engage in a variety of continuing education activities, including industry conferences, webinars and courses to further develop their skills and competencies and ensure increasing awareness of issues that may affect Gibson. Throughout 2022, Gibson’s directors attended a variety of events that were focused on topics including sustainability, ESG, climate regulations, the energy transition and Net Zero, among other topics.</p> <p>For more information, please see “Director Skills Matrix” and “Director Education in 2022” in Gibson’s Management Information Circular dated March 20, 2023, which provides a breakdown of the Board’s skills and competencies as well as an overview of the Board’s continuing education activities in 2022.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities



Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Developing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Gibson's President & CEO is responsible for overseeing sustainability and climate-related matters including assessing and managing progress on short- and long-term goals and targets; allocating resources and budgets; managing climate-related risks and opportunities, strategy implementation and future development of climate transition plans; and overseeing climate-related disclosures through our sustainability reporting, or within our press releases, annual information form, management information circular and corporate website. As potential climate-related and environmental impacts on our business are complex and uncertain and can affect the entire enterprise, we believe it is important to assign these responsibilities to the CEO to ensure any potential risks and opportunities are effectively managed. The CEO is informed of and monitors climate-related issues through regular engagement with the positions outlined below and discusses climate-related matters at each SESG Committee meeting as well as at quarterly Board meetings as required.

Position or committee

Chief Sustainability Officer (CSO)



Climate-related responsibilities of this position

- Managing annual budgets for climate mitigation activities
- Developing a climate transition plan
- Integrating climate-related issues into the strategy
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our Senior Vice President & Chief Administrative and Sustainability Officer (SVP & CASO) is the lead on sustainability and climate-related matters and is responsible for collaborating on efforts to minimize Gibson's GHG and energy impacts, coordinating the management of any material sustainability and climate-related risks and opportunities, supporting responses to investor requests on climate-related topics and developing climate-related disclosures. The SVP & CASO is responsible for overseeing the governance of climate-related matters; leading the development and implementation of climate-related strategies including ESG targets and initiatives in collaboration with our SVP & COO; supporting Gibson's climate-related risk and opportunity assessment alongside the SVP & COO; supporting resource deployment needed to implement our climate strategy; leading the Sustainability Team; supporting the deployment of Gibson's climate strategy; engaging on climate-related topics with stakeholders and managing public policy engagement; and reporting on climate-related performance. The SVP & CASO reports on these matters to the CEO. The SVP & CASO discussed climate-related matters at each SESG Committee meeting and at quarterly Board meetings in 2022.

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)

Integrating climate-related issues into the strategy

Conducting climate-related scenario analysis

Setting climate-related corporate targets

Monitoring progress against climate-related corporate targets

Assessing climate-related risks and opportunities

Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our Senior Vice President & Chief Operating Officer (SVP & COO) is the lead for commissioning emissions, energy and efficiency studies and projects. The SVP & COO is responsible for overseeing the integration of climate-related matters within our Operations Management System (OMS), including climate-related risks in our risk register, ensuring emission and energy reduction projects are prioritized and receive appropriate resources and working with our SVP & CASO on defining and executing our climate strategy specific to emissions management. The SVP & COO works closely with the SVP & CASO and reports on these matters to the CEO.



Position or committee

Chief Financial Officer (CFO)

Climate-related responsibilities of this position

- Managing climate-related acquisitions, mergers, and divestitures
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Monitoring progress against climate-related corporate targets
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our Senior Vice President & Chief Financial Officer (SVP & CFO) has responsibility for our Enterprise Risk Management (ERM) process and along with the CEO, conducts a review of identified risks and provide quarterly updates to the Audit Committee and the Board. The SVP & CFO helps ensure climate-related issues are considered within Gibson’s business strategy, including integrating climate-related considerations into potential growth opportunities such as acquisitions, mergers and divestitures, as well as embedding Gibson’s emission reduction targets and other ESG targets into our capital structure through our sustainability-linked revolving credit facility. In addition, the SVP & CFO oversees the financial modeling for our climate-related scenario analysis.

Position or committee

Environment/ Sustainability manager



Climate-related responsibilities of this position

- Developing a climate transition plan
- Integrating climate-related issues into the strategy
- Conducting climate-related scenario analysis
- Setting climate-related corporate targets
- Monitoring progress against climate-related corporate targets
- Managing public policy engagement that may impact the climate
- Managing value chain engagement on climate-related issues
- Assessing climate-related risks and opportunities
- Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our Sustainability Team, led by the Director of Supply Chain Management, ESG and Indigenous Relations, is responsible for engagement on climate policy, supporting the implementation of our climate strategy and ESG-focused materiality assessments, supporting the development of ESG targets including targets on GHG reductions and intensity improvements and ensuring sustainability and climate-related performance monitoring and reporting is conducted regularly. The team works collaboratively to ensure relevant climate-related risks and opportunities are discussed at Gibson’s monthly executive team meetings, enterprise risk management discussions and SESG Committee meetings. The Sustainability Team reports at least monthly to the SVP & CASO, participates in meetings with the SESG Committee on a quarterly basis and at additional status update meetings.



Position or committee

Other committee, please specify
C-Suite Sustainability Committee

Climate-related responsibilities of this position

Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

Our C-Suite Sustainability Committee is comprised of Gibson's entire executive team, including our President & CEO, SVP & CASO, SVP & COO, SVP & CFO and SVP & Chief Commercial Office (CCO), who meet monthly to monitor emerging sustainability and climate-related risks and opportunities relative to our sector and business and ensure climate-related considerations are included in our business strategy. They also participate in Gibson's climate-related scenario analysis, review Gibson's public disclosure on sustainability and climate-related topics and monitor progress against our targets.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?



	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	A meaningful portion of employee compensation is achieved through variable pay components such as our STIP, where employees are compensated based on their ability to achieve defined corporate objectives. In 2022, there were three climate-related performance objectives within the 35% safety and broader ESG weighting of the total STIP: provide renewable energy and energy efficiency improvement solutions which will result in a meaningful reduction towards Gibson's 2025 Scope 1 and/or 2 emissions targets; identify potential partnerships to achieve additional energy/emissions reductions which will meaningfully contribute to Gibson's 2025 Scope 2 target; and execute the sanctioned fuel switching project at the Moose Jaw Facility to deliver on targeted Scope 1 emissions reductions. These metrics help reduce our overall GHG footprint and ensure we remain a low emitter relative to our peers. STIP compensation for both executive and non-executive employees is tied to the same metrics.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

All employees

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Implementation of an emissions reduction initiative

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Climate-related performance objectives are included within a 35% safety and broader ESG weighting of the total STIP to grow the awareness, maturity and effectiveness of our organization on sustainability matters, optimize our energy use to help reduce our overall GHG footprint and ensure we remain a low emitter relative to our peers. This includes performance objectives related to developing action plans to close any strategic gaps as Gibson works towards reaching our GHG emissions targets, continuing to progress on renewable energy partnership opportunities as well as completing the Moose Jaw Facility fuel switching project. The 2022 STIP metrics and achievements included the completion of identifying any gaps to achieve our 2025 Scope 1 and 2 emissions targets and developing an action plan to close the gaps, engagement with potential renewable energy partners to achieve additional energy/emissions reductions to meaningfully contribute to our Scope 2 emissions targets and the successful completion and commissioning of the fuel switching project to deliver on Scope 1 targeted emission reductions. We also include targets to maintain our top performance on third-party ESG ratings, which incorporate climate-related considerations and opportunities. This measure helps us continue to increase the awareness among our employees of the overall importance of integrating sustainability into our organization and driving change in our employees, and as a result, our overall business. Short term incentives have an annual performance period and are awarded at the Board's discretion. STIP may be paid in the form of cash or equity.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The climate-related objectives within STIP enable Gibson to make meaningful progress towards our climate commitments by directly contributing to emission reductions to achieve our near-term targets. Ultimately, our 2025 and 2030 targets are interim targets on our path to Net Zero by 2050, and concentrating on the near-term targets in our employee STIP focuses our efforts and ties yearly compensation to yearly performance. Additionally, we believe that by continuing to embed sustainability and climate-related factors into our employee incentives, we will increase the awareness of these topics and foster a positive culture shift across our organization. We will continue to ensure our annual incentive program incorporates climate-related metrics to support Gibson in achieving this goal.

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Implementation of an emissions reduction initiative

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Approximately 19% of our CEO's total compensation is achieved through STIP. Climate-related performance objectives are included within a 35% safety and broader ESG weighting of the total STIP to grow the awareness, maturity and effectiveness of our organization on sustainability matters, optimize our energy use to help reduce our overall GHG footprint and ensure we remain a low emitter relative to our peers. This includes performance objectives related to developing action plans to close any strategic gaps as Gibson works towards reaching our GHG emissions targets, continuing to progress on renewable energy partnership opportunities as well as completing the Moose Jaw Facility fuel switching project. The 2022 STIP metrics and achievements included the completion of identifying any gaps to achieve our 2025 Scope 1 and 2 emissions targets and developing an action plan to close the gaps, engagement with potential renewable energy partners to achieve additional energy/emissions reductions to meaningfully contribute to our Scope 2 emissions targets and the successful completion and commissioning of the fuel switching project to deliver on Scope 1 targeted emission reductions. We also include targets to maintain our top performance on third-party ESG ratings, which incorporate climate-related considerations and opportunities. This measure helps us continue to increase the awareness among our employees of the overall importance of integrating sustainability into our organization and driving change in our employees, and as a result, our overall business. Short term incentives have an annual performance period and are awarded at the Board's discretion. STIP may be paid in the form of cash or equity.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan

The climate-related objectives within STIP enable Gibson to make meaningful progress towards our climate commitments by directly contributing to emission reductions to achieve our near-term targets. Ultimately, our 2025 and 2030 targets are interim targets on our path to Net Zero by 2050, and concentrating on the near-term targets in our employee STIP focuses our efforts and ties yearly compensation to yearly performance. Additionally, we believe that by continuing to embed sustainability and climate-related factors into our employee incentives, we will increase the awareness of these topics and foster a positive culture shift across our organization. We will continue to ensure our annual incentive program incorporates climate-related metrics to support Gibson in achieving this goal.

Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Progress towards a climate-related target

Implementation of an emissions reduction initiative

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Approximately 20% of the compensation of our executive team, including the SVP & CFO, SVP & CASO, SVP & COO and SVP & CCO, is achieved through STIP. Climate-related performance objectives are included within a 35% safety and broader ESG weighting of the total STIP to grow the awareness, maturity and effectiveness of our organization on sustainability matters, optimize our energy use to help reduce our

overall GHG footprint and ensure we remain a low emitter relative to our peers. This includes performance objectives related to developing action plans to close any strategic gaps as Gibson works towards reaching our GHG emissions targets, continuing to progress on renewable energy partnership opportunities as well as completing the Moose Jaw Facility fuel switching project. The 2022 STIP metrics and achievements included the completion of identifying gaps to achieve our 2025 Scope 1 and 2 emissions targets and developing an action plan to close the gaps, engagement with potential renewable energy partners to achieve additional energy/emissions reductions to meaningfully contribute to our Scope 2 emissions targets and the successful completion and commissioning of the fuel switching project to deliver on Scope 1 targeted emission reductions. We also include targets to maintain our top performance on third-party ESG ratings, which incorporate climate-related considerations and opportunities. This measure helps us continue to increase the awareness among our employees of the overall importance of integrating sustainability/ESG into our organization and driving change in our employees, and as a result, our overall business. Short term incentives have an annual performance period and are awarded at the Board's discretion. STIP may be paid in the form of cash or equity.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The climate-related objectives within STIP enable Gibson to make meaningful progress towards our climate commitments by directly tying Gibson's incentive programs to emission reductions to achieve our near-term targets. Ultimately, our 2025 and 2030 targets are interim targets on our path to Net Zero by 2050, and concentrating on the near-term targets in our employee STIP focuses our efforts and ties yearly compensation to yearly performance. Additionally, we believe that by continuing to embed sustainability and climate-related factors into our employee incentives, we will increase the awareness of these topics and foster a positive culture shift across our organization. We will continue to ensure our annual incentive program incorporates climate-related metrics to support Gibson in achieving this goal.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes



C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	We define our short-term time horizon to be less than two years.
Medium-term	2	5	We define our medium-term time horizon to be within the range of two to five years.
Long-term	5	20	We define our long-term time horizon to be five years and beyond, which can extend as far as 20 years forward depending on the type and nature of the risk or opportunity.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

There are a number of factors that Gibson considers when defining a substantive financial or strategic impact on its business. We recognize that Gibson's business can be impacted by many different events and as such, when measuring the impact of a risk, we consider both qualitative and quantitative impacts. These impacts include, but are not limited to, impacts on demand for our products and services, revenue, reputation, access to capital, access to services like insurance, and operating costs. Generally, on a quantitative basis, we classify a risk as capable of having a substantive financial or strategic impact on our business if that risk can reasonably be expected, in the short- or medium-term, to have a significant effect on our share price, and correspondingly, our market capitalization, of equal to or greater than 10%.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

The process to identify, assess and respond to climate-related risks and opportunities is integrated within our Enterprise Risk Management (ERM) process, which takes place quarterly with a more comprehensive review completed twice a year. 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. Additionally, longer-term risks are also discussed through our ERM process including 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 risks, including climate-related risks, that could have a substantial financial or strategic impact. Based on the findings of the assessment, we then identify, implement and maintain mitigations to manage our risks. All Operations and Engineering risks are located on a central register, with our highest risks being reviewed monthly by senior leaders. These risks are also aggregated into the corporate ERM program to ensure appropriate oversight. Our executive team revisits historical risks and identifies and defines any new/emerging climate-related risks affecting the business. The Audit Committee Chair, SVP & CFO and President & CEO conduct a review of the identified risks and provide quarterly updates to the Audit Committee and the Board. Each identified risk is provided a risk rating based on its likelihood and potential impact. Significant risks with the potential to have a substantive financial or strategic impact on our business are identified and, to the extent possible, mitigation plans are put in place. We assign executive risk owners who are responsible for the mitigation plans and provide status updates on a quarterly basis.

Case Study of Transition Risk/Opportunity:

As part of our process to identify potential climate-related risks and opportunities, we completed a climate scenario analysis using scenarios

from the International Energy Agency (IEA). Through this process, we acknowledge the potential risk of decreased oil demand, leading to less throughput at our assets, as the scenario assumes the world continues to move towards decarbonization and customer behaviour trends towards increased demand for low-carbon products. To prioritize opportunities for Gibson to support the transition to a lower-carbon future, we assessed the potential financial and strategic impact of the risk of decreased demand for Gibson's current products and services, such as our Storage and Handling operations, through our climate-related scenario analysis. Through the climate-scenario analysis work, this risk was estimated to have a decrease of \$30,000,000 on our Adjusted EBITDA over the medium term (see Risk 1 in C2.3a for further details), and we successfully implemented an opportunity to diversify our business activities and remain resilient in the face of the potential for decreased oil throughput by completing the Biofuels Blending Project at our Edmonton Terminal with our customer, Suncor Energy Inc. (Suncor).

Physical Risk/Opportunity:

For every significant project we execute at Gibson, as part of our scope development to support a given business case, we evaluate the potential impacts of the environment on the infrastructure we are designing as well as the potential impacts of the new infrastructure on the environment in return. To ensure that we are assessing physical risks, risk analysis and a Hazard and Operability Study (HAZOP) are completed to identify, list and rank any potential hazards. Once we have identified all of the potential hazards, we rank them using our Risk Matrix, to identify if the hazard is properly mitigated, or if we need to apply further safeguards to mitigate the risk to an acceptable level. Any hazards that require further mitigation after completion of project work are entered into our Risk Registers to ensure that progress on further safeguards is monitored and tracked. During this exercise, we routinely evaluate the potential climate-related physical risks that could occur as well as the likelihood of those events happening (1 in 10 years, 1 in 100 years, etc.).

Case Study

We consider the potential impact of an extreme weather event, such as wildfires, floods and severe storms, as part of our risk assessment process. To assess physical risks such as extreme weather on our existing infrastructure, we conduct a HAZOP study and assess the potential impacts through our risk management procedures. Through this process, we mitigate the potential impact of extreme weather events by considering the likelihood of an extreme weather event affecting our assets, the potential consequences of the event and the mitigations currently in place. In 2022, we undertook a project to begin upgrading our fire fighting capabilities at our Hardisty Terminal to be prepared if any type of fire were to occur, including from causes such as a wildfire or lightning strike. This included upgrades to our fire suppression equipment, increasing our employee's fire-fighting competency and contracting a third-party fire suppression company.



C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Current climate-related legislation is relevant and always included in our risk assessment given the potential risk of increased operating costs for our business, decreased customer demand and adverse reputational impacts. In Canada, climate-related legislation exists that could directly or indirectly impact our business, like Canada’s climate plan “A Healthy Environment and a Healthy Economy”, the Canadian Net Zero Emissions Accountability Act, the Clean Fuel Regulation, the federal carbon pricing backstop (federal backstop), Alberta’s Technology Innovation and Emission Reduction (TIER) Regulation and Saskatchewan’s Management and Reduction of Greenhouse Gases Regulations (MRGGR). If we didn’t participate in the TIER and MRGGR programs or if any substantial changes occur to the existing programs, it could expose Gibson to the carbon tax pursuant to the federal backstop for the regulated facilities, which could increase operating business expenses. For example, to meet our annual performance benchmark under TIER, Gibson could incur costs to reduce emissions through facility improvements or the purchase of emission credits. To mitigate the potential risks related to the federal backstop, we voluntarily opt-in to TIER as an aggregate facility (see section C11 for details). Additionally, we are regulated by MRGGR for our Moose Jaw Facility and proactively set a Scope 1 & 2 absolute emissions reduction target for the facility, which surpasses the regulatory requirements that apply to Gibson. We considered Canada’s plan to increase the carbon price to \$170/tonne in 2030, which may have a significant impact on Canadian industry participants, including potential impacts on Gibson. We align our internal carbon pricing with Canada’s climate plan and our commitment to achieve Net Zero emissions supports Canada’s goal of Net Zero by 2050. We considered Canada’s Emissions Reduction Plan (ERP) as it has an impact on federal renewable technology funding opportunities. We consider how low-carbon fuel regulations such as the Clean Fuel Regulation may impact the demand for oil and refined products and will likely cause an increase in the demand for low-carbon fuels and renewable fuel blends. To address shifts in demand, we continue to investigate opportunities to expand our renewable products and services, such as the opportunity to potentially partner on building a facility to produce, store and/or handle hydrotreated renewable diesel and/or other renewable fuel products.</p>



<p>Emerging regulation</p>	<p>Relevant, always included</p>	<p>Emerging climate-related regulations are relevant and always included in our risk assessment process given the potential risk of increased operating costs for our business, decreased customer demand and adverse reputational impacts. In general, climate change legislation imposes, among other things, costs, restrictions, liabilities and obligations related to the handling, use, storage and transportation of crude oil and petroleum products. The complexities of emerging climate-related regulations make it difficult to predict the potential future impact to our business. However, compliance with climate change legislation may require significant expenditures and it is likely that such legislation could impact oil and gas operations, including those of our customers. Changing regulations may also impact the future demand of oil and refined products. In addition, new or amended legislation may apply to more facilities over time and result in further regulatory requirements that could affect our business. In 2022, Canada announced its ERP and intends to develop a program to cap and then cut emissions from the oil and gas sector, projecting that emissions will need to be cut 42% below 2019 levels by 2030. Implementation of the ERP may impact our other operations that are not currently regulated under TIER or MRGGR (see section C11 for facility details) or lead to changes to the provincial programs to align with the new plan requirements. To mitigate the potential risks regarding emerging regulations such as potential caps on oil and gas emissions in Canada, we continue to modernize and optimize our facilities to further reduce our emissions. We have set voluntary emissions reduction targets to enable us to meet and exceed current regulatory obligations and ensure we are prepared in advance of future emissions caps. Gibson is working alongside governments to understand the development and implementation of carbon policies to ensure our business is aware of and prepared for any potential outcomes resulting from proposed legislation. To deliver on this, we have an internal government relations team to conduct climate-related policy engagements and engage a third-party government relations firm to monitor relevant regulatory changes. We continue to monitor the potential for carbon policies to be introduced in the US, but at this time we are not subject to carbon pricing at any of our US operations.</p>
<p>Technology</p>	<p>Relevant, always included</p>	<p>Technology is relevant and always included in our risk assessment process given the potential risk of increased operating costs for our business and decreased customer demand due to changes in technology. For example, we consider advances in technology such as 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. In the long-term, as such technologies become more accessible and cost effective, there could be changes in customer demand due to the increased capabilities of low-carbon energy sources. These types of technological advances could expose us to a potential decrease in demand for crude oil and petroleum products and the transportation thereof, which could, in turn, impact cash flow and revenues. Nevertheless, technology also presents an opportunity to investigate how we can leverage renewable</p>



		<p>technology operationally, such as utilizing renewable energy technology at locations where we could most effectively implement such technology, for example wind, solar or geothermal power. There is also the potential opportunity to deploy carbon capture and storage (CCS) technology to help achieve our ambitious absolute and intensity targets and our commitment to Net Zero by 2050, as well as reduce direct costs. We continue to investigate CCS as part of the suite of options at our disposal to reduce our emissions and contribute to a lower-carbon future on our pathway to Net Zero.</p>
Legal	Relevant, always included	<p>Legal actions from climate-related factors are relevant and always included in our risk assessment process, given the potential risks to our business and the energy industry in general. For example, we considered potential litigation that could be targeted against Gibson or the energy industry generally by third parties relating to climate change or climate-related legislation, potential risks relating to such litigation on operating costs for our business as well as adverse reputational impacts. While impossible to eliminate the risk of potential litigation targeted towards the energy industry, we believe our position as a leader in sustainability and ESG reduces the impact of potential litigation risk. We continue to enhance our public disclosure around climate change and make progress on our commitment to reduce emissions across our business. 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.</p>
Market	Relevant, always included	<p>Market demand for crude oil and petroleum products is relevant and always included in our risk assessment process. For example, Gibson considers how climate change mitigation, energy transition and adaptation policies will impact customer demand for crude oil and petroleum products in the medium- to long-term and affect the energy industry overall and related midstream infrastructure. 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 the expectations of our customers and broader stakeholders, we remain proactive in our pursuit of opportunities to address this risk and 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. As a sustainability-focused company, we continue to invest in our processing facilities to ensure the products we process are less carbon intensive. We are confident that as we prioritize capital allocation opportunities, we will be well-positioned to continue to pivot with the energy transition and support a low-carbon economy. 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 consider low-carbon assets as part of our portfolio.</p>



<p>Reputation</p>	<p>Relevant, always included</p>	<p>We are committed to upholding our reputation as a credible and trusted company, building and maintaining positive relationships with our stakeholders and recruiting and retaining employees. Our operations and growth as a company depend on us having strong relationships with key stakeholders including our shareholders, customers, employees, landowners, governments and government agencies. Reputation is therefore relevant and always included in our risk assessment. We also recognize the potential stigmatization of the energy industry as a key reputational risk, which could lead to a negative impact on Gibson, such as an impact on our share price. As the focus on climate change and GHG emissions continues to increase globally, we face the social pressure to reduce emissions and move toward decarbonization. For example, investors are looking to incorporate sustainability and ESG considerations as part of their portfolios, which could result in restricted access to capital and higher capital costs. Failure to manage our reputation and meet the increasing climate-related expectations from our investors and other key stakeholders, including customers, suppliers, government bodies and communities could result in revenue loss, reduction in our customer base and decrease in share price</p>
<p>Acute physical</p>	<p>Relevant, always included</p>	<p>Acute physical risks such as wildfires, severe storms and floods are relevant and always included in our risk assessment, given the potential for such risks to disrupt our operations, damage infrastructure and assets and adversely impact operations, financial position and reputation. 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. For example, we considered extreme weather events such as flooding and the impacts at our Moose Jaw Facility, which is located in a 500-year flood plain. 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. Our control center allows us to monitor the flow rates and pressures of our pipelines in real-time using data from pumps and sensors. To detect any potential leaks, we use software that can identify patterns or abnormal data from the sensors. With this technology, we can swiftly halt operations whenever any irregularities are detected by the software. This would include if any extreme weather events occurred, such as floods leading to geological terrain failures, that would result in irregular data being sensed.</p>
<p>Chronic physical</p>	<p>Relevant, always included</p>	<p>Chronic physical risks are relevant and always included in our risk assessment, given the potential for such risks to damage infrastructure and assets, and adversely impact our operations, financial position and reputation. For example, we consider 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</p>



		<p>regularly reviews our infrastructure, including an assessment of chronic physical risks. Applying such assessment criteria, we previously 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 addressed this risk by proactively completing a horizontal directional drill to bury this pipeline deep into the surrounding bedrock.</p>
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

.....

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Other, please specify

Decreased Adjusted EBITDA due to reduced demand for products and services

Company-specific description

We conducted a climate-scenario analysis using the Sustainable Development Scenario (SDS) and the Stated Policies Scenario (STEPS) from the IEA to examine Gibson's resiliency to climate-related risks. The SDS suggests the world is moving towards decarbonization and continues to set climate-related targets to limit global warming, and the IEA believes this trend becomes more relevant where Gibson operates. The scenario indicates the oil and gas industry is directly affected by climate-related targets as new, low-carbon energy sources become increasingly desirable, affordable and accessible, while government incentives and policies will also play a critical role in influencing the energy demand. Under the SDS, the long-term view is that there is reduction of oil demand and price, leading to limited expansion of existing projects and a decrease of investment into new oilfield development projects. As production plateaus and market access via pipeline is readily available, this scenario would lead to less need for traditional crude by rail and put downward pressure on revenues associated with the Hardisty Unit Rail Terminal. This risk may also have a lesser impact on demand for the products from our processing facilities. For example, many of Gibson's products from our Moose Jaw Facility are primarily non-combustible or intermediate products and demand for many of these products is not expected to decrease under either of the scenarios and may even be strengthened. However, demand for certain products such as drilling fluids and light oil ends products produced at the Moose Jaw Facility may decrease under the SDS. Under the STEPS, Gibson does not experience any risks to our business. While our risk assessment is specifically in the context of the SDS and STEPS scenarios, we note there are additional external factors that may impact global oil demand, which were not factored into the IEA scenarios. We believe responsibly developed oil is part of a low-carbon energy future and that oil will continue to be part of the global energy makeup in the future, in addition to serving as a feedstock for asphalt, plastics and other important products. The Canadian energy industry continues to be the leading supplier of responsibly produced oil operating in one of the most robust ESG regulatory frameworks in the world and is well-positioned to be the last remaining source of oil and gas globally.

Time horizon

Medium-term

Likelihood

Very unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

30,000,000

Explanation of financial impact figure

A significant portion of Gibson's Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) and our Canadian operations are tied to the oilsands production, while our US operations are related to non-oilsands crude production. When reviewing the IEA's SDS and STEPS, we assessed the financial impacts of both scenarios on our business in Canada and the US. To identify the potential financial impact figure, we modelled the financial impact of the expected decline of oil supply under the SDS and considered our current contract structure and the impact on our revenue over the long term. The modelling results indicated that under the SDS, there could be a decrease of approximately \$30,000,000 in our Adjusted EBITDA over the medium term. This estimate assumes that the conditions under the SDS are realized where crude oil production declines globally, with oil sands throughput starting to decline after 2030. On the low end, we would expect no change to our Adjusted EBITDA under the STEPS scenario. The potential financial impact on our Adjusted EBITDA is therefore estimated to be in the range of \$0 to \$30,000,000.

Cost of response to risk

1,500,000

Description of response and explanation of cost calculation

Response Explanation

While this risk could have a significant impact if it occurred, our current contract structure is comprised of 80% take-or-pay, long-term contracts, which we believe offers revenue stability and resiliency over their term under both the SDS and STEPS. To reduce this risk further, we continue working with our customers to renew and/or extend our long-term and take-or-pay contracts as such agreements provide the most stable and resilient cash flows in the face of production changes. We continue to monitor market changes and have set up internal teams and working groups to proactively identify any developments that could have a significant impact on our business and operations. Additionally, we will continually monitor our internal climate signposts to identify changes in the likelihood of the risk and proactively address it.

Case Study

As renewable fuel regulations continue to emerge, such as the Clean Fuel Regulation, there will likely be an increase in the demand for low-carbon fuels. We recognized that we could reduce our potential exposure to the risk of decreased oil throughput by considering opportunities to support the transition to an increase in demand for low-carbon and renewable products. While we already have assets at our Edmonton Terminal to facilitate the handling, storage and blending of renewable fuels for a key customer, with the potential to further increase that these capabilities over time, our strategy to address this risk also includes reviewing opportunities to further expand our business through the energy transition and offer products and services for the production, storage, blending and terminaling of renewable fuels. Through this process, we continue to investigate opportunities to expand our infrastructure for renewable fuels, which we believe would require a customer underpinning our investment under an infrastructure framework, with an implementation timeline varying depending on the specific opportunity.

Cost

The cost of managing this risk is approximately \$1,500,000, which includes the approximate cost to commit sufficient resources internally to review and manage contracts and identify energy transition opportunities. This also includes the costs to investigate the potential opportunity of building a renewable diesel facility. Please note that these are near-term, immediate costs and at this time do not represent future costs that have yet to be ascertained as we continue to monitor this risk.

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety. While the SDS and STEPS scenarios offer potential outlooks for the energy future, it is difficult to predict how the future may unfold and the potential outlooks under 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.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Company-specific description

Gibson operates in Alberta and Saskatchewan where the federal backstop is applied by the Government of Canada in both provinces. In Alberta, we elected to voluntarily participate in TIER under the aggregate program and in Saskatchewan we are regulated by MRGGR legislation. Due to the ever-changing nature of the political landscape, new policies are developed and introduced related to GHG emissions. Carbon pricing systems have recently been introduced, modified and repealed including the implementation of the carbon tax, the development of the Clean Fuel Regulations and changing regulations regarding the federal backstop which currently applies to a significant portion of Gibson's business and operations. The federal government has confirmed the minimum carbon price will increase by \$15 per tonne annually starting in 2023 through to \$170 in 2030, which may have a significant impact on Canadian industry participants, including a potential impact on Gibson. It is possible that future changes to the regulatory landscape may be driven by Canada's ERP, which includes higher carbon pricing, increased energy efficiency standards, energy and emissions reduction targets and promotion of alternative fuel technologies and carbon capture and storage. These changes may result in increased operating costs in the event we are no longer regulated under TIER and MRGGR or equivalent programs and therefore become exposed to the federal backstop, as well as increased costs to maintain compliance under the carbon pricing systems regulating Gibson's operations. Such changes would be applicable to our regulated facilities in Canada including our Moose Jaw Facility regulated under MRGGR in Saskatchewan, and the DRU and Hardisty Fractionator that are included in our aggregate facility under TIER in Alberta.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

24,500,000

Explanation of financial impact figure

The financial impact of \$0 to \$24,500,000 represents the minimum and maximum amounts of annual carbon tax compliance obligations we may incur annually to 2050 if we were no longer regulated under TIER and MRGGR, or equivalent programs, and become exposed to the federal backstop. This impact assumes the carbon price increases to \$170 per tonne by 2030 and increases to \$250 per tonne by 2050 under the SDS, and that Gibson is solely responsible for paying the carbon tax on all of our regulated Scope 1 emissions which includes our Moose Jaw Facility in Saskatchewan, as well as our DRU and Hardisty Fractionator in Alberta. The maximum potential impact is based on the SDS carbon pricing and assumes Gibson does not take any action to mitigate the carbon price, while the minimum potential impact assumes that we reach our Net Zero by 2050 goal. Gibson's current carbon footprint is relatively small and as of the 2022 reporting year is primarily made up of our Moose Jaw Facility and DRU, which account for 84% of our overall Scope 1 emissions in 2022. Although the carbon price is expected to go up to \$170 per tonne by 2030 based on current regulation and up to \$250 per tonne under the SDS, our compliance obligations are expected to further

decrease due to the relatively low footprint of our operations and the voluntary and meaningful emissions targets we have in place to achieve across time horizons to 2025, 2030 and 2050.

Cost of response to risk

460,000

Description of response and explanation of cost calculation

Response Explanation

Gibson monitors potential regulations related to emissions, reporting, and pricing through internal teams that provide strategic guidance on issues related to climate change and emissions. These teams are responsible for maintaining an enterprise-wide emissions model to inform our climate targets, monitoring and analyzing emissions regulatory and financial impacts and coordinating government and stakeholder interactions to ensure alignment. Gibson also works with governments to understand the development and implementation of carbon policies to ensure our business is aware of any potential positive or negative outcomes resulting from emerging legislation. We have an internal government relations team and engage a third-party government relations firm to monitor relevant regulation changes.

Case Study

By reducing our emissions profile, we can reduce exposure to potential carbon tax compliance obligations. Our internal teams were tasked with investigating energy efficiency and emissions reduction opportunities that would reduce the emissions of our regulated facilities as well as company-wide emissions. We continued to investigate the opportunity for the DRU to switch from a feedstock-based fuel supply to natural gas, similar to the recently completed work at our Moose Jaw Facility, which would require alignment with our JV partner and would result in a Scope 1 reduction. We expect that if this potential project is implemented (over a timeline of approximately three years after sanctioning), it could have a meaningful impact on reducing our emissions to contribute to the achievement of our emission targets, as well as reducing our carbon tax compliance obligations under TIER.

Explanation of Cost Calculation

The average annual cost of managing this risk is \$460,000 which includes costs related to: voluntary quantification and verification of our company-wide emissions, including our regulated facilities, an effort that strengthens our resilience in the face of potential regulatory changes; monitoring any regulatory changes at all levels of government in Canada; resources for our internal teams; and participation in industry focus groups. Please note that these are near-term, immediate costs and at this time do not represent future costs that have yet to be ascertained as we continue to monitor this risk.

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety. While the SDS and STEPS scenarios offer potential outlooks for the energy future, it is difficult to predict how the future may unfold and the potential outlooks under 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.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation

Stigmatization of sector

Primary potential financial impact

Other, please specify

Negative impact to market capitalization

Company-specific description

Under the SDS, the public focus on climate change and GHG emissions is continuing to increase globally, and the reputation of oil and gas companies may become increasingly unfavourable. There are added social pressures which demand governments and companies work to mitigate the risks associated with climate change, decrease GHG emissions and move towards decarbonization. Investors continue looking to incorporate sustainability and ESG considerations as part of their portfolios, with trillions of dollars in assets under management having specific goals to support the goal of Net Zero GHG emissions by 2050 or sooner. The continued focus on climate change by investors may lead to restricted access to capital and/or higher costs of capital for the oil and gas industry, which may impact Gibson, as the pressure to reduce emissions increases. This could impact the market capitalization of industry participants by approximately 20%, potentially including Gibson. It is important to note that such assumptions are based on suggestions by the IEA's SDS as well as views from third-party consultants. We recognize that Gibson's ability to adapt and succeed in a lower-carbon economy will be compared against our peers and beyond. Investors and stakeholders increasingly compare companies based on ESG-related performance, including climate-related performance. Failure by Gibson to achieve our ESG targets, or a perception among key stakeholders that our ESG targets are insufficient, could adversely affect, among other things, our reputation and ability to attract capital. As this risk would affect our entire business and not disproportionately impact certain regions or assets, we focus our efforts on ensuring our entire business is resilient in the face of the energy transition. For example, many of Gibson's larger investors are focused on ESG and Net Zero mandates and are signatories to various climate-related principles or initiatives such as the Net Zero Asset Managers initiative. To meet our investors' expectations and demonstrate our commitment to support the transition to a lower-carbon future, we have a set a target to achieve Net Zero Scope 1 and 2 emissions company-wide by 2050. If Gibson were unable to achieve this target, it would not align with investor goals to decarbonize their portfolios across this time horizon.

Time horizon

Medium-term

Likelihood

Very unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

608,000,000

Explanation of financial impact figure

To estimate the potential financial impact, we considered the IEA's suggestion that the impact of future tightening of climate policies may see a similar impact as the recent loss in market capitalization of oil and gas companies due to the COVID-19 pandemic. The high end of the range is based on a 20% loss in market capitalization for the oil and gas sector, which could ultimately impact Gibson's market capitalization. The assumption of a 20% decrease is aligned to the approximate reduction in market capitalization experienced by Gibson as compared to periods prior to the pandemic (10%) and additional share price decrease due to the oil price decline expected under the SDS. Such assumptions are based on suggestions by the IEA's SDS as well as views from third-party consultants. Therefore, based on the SDS scenario, the potential financial impact due to the potential stigmatization of the sector on Gibson's current market capitalization (approximately \$3.04 billion as of the time of submission of this document) over the time horizon of 2023 to 2050 could be \$608,000,000, with no impact suggested under the STEPS. We estimate the potential financial impact could be in this range should we fail to meet the expectations of our key stakeholders.

Cost of response to risk

700,000

Description of response and explanation of cost calculation

Response

To address this reputational risk, we are taking proactive steps to manage and respond to investors' expectations. We continue to further integrate ESG and climate-related considerations throughout our business, which begins with strong climate-related governance by our SESG Committee. We set voluntary targets including Scope 1 and 2 absolute and intensity reductions and Net Zero by 2050. Additionally, we have tied our borrowing costs and employee compensation to our ESG performance. We continue to evaluate opportunities aligned with our internal return hurdles to implement low-carbon initiatives and provide renewable products and services to further demonstrate our commitment to contribute to a lower-carbon future.

Case Study

Given that many investors are incorporating Net Zero considerations into their investment portfolios, we recognized that being an ESG leader as the world transitions to a climate-resilient future is a critical role Gibson is committed to take for our business, shareholders, community and country. In 2021, the SESG Committee requested that management explore the development of a commitment to Net Zero Scope 1 and 2 emissions by 2050 in addition to our previously announced 2025 and 2030 intensity and absolute targets. We successfully identified an ambitious yet credible pathway by which we could reduce approximately 90% of our Scope 1 and 2 emissions from a 2020 baseline across our entire asset base through the application of existing technologies already in commercial use in North America, with the remaining 10% being addressed through new technologies currently in development or by the purchase of renewable energy certificates (RECs) or carbon offsets. Ultimately, in 2022 we continued to make progress towards our 2025 and 2030 interim targets as well as our Net Zero target, and continued to investigate opportunities to support the transition to a lower-carbon future.

Cost

The estimated annual cost of managing this risk includes: committing sufficient resources internally to sustainability/ESG initiatives; use of external consultants to support our climate strategy, government relations and voluntary disclosures; costs related to participation in industry focus groups and ESG conferences; and travel costs for ESG-related engagement during investor meetings. Please note that these are near-term, immediate costs and at this time do not represent future costs that have yet to be ascertained as we continue to monitor this risk.

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety. While the SDS and STEPS scenarios offer potential outlooks for the energy future, it is difficult to predict how the future may unfold and the potential outlooks under 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.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Gibson is continuing to investigate how we can reduce the consumption of non-renewable energy for a portion of our assets by powering our operations with electricity generated by renewable technologies. The ability to consume lower-emissions sources of electricity will not only decrease our consumption of non-renewable power and contribute to the achievement of our 2025 and 2030 absolute and intensity emissions

targets as well as our Net Zero by 2050 commitment, but can contribute to the overall decarbonization of the power grid. We had previously investigated the opportunity to directly deploy renewable energy technologies, such as solar power generation, for our Moose Jaw Facility, however after further investigation, we believe entering into a power purchase agreement (PPA) would be a more cost-effective and feasible solution for our business. A PPA is an appropriate alternative to Gibson developing our own power resources as it would allow us to enter into a long-term agreement where we could buy credits for energy generated from renewable assets that are owned and operated by a third party within the regulated power jurisdiction. We are specifically investigating this opportunity for our Alberta operations as it is more feasible to enter into a PPA in this region due to Alberta's deregulated electricity market, as opposed to Saskatchewan whose grid is regulated by the provincial government. We are continuing to investigate opportunities to support consumption of lower-emissions sources of energy across our operations in other regions, including the US.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

700,000

Explanation of financial impact figure

If we were to enter into a PPA in Alberta, it would provide up to 80% of the electricity required to power our Alberta facilities, though we may elect to apply the resulting voluntary credits to any area of our business.. We recognize that due to the current uncertainty in the long-term pricing of electricity, by locking in a PPA we may reduce the potential risk of being exposed to future cost volatility. Gibs on has assessed several PPA prices and production profiles and determined the approximate net present value and annual cost of each scenario. The estimated financial impact is based on the difference between the PPA price and the power pool price at the time of generation, multiplied by the power forecast to be generated annually. Based on this analysis, we estimate that the potential financial impact could be in the range of anywhere from an annual cost of \$300,000 (when pool prices are lower than the PPA price) to an annual cost savings of \$700,000 (when pool p rices are higher than the PPA price). The value reported for "potential financial impact – minimum" is \$0 as we are not able to report the potential cost of \$300,000 as a negative value in the CDP online system. The future realized impact is likely to vary, but is expected to be overall positive as the opportunity we are exploring could potentially yield a cost savings over the term of the agreement. We believe this opportunity would be a positive contributor to the achievement of our emission reduction targets and overall decarbonization of the grid as we transition to a lower-carbon future. We continue to work on identifying the potential future cost impacts of this opportunity.

Cost to realize opportunity

185,000

Strategy to realize opportunity and explanation of cost calculation

Strategy Explanation

Our strategy includes incentivizing the investigation of renewable energy opportunities as part of our STIP metrics for all employees and providing sufficient resources internally to support the deployment of renewable projects. Climate-related performance objectives are included within a 35% safety and broader ESG weighting of the total STIP and include objectives for executing renewable energy and energy efficiency improvement initiatives to help achieve our 2025 emissions targets. We have internal teams responsible for investigating opportunities for emissions reduction and renewable energy projects, including establishing partnerships with renewable energy providers to enter into a PPA. In addition, Gibson joined the Business Renewables Centre of Canada (BRCC), a cross-industry initiative that supports the transition to a lower-carbon future, making it easier for companies to enter the renewable energy market by providing resources on renewable energy procurement, including PPAs, and bringing veteran renewable purchasers and deal-makers together with those exploring the opportunity. Through this engagement, Gibson can gain valuable resources to help meet our renewable energy goals and demonstrate our commitment to our ESG targets.

Case Study

As part of our STIP performance objectives, we aim to identify partnerships, such as with renewable energy providers, to further achieve additional energy/emissions reductions to meaningfully contribute to our emissions targets. In 2022, we continued focusing on our Alberta facilities because they are all connected to the same grid, Alberta has a deregulated electricity market, and our Hardisty Terminal in Hardisty, AB is the largest consumer of electricity across our operations. Through this process, we have identified a potential opportunity to enter into a PPA, to be implemented prior to the end of 2025. This opportunity would supply renewable energy to our facilities and contribute to the decarbonization of the regional grid.

Explanation of Cost Calculation

The cost to realize this opportunity is approximately \$185,000 annually, prior to implementing a PPA, which includes salary and overhead for employees focused on advancing PPA opportunities (one full-time equivalent employee for half a year as well as members of the internal teams). Additionally, it includes our annual BRCC membership costs (\$5,000).

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify

Deployment of emissions reduction technology

Primary potential financial impact

Reduced direct costs

Company-specific description

As a liquids infrastructure company focused on Storage and Handling, Gibson believes there is an opportunity to deploy CCS technology as a possible means of helping achieve our absolute and intensity targets, while doing our part to be a responsible operator. Under the SDS, the use of CCS through 2050 continues to expand, with policies supporting widespread implementation of CCS as technologies continue to evolve and become more cost-effective. Throughout 2022, we continued to investigate the applicability of leveraging CCS (including monitoring and investigating novel CCS technologies) as a potential solution for capturing and sequestering atmospheric carbon dioxide (CO₂) levels emitted from our operations, thereby reducing our Scope 1 emissions. We are evaluating the possibility of deploying this technology for certain assets, such as the DRU, which is a significant contributor to our Scope 1 emissions. Additionally, the Hardisty area was found to have suitable geologic resources and storage reservoirs for carbon sequestration based on a preliminary study. We will continue to investigate the opportunity to leverage CCS technology at other assets, such as our Moose Jaw Facility, to support our emission reduction goals and Net Zero commitment.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,060,000

Potential financial impact figure – maximum (currency)

7,900,000

Explanation of financial impact figure

We estimated the financial impact as a reduction in direct costs due to lower carbon tax obligations as a result of implementing CCS at the DRU. We follow the Government of Canada's carbon pricing guidelines and assume that the low end of the estimated financial impact is the carbon price for the current year, with the high end of the range being the upper limit of the forecast carbon tax under the SDS. Additionally, the financial impact figure is based on the assumption that the CCS technology captures 90% of Gibson's equity share of anticipated Scope 1 GHG emissions from the DRU, assuming a full year of operation at approximately 36,304 tCO₂e, multiplied by \$65/tonne (the 2023 carbon tax) to derive the low end of the estimate and \$250/tonne (the upper limit of the carbon tax under the SDS in 2050) to estimate the high end. At the low end, the potential direct cost reduction related to decreased carbon tax obligations is estimated at approximately \$2,124,000 per year and at the high end is estimated at approximately \$8,170,000 per year. This impact assumes that our regulated Scope 1 emissions at the DRU would be subject to the carbon pricing under the federal backstop in the event that the DRU is no longer regulated by TIER. Additionally, this opportunity will require alignment with our JV partner for the DRU.

Cost to realize opportunity

35,000,000

Strategy to realize opportunity and explanation of cost calculation

Strategy Explanation

We continue to incentivize the investigation of emission reduction opportunities through our STIP metrics for all employees and provide sufficient resources internally to evaluate such projects. Climate-related performance objectives are included within a 35% safety and broader ESG weighting of STIP, including objectives for evaluating emissions reduction projects to help achieve our 2025 Scope 1 and 2 targets. We have internal working groups who are also responsible for investigating opportunities for emissions reduction and renewable energy projects, identifying funding opportunities and engaging with potential partners to collaborate on joint venture options for CCS and other opportunities.

Given the investment and ongoing operating costs required to realize this opportunity, Gibson would seek a partnership with an industry peer and/or government funding, such as the tax incentives announced in Canada's Budget, to make a potential CCS project economically feasible to ensure we maintain our fiscal responsibility as a company.

Case Study

In 2022, we continued to identify credible pathways by which we can use existing technology to achieve our climate-related targets and ensure we do our part to contribute to a lower-carbon future. To help reduce our Scope 1 emissions, we recognized that CCS presents a potential opportunity to capture direct emissions and help decrease atmospheric levels of CO₂, while contributing to the achievement of our emissions reduction targets. We ultimately found that Alberta has suitable carbon storage reservoirs near the Hardisty area and potential partnership opportunities. To realize this opportunity, investment in new infrastructure would have to occur and/or existing assets and infrastructure would have to be repurposed, which places this opportunity on a long-term implementation timeline.

Explanation of Cost Calculation

We estimate the one-time cost to implement CCS at the DRU would be approximately \$35,000,000 based on the approximate cost required to build the Shell Quest Facility, as well as estimates from the Intergovernmental Panel on Climate Change 2018. This estimate includes the cost to build carbon capture infrastructure but does not include the storage and handling costs.

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety.

Identifier

Opp6

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Shift toward decentralized energy generation

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Gibson believes there is an opportunity to implement waste heat to power technology to capture otherwise wasted heat from our processing facilities and recycle it to generate electricity. This opportunity would decrease the amount of non-renewable electricity we would have to consume from the grid, while reducing our Scope 2 emissions and contributing to the achievement of our 2025 and 2030 emission reduction targets as well as our Net Zero by 2050 commitment. In 2022, Gibson started to investigate the applicability of existing technologies, such as Organic Rankine Cycle (Technology Readiness Level 9), as well as new technologies (Technology Readiness Level 8) at our Moose Jaw Facility to establish how much waste heat was available to be converted to power. Technologies considered have been previously utilized to convert heat to power, and the Organic Rankine Cycle is widely used with a market size of approximately \$12 billion USD, but the cost and applicability to Gibson's specific facilities is being evaluated. We will continue to investigate the opportunity to leverage waste heat to power technology at other assets, such as the DRU, to support our targets and contribute to the transition to a lower-carbon future.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

0

Potential financial impact figure – maximum (currency)

390,000

Explanation of financial impact figure

We estimated the financial impact as a reduction in operating costs due to a decrease in the amount of electricity we would have to purchase from the grid as a result of generating power from waste heat at our Moose Jaw Facility. The potential financial impacts were estimated by multiplying the estimated maximum expected recoverable power by the maximum expected power cost savings, resulting in an operating cost savings of up to approximately \$390,000 per year.

Cost to realize opportunity

5,000,000

Strategy to realize opportunity and explanation of cost calculation

Strategy Explanation

We continue to incentivize the investigation of emission reduction opportunities through our STIP metrics for all employees and provide sufficient resources internally to evaluate such projects. Climate-related performance objectives are included within a 35% safety and broader ESG weighting of STIP, including objectives for evaluating emissions reduction projects to help achieve our 2025 Scope 1 and 2 targets and Net Zero commitment.

Case Study

One of Gibson's interim emission reduction targets on our path to Net Zero is to reduce 15% of absolute Scope 1 and 2 emissions at our Moose



Jaw Facility by 2025. Building on the recently implemented fuel switching project at the facility, we continued to investigate other opportunities to implement emission reduction initiatives to achieve this target. In 2022, Gibson reviewed the available wasted heat at the Moose Jaw Facility to determine how much power could be generated through new or existing waste heat to power technology. This preliminary review has informed the inputs to a more detailed analysis of the costs and interfaces required to convert wasted heat to power at this facility.

Explanation of Cost Calculation

We estimate the one-time cost to implement waste heat to power at our Moose Jaw Facility would be approximately \$5,000,000 based on the estimated cost of the heat recovery and power generating equipment and the associated installation and design costs.

Comment

Although Gibson uses the above noted criteria to measure substantive financial or strategic impact on a quantitative basis, the potential financial impacts and costs set out herein are estimates based on management's assumptions and reasonable expectations and, by their nature, are "forward looking information". No assurances can be given that any of these estimates will prove to be correct and therefore, should not be unduly relied upon, are subject to change and the impact of events, in addition to environmental, including climate-related, matters, outside of Gibson's control and other risks associated with Gibson's business and operations. Any such changes may be material. Gibson disclaims any obligation to update or revise these estimates whether as a result of new information or future events. For more information on these estimates, assumptions, expectations and risks inherent in Gibson's business, please see the information set out under the heading "Further Information" below, which expressly qualifies the preceding information in its entirety.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, our strategy has been influenced by climate-related risks and opportunities, but we do not plan to develop a climate transition plan within two years



Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

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. In 2021, Gibson completed its first climate scenario analysis using 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). In 2022, we extended our climate scenario analysis to 2050 to reflect the changes published by the IEA to the SDS and STEPS. We applied these scenarios to all areas of our business to evaluate the resilience of our strategy in a lower-carbon environment, and, where appropriate, we used the STEPS as the base case scenario and the SDS to stress test our asset base and strategy. From the scenario analysis, we have identified how our world-class asset base can benefit from the energy transition, including by supporting the changing needs of our current customers as well as new customers. For example, in 2022, we placed into service 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 confident in our ability to adapt to changes in the external market, enabling our business to remain in a low-carbon economy. 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 sustainability and ESG journey including continuing to monitor the external environment.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
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<p>Transition scenarios IEA STEPS (previously IEA NPS)</p>	<p>Company-wide</p>		<p>We conducted quantitative and qualitative climate-related scenario analysis using the STEPS as the base case scenario. We completed our first scenario analysis using the IEA's STEPS and SDS across a time horizon to 2040 and we have now extended it to 2050 as the data for this time horizon was made available by the IEA. The STEPS provides a detailed forecast of how existing climate action developments and policies would impact the energy sector until 2050. The STEPS also assumes advanced economies will return to pre-pandemic levels in 2021, with global energy demand returning in 2021. Oil demand is expected to reach pre-pandemic levels by 2023 with maintained price support. As CO2 emissions rebound in 2021 and exceed pre-pandemic levels by 2023, the STEPS also assumes the goals of the Paris Agreement will not be achieved.</p> <p>The STEPS has a time horizon to 2050, which aligns with our Net Zero commitment and 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 was conducted company-wide, considering our Canadian and US 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.</p>
<p>Transition scenarios IEA SDS</p>	<p>Company-wide</p>		<p>We conducted quantitative and qualitative climate-related scenario analysis using the SDS to stress test our asset base and strategy. The SDS assumptions are based on a backcast scenario of what must occur to meet the Paris Agreement goals. Under the SDS, the UN Sustainable Development Goals (SDGs) on energy and air quality are met. 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 CO2 emissions, with global oil production steadily decreasing to half of what it was pre-pandemic in 2050. As a result, the SDS assumes the UN SDGs on energy access and air quality will be achieved by 2070. Further, the SDS assumes Net Zero will be achieved by 2070, which has the objective of</p>



			<p>holding the increase in the global average temperature to below 1.5°C.</p> <p>The SDS has a time horizon to 2050, which aligns with our Net Zero commitment and 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 was conducted company-wide, considering our Canadian and US 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.</p>
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C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

To address our focal questions, the SDS and STEPS were selected based on Task Force on Climate-related Financial Disclosures (TCFD) recommendations, as well as their focus on climate information, transition and physical risks relevant to our operations and widespread use and understanding by the energy industry. In particular, we hoped to answer the following focal questions:

Question 1: What climate-related physical and transition risks could potentially affect our company, what would their impacts be, how can we mitigate such risks, and what opportunities arise?

Question 2: What potential quantitative financial impacts would these potential opportunities and risks have on our business under each of the scenarios?

Question 3: How can Gibson remain resilient throughout the energy transition when considering policy expectations and the potential for changing energy demand and supply, among other variables, under each scenario?

Results of the climate-related scenario analysis with respect to the focal questions

Question 1

The scenario analysis results suggest the STEPS presents lower risk to our current operations, where Gibson is resilient with opportunities for growth. The SDS, which assumes a faster rate of decarbonization, could have a greater impact. Under the SDS there may be a risk of reduced demand for crude oil products and services as it assumes there will be decreased investment in new oil sands and conventional oilfield development projects. Short-term decreased throughput would not significantly impact Gibson as most of our existing contracts are on a long-term take-or-pay basis with a minor proportion of revenues related to product volumes transported. Under the SDS, this may impact 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 long-term take-or-pay customers or if there is a reduction on rates for our services. While the scenario analysis revealed certain risks under the SDS, we are strengthening our governance and using scenarios as a basis for continuous monitoring and strategy adjustment.

Question 2

This work has informed our strategy by including climate scenario analysis as part of our financial modeling that guides our short-, medium- and long-term planning, and has allowed us to explore opportunities to mitigate potential climate-related risks and ensure the resiliency of our business in the future. The potential financial impact of risks in the STEPS could be minimal with strong opportunities enabling Adjusted EBITDA growth to 2050. The potential financial impact of risks in the SDS could be material, however opportunities in energy transition and traditional infrastructure are expected to exceed the impact of the risks. Expected oil demand and throughput decline may challenge Gibson's products and services with contract renewals being harder to attain at current fixed prices. Overall, we see expansion opportunities in the energy transition that are expected to offset the financial impacts of these risks.

Question 3

Despite the risk of decreased oil demand, we believe Gibson will remain in an advantageous position to evolve alongside changing energy needs, while emerging energy transition investment opportunities will continue to influence our business strategy. As we pursue energy transition opportunities, we will remain prepared to address challenges from future changes in oil demand. We believe our strategy is resilient under the scenarios and actively monitor it to adapt to market changes, while recognizing the uncertain views of the future represented through scenarios. The scenario analysis supports the identification of business development opportunities we may explore to maintain our resiliency.



We continue to review climate signposts for changes in climate-related regulation, technology and consumer demand.

See section C16 for Gibson’s views on the use of the IEA’s scenarios.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Climate-related risks and opportunities have influenced our business strategy, particularly with respect to renewable products and services. As renewable fuel regulations continue to emerge, such as the Clean Fuel Regulations, there will likely be an increase in the demand for low-carbon fuels and renewable fuel blends. This has influenced our strategy by considering opportunities to expand our business through the energy transition and offer products and services to enable the further production and accessibility of low-carbon fuels. We view the energy transition as an opportunity to offer enhanced infrastructure and services, such as the production, storage and transportation of renewable fuels, and believe we are well-positioned to support the future transition to a low-carbon economy. Our organizational capabilities and world-class asset base will support the energy transition and help us continue to evolve to meet the changing energy demand and the needs our current and future customers. To deploy this strategy, we hold discussions with customers on opportunities to build additional storage tanks and distribution infrastructure for renewable products. We also established a dedicated new ventures team at Gibson with a focus on energy transition, to identify and develop opportunities in this space.</p> <p>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 for Suncor. The additional infrastructure for the Biofuels Blending Project was placed into service in 2022 and will be used to facilitate the storage, blending and transportation of</p>



		<p>renewable diesel. In addition, in 2022 we continued to explore the opportunity of potentially partnering to build a facility to produce hydrotreated renewable diesel. We believe that through this type of opportunity, Gibson can demonstrate how we are supporting the transition to a lower-carbon future. The time horizon for our strategy on renewable products and services covers the next 5-10 years.</p>
<p>Supply chain and/or value chain</p>	<p>Yes</p>	<p>As part of our commitment to operating a responsible business, we believe that we can help mitigate climate-related risks throughout our value chain by engaging suppliers on climate-related topics. Through our sustainable procurement strategy, we have identified several opportunities to gather climate-related information from our suppliers, ensure our suppliers understand our carbon management expectations and encourage suppliers to improve their environmental and climate-related performance. As part of this strategy, in 2021 we implemented a new Supplier Code of Conduct and Ethics (the “Supplier Code”), which outlines our expectations of suppliers and their commitment to environmental responsibility and the management of carbon emissions, among other topics, and encourages suppliers to seek opportunities to improve their environmental and climate-related performance. Suppliers must adhere to the Supplier Code as part of our sustainable procurement approach for the supplier contracting, compliance and onboarding program. Throughout 2022, we also continued to ensure ESG considerations were incorporated into our request for proposals (RFP) process by requiring all proponents to complete a sustainability and ESG questionnaire, which asks for information on ESG practices and performance, including climate-related topics such as air and GHG emissions and climate-related strategy. The sustainability and ESG section holds a 10% weighting of the overall supplier selection criteria for evaluating all RFPs. In the future, Gibson also intends to engage with suppliers to provide guidance on improving their sustainability and climate-related disclosure so they better understand any potential risks and opportunities they may face, and in turn we can collaboratively work to address the potential impacts throughout the value chain. The time horizon for our sustainable procurement strategy is for the next 2 years, at which point we plan to review and make any additional updates to our supplier expectations. We also review the ESG questions in our RFP and supplier pre-qualification processes on an annual basis to ensure we continue to evolve and enhance our commitments and expectations of managing climate-related risks and opportunities and collecting relevant information from our suppliers and contractors.</p>



Investment in R&D	Yes	<p>Gibson is committed to investing in low-carbon studies, with an emphasis on identifying opportunities to lower our emissions footprint. We regularly conduct engineering and efficiency studies to determine the GHG and air emissions reduction potential of new and emerging technologies for both Scope 1 and Scope 2 emissions. These studies are conducted to minimize the potential impact of climate-related risks by: addressing changing market demands for low-carbon fuels across the value chain; continuing our commitment to reduce our emissions profile and climate-related impacts, and; minimizing the potential climate-related regulatory risks associated with the federal backstop, TIER and MRGGR. This research includes 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 on an ongoing basis and serve as a critical part of our corporate strategy. Through this process, we investigate opportunities to increase our consumption of renewable energy for our operations, which would decrease our Scope 2 emissions and contribute to the decarbonization of the grid. We also implemented an opportunity to invest \$20,500,000 at our Moose Jaw Facility to further reduce both the absolute emissions and emissions intensity by switching from a feedstock-based fuel supply to natural gas. This project builds on our earlier emissions intensity reduction projects we have implemented at our Moose Jaw Facility. Work on the project commenced in 2021 and was successfully completed in Q2 2022. Such engineering studies are conducted on a time horizon that is typically annually or more frequently to coincide with the exploration of new projects or development opportunities, and potential opportunities that meet Gibson's internal rate of return are presented to Management and the Board.</p>
Operations	Yes	<p>As part of our Enterprise Risk Management process, we identified climate-related legislative and regulatory risks that have the potential to impact our business. Specifically, these included the federal backstop, TIER and MRGGR, as well as from an operational efficiency perspective. These climate-related regulatory risks as well as operational efficiency opportunities influence our operations and capital deployment strategy. Our GHG management activities focus on effectively assessing and investing in projects to reduce our emission intensity at our operations to meet or exceed our compliance obligations and emission reduction targets. Specifically, we have established an emissions compliance operations strategy given that our Moose Jaw Facility in Saskatchewan is considered a</p>



		<p>large emitter under the MRGGR regulations. Furthermore, for the Hardisty Custom Treater, Hardisty Fractionator and DRU we elected to voluntarily participate in the Alberta TIER aggregate program, which includes emission benchmarks and targeted emission intensity reduction requirements, to minimize the potential financial impacts of the federal backstop. Through these programs, we are proactively preparing and aligning our corporate standards with government and industry expectations.</p> <p>Gibson continues to make meaningful progress in supporting the energy transition and reducing the GHG emissions of our operations on the path to achieve our Net Zero by 2050 commitment. We have developed a credible roadmap to Net Zero by 2050 across all our operations through the application of existing technologies already in commercial use in North America, including but not limited to opportunities to switch to lower-emission energy sources, investment in renewable energy and the potential for future decarbonization through CCS. In 2022, we also completed a fuel switching project for emissions reduction at our Moose Jaw Facility, where we switched from a feedstock-based fuel supply to natural gas, which we anticipate will result in an estimated emissions reduction of approximately 5,000 tCO_{2e} /year. This project builds on the earlier emissions intensity reduction projects we have implemented at our Moose Jaw Facility.</p> <p>The time horizon for this strategy is for 3-5 years and it will continue to be reviewed annually in the context of potential changes to the federal backstop's carbon pricing escalation.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs	Revenues Revenues in our financial planning process, specific to project development, are influenced by climate-related policies and market changes, such as increased demand for renewable fuels. For example, we continue to investigate potential



<p>Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital</p>	<p>opportunities to expand our offering of renewable products and services, which would contribute to an increase in Gibson’s revenue. The time horizon for financial planning related to revenues occurs at least annually, with near-term outlooks reviewed more frequently and long-term forecasting modelled over five- and ten-year periods.</p> <p>Direct Costs Our financial planning process is influenced by climate-related and regulatory risks, as understanding direct costs over the long-term is vital to our financial planning and evaluation of project viability. We include carbon pricing in business case modelling as an economic driver for projects in jurisdictions where applicable, along with other economic considerations. To understand the future impacts of carbon pricing on our business decisions and direct costs, including investment in emission reduction activities, we currently use an evolving shadow price of \$65-80/tonne and will continue to align our internal carbon pricing with the Canadian Government. As an example, we used an internal carbon price when evaluating a fuel switching opportunity at the DRU, similar to our successfully completed fuel switching project at our Moose Jaw Facility, which may result in an emissions reduction by switching from a feedstock-based fuel supply to natural gas. This potential opportunity would require alignment with our JV partner and could impact our direct costs by reducing carbon tax compliance obligations under TIER. We also apply the shadow price on other projects where the carbon tax is applicable. The time horizon for financial planning related to direct costs occurs annually.</p> <p>Indirect Costs Indirect costs are evaluated during our financial planning process through the impact of carbon pricing on indirect energy-related costs and operating costs. When evaluating new projects, we embed carbon pricing as an assumption in energy-related factors such as electricity, where relevant. Relevant operating costs we consider include climate-related consulting costs such as monitoring of potential impacts from regulatory and carbon pricing changes, analyzing potential future decarbonization scenarios, quantification and verification of company-wide emissions and emissions management and disclosure programs. The time horizon for financial planning related to indirect costs occurs annually.</p> <p>Capital Expenditures We consider the impact of GHG emissions as part of our capital review processes and have formed internal teams to identify and advance opportunities to reduce emissions. We consider innovation and optimization as being key to unlocking additional GHG reduction opportunities and remain committed to ensuring that all our capital expenditures,</p>
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		<p>including investment in emissions reductions, continue to realize Gibson’s internal return hurdles. We conduct low-carbon research and development with a focus on identifying opportunities to invest in new or emerging proven technologies to lower our emissions footprint, including through renewable energy opportunities and improvements to our infrastructure and operations efficiency (please see section C9 for further details). We regularly conduct engineering and efficiency studies to determine the emissions reduction potential of new and emerging technologies and consider the capital expenditure requirements required to implement these opportunities. The time horizon for financial planning related to capital expenditures occurs annually.</p> <p>Capital Allocation We consider the energy transition as a capital allocation opportunity, and accordingly we commit funds within our budget to investigate various opportunities to reduce our emissions and ensure our business is resilient throughout the energy transition. We allocate capital to projects that will help us address both emerging and current climate-related risks and opportunities. Specifically, in 2022, we allocated capital to continue investigating the opportunity to build a renewable diesel facility to expand Gibson’s business offerings and ensure we remain resilient into a lower-carbon future, while meeting the changing needs of our customers. Additionally, we allocate capital to ensure we commit sufficient resources internally to investigate emissions reduction opportunities. The time horizon for financial planning related to capital allocation occurs annually.</p> <p>Acquisitions and Divestments We consider our portfolio with respect to the energy transition, including the impact of carbon tax and the implications of current and emerging regulations, among other climate-related factors, 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 existing ESG targets. The time horizon for financial planning related to acquisitions and divestments occurs as needed when acquisitions and divestments are evaluated.</p> <p>Access to Capital Gibson seeks to be a leader in sustainability and ESG, including climate-related performance, as we believe our focus in</p>
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		<p>this area will benefit our access to capital. We consider access to capital in our financial planning with respect to achieving sustainability and ESG targets tied to our sustainability-linked revolving credit facility as well as our ability to meet the climate-related expectations of key stakeholders and investors. In 2022, we completed a Sustainability Certificate with respect to our key sustainability targets for our sustainability-linked revolving credit facility, which ties borrowing costs to a target of reducing company-wide Scope 1 and 2 intensity by 2025, among other targets. Given the growing number of investors incorporating Net Zero considerations into their strategies, we recognized that being a leader as the world transitions to a climate-resilient future is a critical role Gibson is committed to take for our business, shareholders, community and country. We have set a target to achieve Net Zero by 2050 to ensure we do our part to foster a healthy, sustainable economy while helping limit the rise of global temperatures. Additionally in 2022, our strong ESG performance was recognized, and we were added to the GLIO/GRESB ESG Index, the world's first specialist ESG-filtered listed infrastructure index, and we remain in the S&P/TSX ESG Composite Index and the Sustainalytics Jantzi Social Index. The time horizon for financial planning related to access to capital occurs annually but is continuously considered in Gibson's market communications.</p>
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C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with a sustainable finance taxonomy	At the company level only

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

.....
Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

Other, please specify

Climate Bonds Taxonomy

Objective under which alignment is being reported

Total across all objectives

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

7,940,000

Percentage share of selected financial metric aligned in the reporting year (%)

8.6

Percentage share of selected financial metric planned to align in 2025 (%)

0

Percentage share of selected financial metric planned to align in 2030 (%)

0

Describe the methodology used to identify spending/revenue that is aligned

We classified our CAPEX aligned with our organization's climate transition based on the Climate Bonds Taxonomy. Under this taxonomy, the "Bioenergy" category is specifically relevant to our Biofuels Blending Project as well as our investigation of potentially partnering to build a facility to produce hydrotreated renewable diesel. 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 for Suncor. The Biofuels Blending Project came into service in Q2 2022 and includes additional infrastructure that will be used to facilitate the storage, blending and transportation of renewable diesel. In addition, throughout 2022 we continued to conduct work to investigate the potential of building a facility that would fall under the Climate Bonds Taxonomy Bioenergy category for facilities producing biofuels for transport. Please

note that the CAPEX in the reporting year only relates to the portion spent in 2022, not the entire CAPEX for these projects.

We anticipate that we will continue to have an increased proportion of CAPEX aligned with a sustainable finance taxonomy through 2025 and 2030, but are not able to provide an estimate at this time and therefore have disclosed 0% as the future planned CAPEX. Gibson will continue pursuing opportunities to diversify our business offerings of products and services related to low-carbon fuels, and our future transition-aligned CAPEX is subject to change as our business strategy evolves. We continue to work with our customer Suncor regarding a potential follow up project that we hope to sanction in the near-term. Gibson views renewable fuels as a value chain we have particular interest in and an area of potential growth for the Company. We also continue to investigate the opportunity to build a facility to produce low-carbon fuels and/or infrastructure for the storage, transportation and blending of biofuels. In addition, we have established an internal new ventures team with a focus on energy transition opportunities, and ultimately expect the proportion of transition-aligned spend will increase through 2025 and 2030 as a result of new opportunities implemented by this team.

C3.5c

(C3.5c) Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

Intensity target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Site/facility

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO₂e)

52,673



Base year Scope 2 emissions covered by target (metric tons CO2e)

8,252

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

60,925

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

73.8

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

17.6

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

51.5

Target year

2025

Targeted reduction from base year (%)

15

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

51,786.25

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

54,156

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

6,574

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)



Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

60,731

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

2.1228286144

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions



We target a 15% reduction in absolute Scope 1+2 emissions at our Moose Jaw Facility by 2025 from a 2020 baseline.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. The Moose Jaw Facility is our largest single contributor to our total equity share of Scope 1+2 emissions, and we believe that by focusing on reducing absolute emissions at this facility, it can have a meaningful impact on reducing our overall emissions profile. We have already made meaningful investments in progressing towards improving the emissions profile of the Moose Jaw Facility, and in 2022 we implemented an opportunity for the facility to switch from a feedstock-based fuel supply to natural gas, which we anticipate will result in an estimated emissions reduction of approximately 5,000 tCO₂e/year (absolute net of production expansion emissions), while increasing anticipated production from 22,500 bpd to 24,000 bpd. This change is also expected to reduce flaring by stabilizing the off gas produced in the process. We continue to investigate additional opportunities that will lead to further progress towards absolute emissions reduction at the Moose Jaw Facility for Scope 1, including investigating novel technologies as well as the opportunities discussed in C2.4a. In addition, we will focus on Scope 2 emission reductions since this will also help achieve our target to reduce 50% of our company-wide Scope 2 emissions by 2025 (please refer to Abs2 for further details). Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect that variability in the initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 2

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

46,858

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)



Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

46,858

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)



Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2025

Targeted reduction from base year (%)

50

Total emissions in target year covered by target in all selected Scopes (metric tons CO₂e) [auto-calculated]

23,429

Scope 1 emissions in reporting year covered by target (metric tons CO₂e)

Scope 2 emissions in reporting year covered by target (metric tons CO₂e)

46,579

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO₂e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO₂e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO₂e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO₂e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO₂e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

46,579

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

1.190831875

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 50% company-wide reduction in absolute Scope 2 emissions by 2025 from a 2020 baseline. This target covers Scope 2 emissions sources from all operations in Canada and the US as reported in C7.6b. The target also includes our 50% equity weighted portion of emissions from phase 1 of the jointly owned DRU at the Hardisty Energy Terminal (HET), which began operation in mid-2021, as well as our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West, but does not consider any material mergers or acquisitions that may potentially occur in the future.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. To achieve our target to reduce 50% of our company-wide Scope 2 emissions by 2025, we plan to focus on switching to lower-emission energy sources. The main contributors to our Scope 2 emissions profile include electricity



we consume from the grid at our Moose Jaw Facility as well as for product pumps at our Hardisty Terminal, DRU and Edmonton Terminal. Throughout 2022, we continued to focus our efforts on identifying renewable energy opportunities for these facilities to meet our 2025 target. We have identified a potential opportunity to enter into a PPA, to be implemented prior to 2025, which would supply renewable energy to our Alberta facilities. We will continue to investigate other potential opportunities for renewable energy and energy efficiency improvements to meet our 2025 Scope 2 reduction target. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Abs 3

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2020

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

46,858

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

46,858

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

100

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

0

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

46,579

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

46,579

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

0.5954159375

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 100% company-wide reduction in absolute Scope 2 emissions by 2030 from a 2020 baseline. This target covers Scope 2 emissions sources from all operations in Canada and the US as reported in C7.6b. The target also includes our 50% equity-weighted portion of emissions from phase 1 of the jointly owned DRU at the HET, which began operation in mid-2021, as well as our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West, but does not consider any material mergers or acquisitions that may potentially occur in the future.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. Our target to reduce 50% of company-wide Scope 2 emissions by 2025 (Abs2) is an interim target on the path to achieving our target of reducing 100% of Scope 2 emissions by 2030. After successfully achieving our 2025 target, we will continue to identify opportunities to further optimize and improve our emissions profile across all our operations to achieve our 2030 target. This may include investigating additional renewable energy partnership opportunities such as through PPAs, investment in renewables such as owning/operating and/or inciting development of solar or wind to eliminate residual emissions, and finally seeking opportunities to purchase RECs to reduce any minimal remaining Scope 2 emissions at the target year. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)



Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

0.000188

Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.000124

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

0.000312

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure



% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

15

Intensity figure in target year for all selected Scopes (metric tons CO2e per unit of activity) [auto-calculated]

0.0002652

% change anticipated in absolute Scope 1+2 emissions

5

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.000229



Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.000106

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)



Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.000334

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-47.0085470085

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 15% company-wide reduction in Scope 1+2 intensity by 2025 from a 2020 baseline. This target covers Scope 1+2 emissions sources from all operations in Canada and the US as reported in C7.3b and C7.6b. The target also includes our 50% equity-weighted portion of emissions from phase 1 of the jointly owned DRU at the HET, which began operation in mid-2021, as well as our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West, but does not consider any material mergers or acquisitions that may potentially occur in the future. Achievement of this target is also tied to the borrowing cost of our sustainability-linked revolving credit facility.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. To inform our company-wide emission reduction targets, we have completed an extensive review of our current assets and have identified several energy and emissions optimization projects and initiatives to undertake to ensure we have realistic and actionable pathways to achieve these targets. Our plan to achieve a 15% reduction in company-wide emissions intensity by 2025 includes implementing opportunities to reduce our Scope 1 emissions while also increasing our consumption of lower-emission energy sources to address our Scope 2 emissions.

We have already made meaningful investments in progressing towards improving the emissions profile of the Moose Jaw Facility, which is currently the main contributor to our overall emissions profile. Through our efficiency studies, we implemented an opportunity to invest \$20,500,000 at our Moose Jaw Facility to further reduce the emissions intensity by switching from a feedstock-based fuel supply to natural gas, which we anticipate will result in an estimated emissions reduction of approximately 5,000 tCO₂e/year. This project began construction in 2021 and was completed in Q2 2022. Additional opportunities for similar projects which would result in process efficiency improvements have also

been identified and are being assessed. Throughout the reporting year, we also continued to pursue opportunities to switch to lower-emission energy sources such as powering our operations with renewable energy through a PPA to be implemented prior to 2025. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives, versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 2

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.000188

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.000124

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.000312

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

100

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

100

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

20

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0002496

% change anticipated in absolute Scope 1+2 emissions

-1

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.000229

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.000106

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)



Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.000334

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-35.2564102564

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 20% company-wide reduction in Scope 1+2 intensity by 2030 from a 2020 baseline. This target covers Scope 1+2 emissions sources from all operations in Canada and the US as reported in C7.3b and C7.6b. The target also includes our 50% equity-weighted portion of emissions from phase 1 of the jointly owned DRU at the HET, which began operation in mid-2021, as well as our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West, but does not consider any material mergers or acquisitions that may potentially occur in the future.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. To inform our company-wide emission reduction targets, we have completed an extensive review of our current assets and have identified several energy and emissions optimization projects and initiatives to undertake to ensure we have realistic and actionable pathways to achieve these targets. After achieving our 2025 company-wide emissions reduction target



(Int1), our plan to achieve this 2030 target includes implementing additional Scope 1 reduction initiatives across our facilities as well as continuing to transition to renewable energy consumption to reduce 100% of our Scope 2 emissions (Abs3). Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect that variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 3

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Business activity

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.006766

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.00124

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.008007

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

87.2

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

24.4

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

62.3

Target year

2025

Targeted reduction from base year (%)

30

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0056049

% change anticipated in absolute Scope 1+2 emissions

43

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

0.005439

Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.000721

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)



Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.00616

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

76.8910536614

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 30% reduction in Scope 1+2 intensity for our Processing Facilities by 2025 from a 2020 baseline. Processing Facilities included in this target are the Moose Jaw Facility, Plato North Custom Treater, Plato South Custom Treater, Rimbey Custom Treater, Sexsmith drilling fluid recycling and Hardisty Fractionator. The target also includes our 50% equity-weighted portion of emissions from phase 1 of the jointly owned DRU at the HET, which began operation in mid-2021, but does not consider any material mergers or acquisitions that may potentially occur in the future. Please note that the Hardisty Custom Treater has been transitioned to storage and handling as of 2022 as it is no longer used for processing activities.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. The emissions from the Processing side of our business are greater than those from our Storage and Handling business, with a higher proportion of Scope 1 emissions as more stationary combustion occurs at these facilities. We

believe it was prudent to separate these business activities and define targets specific to how these assets are operated. To achieve this target, we plan to focus on initiatives that target Scope 1 emission reductions at these facilities, as well as implementing opportunities to switch to renewable energy sources for Scope 2.

We have already made meaningful investments in progressing towards improving the emissions profile of the Moose Jaw Facility, which is currently the main contributor to our overall emissions profile. Through our efficiency studies, we implemented an opportunity to invest \$20,500,000 at our Moose Jaw Facility to further reduce the emissions intensity by switching from a feedstock-based fuel supply to natural gas. This project began construction in 2021 and was completed in Q2 2022. In 2022, we also continued to pursue opportunities to switch to lower-emission energy sources such as powering our operations with renewable energy through a PPA to be implemented prior to 2025. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 4

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Business activity

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.006766

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.00124

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)



Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.008007

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

87.2

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

24.4

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

62.3

Target year

2030

Targeted reduction from base year (%)

40

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0048042

% change anticipated in absolute Scope 1+2 emissions

22

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.005439

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.00721

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)



Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.00616

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

57.668290246

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 40% reduction in Scope 1+2 intensity for our Processing Facilities by 2030 from a 2020 baseline. Processing Facilities included in this target are the Moose Jaw Facility, Plato North Custom Treater, Plato South Custom Treater, Rimbey Custom Treater, Sexsmith drilling fluid

recycling and Hardisty Fractionator. The target also includes our equity-weighted portion of emissions from phase 1 of the jointly owned DRU at the HET, which began operation in mid-2021, but does not consider any material mergers or acquisitions that may potentially occur in the future. Please note that the Hardisty Custom Treater has been transitioned to storage and handling as of 2022 as it is no longer used for processing activities.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. The emissions from the Processing side of our business are greater than those from our Storage and Handling business, with a higher proportion of Scope 1 emissions as more stationary combustion occurs at these facilities. We believe it was prudent to separate these business activities and define targets specific to how these assets are operated. After achieving our target to reduce our Processing intensity 30% by 2025 (Int 3), we plan to achieve this 2030 target by continuing to implement Scope 1 reduction initiatives as well as reducing 100% of our Scope 2 emissions by 2030 in line with target Abs3. To reduce Scope 1 emissions, we have identified the potential to implement a fuel switching project at the DRU, similar to the ongoing work at our Moose Jaw Facility, which would require alignment with our JV partner. We are continuing to investigate the potential for CCS at the DRU as well as our Moose Jaw Facility. These projects are undergoing evaluation. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 5

Is this a science-based target?

No, and we do not anticipate setting one in the next two years



Target ambition

Year target was set

2020

Target coverage

Business activity

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.000025

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.000096

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)



Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO₂e per unit of activity)

0.000121

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

12.8

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

75.6

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8: Upstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3, Category 9: Downstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10: Processing of sold products intensity figure

% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of sold products intensity figure

% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3, Category 12: End-of-life treatment of sold products intensity figure

% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13: Downstream leased assets intensity figure

% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises intensity figure

% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments intensity figure

% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

37.7

Target year

2025

Targeted reduction from base year (%)

60

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.0000484

% change anticipated in absolute Scope 1+2 emissions

-51

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.000011

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.00008

Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)



**Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
(metric tons CO2e per unit of activity)**

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO₂e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO₂e per unit of activity)

0.000091

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

41.3223140496

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 60% reduction in Scope 1+2 intensity for our Storage and Handling Facilities by 2025 from a 2020 baseline. The Storage and Handling Facilities included in this target are Edmonton, Edson, Hardisty Terminal, Hardisty Custom Treater, Hussar, Plato North, Plato South, Rimbey, Sexsmith, Canadian Pipelines, Canadian Fleet Vehicles, US Injection Stations, Wink Terminal, US Pipelines, US Trucking, US Fleet Vehicles and our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West. This target does not consider any material mergers or acquisitions that may potentially occur in the future. Please note that as of February 2022, we sold our US Trucking business. Additionally, the Hardisty Custom Treater has been transitioned to storage and handling as of 2022 as it is no longer used for processing activities.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. Our Storage and Handling business has a higher proportion of Scope 2 emissions relative to the Processing side of our business. We believe it was prudent to separate these business activities and define targets specific to how these assets are operated. To achieve this target, we plan to focus on switching to lower-emission energy sources in line with our target to reduce 50% of our company-wide Scope 2 emissions by 2025 (Int2). The main contributors to our Storage and Handling emissions include electricity for product pumps at Hardisty and Edmonton. Throughout 2022, we continued to focus on identifying renewable energy opportunities for these facilities to meet our 2025 target. We have identified a potential opportunity to enter into a PPA, to be implemented prior to 2025, which would supply renewable energy to our Alberta facilities. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

Target reference number

Int 6

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Target ambition

Year target was set

2020

Target coverage

Business activity

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Intensity metric

Metric tons CO₂e per barrel of oil equivalent (BOE)

Base year

2020

Intensity figure in base year for Scope 1 (metric tons CO₂e per unit of activity)

0.000025

Intensity figure in base year for Scope 2 (metric tons CO₂e per unit of activity)

0.000096

Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 2: Capital goods (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 5: Waste generated in operations (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 6: Business travel (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 7: Employee commuting (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 8: Upstream leased assets (metric tons CO₂e per unit of activity)

Intensity figure in base year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO₂e per unit of activity)



Intensity figure in base year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

0.000121

% of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

12.8

% of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

75.6

% of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

% of total base year emissions in Scope 3, Category 2: Capital goods covered by this Scope 3, Category 2: Capital goods intensity figure

% of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) covered by this Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) intensity figure

% of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution covered by this Scope 3, Category 4: Upstream transportation and distribution intensity figure

% of total base year emissions in Scope 3, Category 5: Waste generated in operations covered by this Scope 3, Category 5: Waste generated in operations intensity figure

% of total base year emissions in Scope 3, Category 6: Business travel covered by this Scope 3, Category 6: Business travel intensity figure

% of total base year emissions in Scope 3, Category 7: Employee commuting covered by this Scope 3, Category 7: Employee commuting intensity figure

**% of total base year emissions in Scope 3, Category 8: Upstream leased assets covered by this Scope 3, Category 8:
Upstream leased assets intensity figure**

**% of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution covered by this Scope 3,
Category 9: Downstream transportation and distribution intensity figure**

**% of total base year emissions in Scope 3, Category 10: Processing of sold products covered by this Scope 3, Category 10:
Processing of sold products intensity figure**

**% of total base year emissions in Scope 3, Category 11: Use of sold products covered by this Scope 3, Category 11: Use of
sold products intensity figure**

**% of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products covered by this Scope 3,
Category 12: End-of-life treatment of sold products intensity figure**

**% of total base year emissions in Scope 3, Category 13: Downstream leased assets covered by this Scope 3, Category 13:
Downstream leased assets intensity figure**

**% of total base year emissions in Scope 3, Category 14: Franchises covered by this Scope 3, Category 14: Franchises
intensity figure**

**% of total base year emissions in Scope 3, Category 15: Investments covered by this Scope 3, Category 15: Investments
intensity figure**



% of total base year emissions in Scope 3, Other (upstream) covered by this Scope 3, Other (upstream) intensity figure

% of total base year emissions in Scope 3, Other (downstream) covered by this Scope 3, Other (downstream) intensity figure

% of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

% of total base year emissions in all selected Scopes covered by this intensity figure

37.7

Target year

2030

Targeted reduction from base year (%)

95

Intensity figure in target year for all selected Scopes (metric tons CO₂e per unit of activity) [auto-calculated]

0.00000605

% change anticipated in absolute Scope 1+2 emissions

-94

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year for Scope 1 (metric tons CO₂e per unit of activity)

0.000011

Intensity figure in reporting year for Scope 2 (metric tons CO₂e per unit of activity)

0.00008



Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 2: Capital goods (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 5: Waste generated in operations (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 6: Business travel (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 7: Employee commuting (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 8: Upstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 10: Processing of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 11: Use of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 13: Downstream leased assets (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 14: Franchises (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Category 15: Investments (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (upstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for Scope 3, Other (downstream) (metric tons CO2e per unit of activity)

Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

0.000091

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

26.0983036103

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

We target a 95% reduction in Scope 1+2 intensity for our Storage and Handling Facilities by 2030 from a 2020 baseline. The Storage and Handling Facilities included in this target are Edmonton, Edson, Hardisty Terminal, Hardisty Custom Treater, Hussar, Plato North, Plato South, Rimbey, Sexsmith, Canadian Pipelines, Canadian Fleet Vehicles, US Injection Stations, Wink Terminal, US Pipelines, US Trucking, US Fleet Vehicles and our 36% equity share of the Joliet Terminal and 50% equity share of Hardisty West. This target does not consider any material mergers or acquisitions that may potentially occur in the future. Please note that as of February 2022, we sold our US Trucking business. Additionally, the Hardisty Custom Treater has been transitioned to storage and handling as of 2022 as it is no longer used for processing activities.

Plan for achieving target, and progress made to the end of the reporting year

Gibson believes setting ambitious performance targets is essential to driving continuous improvement, and we are committed to approaching our targets with clear and strategically aligned initiatives. Our Storage and Handling business has a higher proportion of Scope 2 emissions relative to the Processing side of our business. We believe it was prudent to separate these business activities and define targets specific to how these assets are operated. After successfully achieving our 2025 target, we will continue to identify opportunities to further optimize and improve our emissions profile across all our operations to achieve our 2030 target. This may include investigating additional renewable energy partnership opportunities such as through PPAs, investment in renewables such as owning/operating and/or inciting development of solar or wind to eliminate residual emissions, and finally seeking opportunities to purchase RECs to reduce any minimal remaining Scope 2 emissions at the target year. Overall, we believe that our efforts will enable us to achieve this target by the target date.

We anticipate that our progress towards achieving this target will be variable as we expect variability in the emerging opportunities and initiatives that we are able to implement year to year. We may also see shifts in the actual performance of emission reduction initiatives versus engineered estimates. We recognize that progress is not linear, and we are committed to transparent reporting on our journey towards achieving our targets.

List the emissions reduction initiatives which contributed most to achieving this target

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Abs3

Int1

Int2

Int3

Int4

Int5

Int6

Target year for achieving net zero

2050

Is this a science-based target?

No, and we do not anticipate setting one in the next two years

Please explain target coverage and identify any exclusions

Gibson's Net Zero by 2050 target covers our company-wide Scope 1 and 2 emissions under our equity share boundary from a 2020 baseline across all our operations in Canada and the US.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

We have developed a credible path to Net Zero by 2050 in which Gibson can reduce approximately 90% of our Scope 1 and 2 emissions from a 2020 baseline across our entire asset base through the application of existing technologies already in commercial use in North America, with the remaining 10% being addressed through new technologies currently in development or by the purchase of RECs or carbon offsets. Our previously announced 2025 and 2030 GHG reduction targets, both on an absolute and intensity basis, will serve as interim milestones to support our path to Net Zero and ensure we continue to make progress to meet our 2050 commitment. To inform our interim target setting and path to Net Zero by 2050, we completed an extensive review of our current assets, potential future projects/expansions and several energy and emissions optimization projects and initiatives to undertake across 2025, 2030 and 2050, to ensure we have realistic and actionable pathways to achieve these targets. For each project, we have identified the cost, emission reduction potential, implementation timeline and strategy, technology readiness, interdependencies and risks and opportunities.

In the near term, we aim to implement modernization and innovation opportunities at our facilities and identify opportunities to switch to lower-emission energy sources such as through PPAs and other investments in renewable energy. We believe that through the implementation of existing technologies already in commercial use in North America, we could account for 90% of our forecasted Scope 1 and 2 emissions by 2050, with the potential for superior alternatives to emerge over time to minimize our reliance on offsets or credits. We intend to address the remaining 10% through new technologies currently in development or by the purchase of RECs or carbon offsets, such as nature-based solutions. If we need to purchase offsets, we are committed to purchasing those accredited by globally recognized standards and are investigating opportunities to partner with other stakeholders on mutually beneficial carbon offset projects.

Planned actions to mitigate emissions beyond your value chain (optional)



C-OG4.2d

(C-OG4.2d) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.

The targets reported above in C4.1a/b which cover Scope 1 emissions also incorporate methane emissions, including Abs1, Int1, Int2, Int3, Int4, Int5 and Int6. Methane emissions are not material to our activities or asset profile as they are estimated at only 3,560 tCO₂e in 2022 (as reported in C7.1a), and we therefore do not have a methane-specific emissions reduction target. Specifically, our methane emissions are substantially lower than other peers in our industry due to our unique asset profile. We forecast that our already low level of methane emissions will continue to decrease as we progress towards achieving our 2025 and 2030 emission reduction targets. Overall, progress towards these targets will lead to Scope 1 emissions reductions, including an associated reduction in methane, and in particular we expect to see the greatest impact in methane reduction from target Abs1 as a result of the fuel switching project at our Moose Jaw Facility, which remains the largest contributor towards our total overall emissions and methane emissions. This project as designed should result in an estimated reduction of approximately 5,000 tCO₂e/year, while also reducing incidental flaring by improving the stability of the overall process, further decreasing methane emissions from the already low levels generated at the facility.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	8	
To be implemented*	1	22,000

Implementation commenced*	0	0
Implemented*	1	5,000
Not to be implemented	3	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes
 Fuel switch

Estimated annual CO2e savings (metric tonnes CO2e)

5,000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,000,000

Investment required (unit currency – as specified in C0.4)

20,500,000

Payback period

1-3 years



Estimated lifetime of the initiative

Ongoing

Comment

In 2022, we completed a fuel switching opportunity at our Moose Jaw Facility, where we switched from a feedstock-based fuel supply to natural gas, which we anticipate will reduce our emissions by an estimated 5,000 tCO₂e per year, while increasing anticipated production from 22,500 bpd to 24,000 bpd. Additionally, this change is expected to reduce incidental flaring by improving the stability of the overall process, further decreasing methane emissions from the already low levels generated at the facility. This project builds on the earlier emissions intensity reduction projects we have implemented at our Moose Jaw Facility. Construction on this project began in 2021 and was completed in Q2 2022. The estimated reduction of 5,000 tCO₂e per year was not realized in 2022 as the project was not operational for the full fiscal year.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Compliance with regulatory requirements and standards influences our approach to emissions reduction activities as we plan to focus on effectively measuring and investing in projects to reduce emissions across our operations to meet or exceed our compliance obligations and emission reduction targets. Gibson has a compliance assurance framework that ensures that we remain aware of current and emerging regulatory emissions compliance requirements and consider emission reduction initiatives to meet such requirements. This also includes assessment of current operations for methane fugitive emissions and follow-up actions to address any relevant findings. We have embedded climate-related considerations into our decision-making process, such as by considering the impact of GHG emissions as part of our capital review processes and remain committed to ensuring that all our capital investments continue to realize Gibson's internal return hurdles in addition to meeting our regulatory requirements. We continue to identify potential emission reduction initiatives across our business. For example, as we continue to focus on improving the emissions profile of the Moose Jaw Facility, we allocated capital within our budget to further reduce emissions by implementing an opportunity to switch from a feedstock-based fuel supply to natural gas. This project began construction in 2021 and was completed in Q2 2022, and will not only contribute to the achievement of our emission targets, but will help meet our compliance obligations under the MRGGR regulation.



Employee engagement	<p>In 2022, 35% of the total STIP weighting for all employees was tied to safety and broader ESG metrics. The 35% weighting includes targets to maintain our top performance on third-party ESG ratings, which incorporate climate-related considerations. This measure helps us increase the awareness among our employees of the overall importance of integrating sustainability into our organization, while engaging and driving change in our employees and ultimately our business. Additionally, all employees are required to complete a sustainability training course as part of the onboarding process, which is intended to increase our employees' awareness of the importance of sustainability and climate-related topics to our business as well as explain how all employees can engage in our sustainability journey, while driving change in our employees' behaviour, and as a result, our overall business.</p>
Internal incentives/recognition programs	<p>In 2022, there were three climate-related performance objectives included in the 35% safety and broader ESG weighting of the total STIP, which aims to grow the awareness, maturity and effectiveness of our organization on ESG matters and optimize our energy use to help reduce our overall carbon footprint and ensure we remain a low emitter relative to our peers. This includes performance objectives related to identifying any gaps to achieve Gibson's 2025 Scope 1 and/or 2 emissions targets and developing an action plan to close the gaps, engagement with potential renewable energy partners to achieve additional energy/emissions reductions to meaningfully contribute to our Scope 2 emissions targets and the successful completion of the sanctioned fuel switching project at the Moose Jaw Facility to deliver on targeted Scope 1 emission reductions. Our STIP objectives also include targets to maintain our top performance on third-party ESG ratings, which incorporate climate-related considerations and opportunities.</p>
Internal price on carbon	<p>We consider carbon pricing to be a key factor in determining the financial viability of a project and include it in our business case modelling for Canadian projects. The Government of Canada has confirmed its previously announced plan to accelerate climate action in Canada, titled "A Healthy Environment and a Healthy Economy" which proposes an increasing cost on carbon to \$170 per tonne in 2030. To reach that level, the price imposed on carbon will rise from the current 2023 rate of \$65 per tonne by \$15 per tonne each year, which may have a potential impact on Canadian industry participants, including Gibson. To understand the future impacts of an internal carbon price on our business decisions, including investment in emission reduction activities, we currently use an evolving shadow price of \$65-80/tonne for projects in Canada. We follow the current Government of Canada's guidelines and will align our internal carbon pricing with the government's legislation to set a cost on carbon of \$170 per tonne in 2030. We also continue to monitor the potential for additional carbon policies programs to be introduced in the US, but at this time we are not subject to carbon pricing at any of our US operations.</p>



Dedicated budget for energy efficiency	Gibson has a dedicated budget for business development (including energy efficiency) studies. This budget is used for preliminary engineering (pre-FEED/FEED) work; once a project has passed our technical and commercial hurdles it is sanctioned like all other company projects, using either growth or maintenance capital budgets, as appropriate.
Dedicated budget for other emissions reduction activities	Gibson has a dedicated budget for business development (including emissions reduction) studies. This budget is used for preliminary engineering (pre-FEED/FEED) work; once a project has passed our technical and commercial hurdles it is sanctioned like all other company projects, using either growth or maintenance capital budgets, as appropriate.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

.....

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other

Other, please specify

DRUBit(TM) product to decrease emissions intensity and increase safety of transporting bitumen via rail

Description of product(s) or service(s)

Gibson's joint-venture DRU at the HET, which had its first full fiscal year of operation in 2022, removes and upcycles diluent from Diluted Bitumen (DilBit) to create DRUBit(TM), which is a combination of bitumen and a small amount of remaining diluent. The addition of diluent to bitumen is required to reduce the overall viscosity so that the mixture can be transported by pipeline, however diluent is not required for rail transportation. Following separation of diluent from bitumen at the HET, the denser separated DRUBit(TM) is loaded into rail tank cars and transported to markets in the US. The remaining diluent will then be upcycled from Hardisty, AB for reuse in the oil sands and elsewhere. This is an improvement from the current baseline process where the DilBit is transported by rail to refineries in Texas for diluent removal and recycle by pipeline back over long distances to Alberta. Recycling the diluent in Alberta, and therefore reducing the transportation distance required, leads to a significant improvement in GHG emissions via our DRUBit(TM) product.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

Internally developed model informed by Environment Canada's "Technical guidance on reporting greenhouse gas emissions"

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Gate-to-gate

Functional unit used

Delivery of bitumen derived from 50,000 bpd of DRUBit(TM) sent from Hardisty, Alberta to Port Arthur, Texas on an annual basis via rail transportation versus delivery of bitumen derived from 50,000 bpd of DilBit sent from Hardisty, Alberta to Port Arthur, Texas on an annual basis via rail transportation.

Note that 50,000 bpd aligns with the nameplate capacity of our operational first phase of the DRU.

Reference product/service or baseline scenario used

The reference case is the delivery of bitumen derived from 50,000 bpd of DilBit sent from Hardisty, Alberta to Port Arthur, Texas on an annual basis via rail. This scenario was chosen as it was the lowest emissions intensity alternative transport method and a current major egress pathway to transport bitumen to the same Port Arthur, Texas destination.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Gate-to-gate

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

57,000

Explain your calculation of avoided emissions, including any assumptions

Using an attributional approach, we analyzed the avoided emissions of delivering bitumen as DRUBit(TM) versus DilBit by rail from Hardisty, Alberta to the Port Arthur Terminal (PAT) in Texas. We did not use an existing taxonomy but based on our analysis, which has been third-party reviewed, we found that DRUBit(TM) is a significantly lower-carbon alternative to transporting bitumen by rail. We also analyzed two other current egress pathways via pipeline and found that this comparison resulted in even higher avoided emissions vs. DilBit by rail. The model was based on 2020 data including pipeline utilization and assumes: diluent recovery at the HET; rail transport including car counts and locomotive performance from the HET to PAT; pipeline transport including recent electrical grid intensity; railcar unloading, blending, and product delivery at PAT; and diluent recovery at the end-user refinery. The model is based on emission factors from fuel/energy consumption, aligning with standard industry practice. Emissions from upstream bitumen production and downstream refinery processing beyond diluent recovery are not included as they are outside our boundaries. Modeled emissions from the HET and PAT are based on engineering design calculations for each facility at 50,000 bpd. Emissions for rail transport are based on the railcar loading capacities for DilBit and DRUBit(TM) and locomotive fuel efficiency for the rail route and the return of empty railcars to AB. Emissions for pipeline transport are based on calculated pumping power requirements for DilBit and diluent with average electrical grid intensity for each pipeline section. Emissions for diluent recovery/upcycle at the refinery in Texas are assumed to be the same as at the HET. For a complete list of other assumptions relevant to this analysis, please refer to Further Information in section C16.

The results of our analysis indicate the total estimated emissions displaced for the first phase of the DRU, although we have a 50% equity share of the facility. Actual avoided emissions are subject to change as grid profiles evolve and as we continue to refine the facility after working through the typical start-up process for a new facility. Additionally, this is an annual estimate assuming a whole year of operations. The analysis was completed and verified in 2021 by an independent third-party who examined the model for calculation errors, data integrity and quality of references.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

As a leading liquids-focused infrastructure company, our operations are focused around our core terminal assets located in Hardisty and Edmonton, Alberta where we generated approximately 65% of our segment profit from our terminals in 2022. Given the nature of our liquids-based midstream handling operations, we do not generate material methane emissions as Gibson's oil and gas activities are limited to the midstream sector and our total methane emissions in 2022 were only 3,560 tCO₂e. However, we do generate minimal levels of methane emissions at our Moose Jaw Facility in Saskatchewan where we process high-quality refined products. Small quantities of methane emissions from our operations can arise from the heat process as well as minor leaks from equipment such as valves, pumps and flanges.

To reduce emissions of methane, we have focused our efforts on improving process heat efficiency as well as conducting proactive preventive maintenance and leak detection and repair (LDAR) programs. On an ongoing basis, we conduct preventive maintenance on all our equipment at the Moose Jaw Facility, including valves, pumps and flanges. We also deploy annual LDAR programs at our significant facilities, which use organic vapour analyzers to identify hydrocarbon concentrations greater than 200 parts per million via direct measurement of fittings in gas-service, and target maintenance accordingly. Additional methane emissions reductions across our operations will be achieved as we progress towards the targets reported above in C4.1 which include Scope 1 emissions. Specifically, the facility-specific absolute Scope 1+2 emissions target for the Moose Jaw Facility (Abs1) will have the greatest impact on our methane emissions.

Case Study

As our Moose Jaw Facility remains the largest contributor towards our total overall equity share of emissions and methane emissions, we have prioritized opportunities to further optimize and improve its emissions profile to ensure we meet our stated emission reductions targets. In 2022, we implemented an opportunity for the Moose Jaw Facility to switch from a feedstock-based fuel supply to natural gas, which we anticipate will result in an estimated emissions reduction of approximately 5,000 tCO₂e/year, while increasing anticipated production from 22,500 bpd to 24,000 bpd. Additionally, this change is expected to reduce incidental flaring by improving the stability of the overall process, further decreasing methane emissions from the already low levels generated at the facility. This project builds on the earlier emissions intensity reduction projects we have implemented at our Moose Jaw Facility and was successfully completed during the 2022 reporting year.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Although Gibson's oil and gas production activities are limited to midstream storage and handling and methane is not material to our overall emissions profile at only 3,560 tCO₂e in 2022, we do undertake leak detection and repair and fugitive emission management activities. This includes routine operational inspections where any issues identified are logged into our corrective maintenance program for appropriate mitigation scheduling as well as preventative maintenance scheduling where proactive efforts are employed to address potential issues. LDAR surveys are regularly conducted at all facilities in Alberta as well as our Moose Jaw Facility, with different regulatory requirements applicable in the regions where we operate. In Alberta, we follow the Alberta Energy Regulator Directive 060, which requires inspections to be conducted once per year using handheld direct gas draw samplers to provide the loss rate, and also reference US EPA's Method 21. We use direct gas draw samplers rather than infrared thermal imaging (FLIR) cameras as our regulated emissions in Alberta are not fugitive. In Saskatchewan, we are regulated by the Federal Reduction in the Release of Volatile Organic Compounds Regulations and undertake an annual inspection at our Moose Jaw Facility with direct gas draw samplers. As of 2022, we use FLIR cameras to conduct inspections three times per year to align with the recent update to the regulations. From a safety perspective, we also routinely inspect our assets with photoionization detector handheld devices. In Canada, our Fugitive Emissions Management Programs encompass all sites where crude or blended oil is stored. Additionally, our emission models are updated annually for NPRI reporting and include fugitive sources that are modelled using the best available information on stream characteristics informed by headspace sampling and lab analysis where available. Additionally, we have several assets that are exempt from fugitive emission management regulations, including our operations in the US as well as our pipelines and Plato North and Plato South facilities in Canada. The scope of our leak detection and fugitive emissions management program covers 77% of Gibson's assets by number of active facilities, excluding pipelines, which covers all assets where fugitive emission management regulations are applicable.

Gibson's LDAR program consists of direct measurement of fittings to identify any potential leaks, quantify the size of each release and take action as needed. Any problematic fittings identified are scheduled via the corrective maintenance program so appropriate mitigation measures can be performed. In conformance with our OMS implementation objectives, it is envisioned that the fugitive emission management system will become standardized throughout our operations where such programs are required. We find that the main cause of identified leaks is natural degradation of gaskets or packing material. Any methane leaks found are routinely fixed within 30 days with some exceptions, such as in the case of large leaks which can be repaired in line with planned facility shutdown schedules.

Case Study

As our Alberta facilities are regulated by Directive 060, we conduct annual inspections which identify and classify loss rates into small, medium or large leaks. In 2022, we conducted such inspections at our regulated Alberta facilities, and for example, detected 5 leaks at our Edmonton Terminal that were classified as large (>10,000 ppm of methane). These leaks were repaired within 30 days, and we subsequently performed a verification to ensure all leaks were properly abated. As a result, we were able to successfully identify and repair methane leaks at this facility, contributing to the further reduction of Gibson's already immaterial methane emissions profile.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

As our business consists of the storage and handling, processing and marketing of crude oil and refined products, this question is not relevant to Gibson. Our infrastructure network includes strategically located oil terminals, separation and fractionation facilities, a crude oil processing/refining facility, gathering pipelines and other terminals. Continuous flaring is not relevant to our operations, with the potential for flaring primarily used for upset/safety conditions in addition to some other cases such as planned maintenance activities. As our Moose Jaw Facility remains the largest contributor towards our total overall emissions, we have prioritized opportunities to further optimize and improve its emissions profile to ensure we meet our stated emission reductions targets and exceed regulatory requirements. In 2022, we implemented an opportunity for the Moose Jaw Facility to switch from a feedstock-based fuel supply to natural gas, which we anticipate will result in an estimated emissions reduction of approximately 5,000 tCO₂e/year, while increasing anticipated production from 22,500 bpd to 24,000 bpd. Additionally, this change is expected to reduce incidental flaring by improving the stability of the overall process. This project was successfully completed during the 2022 reporting year.



C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2020

Base year end

December 31, 2020

Base year emissions (metric tons CO₂e)

71,421

Comment

Scope 2 (location-based)

Base year start

January 1, 2020

Base year end

December 31, 2020

Base year emissions (metric tons CO₂e)

52,476

Comment

Scope 2 (market-based)

Base year start

January 1, 2020

Base year end

December 31, 2020

Base year emissions (metric tons CO₂e)

46,858

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

551,730

Comment

We have changed the base year to 2022 for Scope 3 only as the DRU has been in operation for a full fiscal year, which will allow the Scope 3 base year to be appropriately compared to future performance.

Scope 3 category 2: Capital goods

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

5,999

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

10,648

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

102,219

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

899

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

819

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

2,397

Comment

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

856

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO2e)

476,156

Comment

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

8,810

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1, 2022

Base year end

December 31, 2022

Base year emissions (metric tons CO₂e)

89,181

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start



Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)



Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

US EPA Emissions & Generation Resource Integrated Database (eGRID)

Other, please specify

US EPA GHG Emission Factors Hub; Government of Alberta, Technology Innovation Emissions Reduction Regulation; Government of Saskatchewan.

Management and Reduction of Greenhouse Gases Standards



C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

107,227

Comment

Scope 1 emissions are quantified and verified annually by third-party professionals and include emissions on an equity share basis, which have been verified to a reasonable level of assurance. The Joliet Terminal emissions were independently verified by the operator Zenith to a limited level of assurance, however as these emissions are below the materiality threshold, our entire corporate inventory has been accepted by the verifier under reasonable assurance. Please note that emissions breakdowns disclosed in sections below may vary slightly from this total as values have been rounded to the nearest whole number.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment



Scope 2 emissions are quantified and verified annually by third-party professionals and include emissions on an equity share basis, which have been verified to a reasonable level of assurance. The Joliet Terminal emissions were independently verified by the operator Zenith to a limited level of assurance, however as these emissions are below the materiality threshold, our entire corporate inventory has been accepted by the verifier under reasonable assurance. We purchase electricity required for our operations from the grid as well as RECs via contractual instruments. The market-based Scope 2 figure reported includes RECs for 11,500 MWh of renewable electricity consumption.

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

56,300

Scope 2, market-based (if applicable)

49,579

Comment

Please note that emissions breakdowns disclosed in sections below may vary slightly from this total as values have been rounded to the nearest whole number.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

551,730

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2.4

Please explain

Scope 3 emissions related to purchased goods and services were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Protocol (GHG Protocol). The emissions from annual spend data from our supply chain management system that tracks external spend were estimated via the spend-based method using the Quantis Scope 3 Evaluator. Following the GHG Protocol, this category also includes an estimate for emissions associated with the upstream extraction, production, and transportation of purchased crude oil and feedstocks for our Processing operations. Data sources include specific volumes of crude feedstocks for our Moose Jaw Facility and liquefied petroleum gas (LPG) feedstock for our Hardisty Fractionator. Relevant crude oil emission factors were obtained from supplier specific factors for crude feedstock originating from Cold Lake, and the emission factor for Fosterton crude was estimated based on a report from the California Air Resources Board. Emission factors for LPG feedstocks were obtained based on publicly available data from Gibson's LPG suppliers.

Capital goods

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

5,999

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to capital goods were estimated from our annual spend data following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Protocol. Emissions were estimated via the spend-based method using the Quantis Scope 3 Evaluator. Please note that in some instances we were unable to differentiate our construction spend data between construction services and materials to construct capital goods from the same supplier, and therefore such spend is being reported in this category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

10,648

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Scope 3 emissions for fuel-and-energy-related activities were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Protocol using the average data method. Emissions from this category are associated with the upstream production and processing of the fuels consumed in activities that fall within our organizational boundary. This also includes an estimate for transmission and distribution emissions associated with the electricity that we consume.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

102,219

Emissions calculation methodology

Average data method

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to upstream transportation and distribution of processed products were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Protocol. These emissions are associated with the transportation and distribution services that we purchase including inbound logistics, outbound logistics (e.g., of sold products), and third-party transportation and distribution between our facilities. This estimate does not include products that pass through our facilities that our customers maintain ownership of. The emissions also include data for third-party transportation and distribution services that we purchased for both our US and Canadian operations.

Waste generated in operations

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

898

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Scope 3 emissions related to waste generated in operations were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard Protocol. Emission factors used for our various waste types were from sources including the US EPA, Government data, and the Canadian GHG Calculator for Waste Model. Emissions were estimated via the average data method using data from the amount of waste injected, landfilled, and recycled.

Business travel

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

819

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

GHG emissions from business travel were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Data on flights and transportation in rented vehicles not owned or operated by Gibson was provided by a third-party travel agency we work with. Distance based method emissions were estimated using by multiplying the approximate distance traveled in km by the corresponding emission factor for the method of travel according to the DEFRA's 2020 Government Greenhouse Gas Conversion Factors for Company Reporting, EPA Emission Factors for Greenhouse Gas Inventories. The increase in business travel emissions from 2021 to 2022 was due to more travel occurring after COVID-related travel restrictions were lifted.

Employee commuting

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2,397

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to employee commuting were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Primary data was gathered through a company-wide survey, with a 57% response rate, which was sent to all employees to understand the employee commute distances and transit methods used in 2022. We also considered the proportion of days employees worked from home due to our hybrid working schedule. Emission factors across each of the major transit systems – rail, bus, carpool and vehicle – were derived from the American Public Transportation Association (APTA) Standards. Additionally, we have included an estimate of the emissions related to teleworking via the average data method.

Upstream leased assets

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

856

Emissions calculation methodology

Asset-specific method



Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Gibson's upstream leased assets in 2022 include our Calgary and Houston offices. For the Calgary office, emissions were calculated based on whole building electricity and natural gas consumption factored by the leased square footage of the office. Houston office electricity and natural gas consumption was collected via monthly invoices.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

476,156

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to downstream transportation and distribution of processed products were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. These emissions are associated with the downstream transportation and distribution of processed products leaving our facilities (transportation not paid for by Gibson, in vehicles and/or facilities not owned by us or under our operational control). This does not include products that pass through our operations that our customers maintain ownership of. Distance-based and average methods were used to estimate the emissions for this category. Publicly available information regarding product movements in Canada and the US and input from our operators were used to guide the estimation process. Emissions factors were sourced from the US EPA and the GHGenius model.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

8,810

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to processing of sold products were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. These estimated emissions are associated with further refining of processed products including the vacuum gas oil (VGO) products from our Moose Jaw facility as well as butane and pentane from our Hardisty Fractionator that we process and sell to downstream customers. Publicly available tools and emissions factors including the Oil Climate Index (OCI) web tool, and the Petroleum Refinery Life Cycle Inventory Model (PRELIM) were used to estimate these emissions. This category does not include the volumes that pass through our operations that our customers maintain ownership of. Light distillate and tops from our Moose Jaw Facility are also excluded as there is uncertainty around the fate of these products, however, we estimate that any further processing is limited to mixing these products with other gasoline or diesel components, and we therefore estimate such emissions are negligible. This category also excludes further processing of asphalt products that we produce at the Moose Jaw Facility due to the relatively stable nature of such products and the lack of publicly available information regarding the fate of asphalt, processing methods and their associated emissions. Overall, based on a data review, these asphalt-related emissions are expected to be negligible.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

89,181

Emissions calculation methodology

Fuel-based method

Methodology for direct use phase emissions, please specify

Non-variable fuels method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Scope 3 emissions related to use of sold processed products were estimated following the WRI/WBCSD GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. These emissions are associated with downstream combustion of propane from our Hardisty Fractionator. Publicly available emissions factors were used from sources including the Alberta Greenhouse Gas Quantification Methodologies. The emissions in this category do not include the volumes that pass through our operations that our customers maintain ownership of. This category also excludes the use of asphalt that we produce at our Moose Jaw Facility due to the relatively stable nature of such products and the lack of publicly available information regarding the fate of asphalt, and emissions associated with its use. Accordingly, these asphalt-related emissions are expected to be negligible. Additionally, other sold products from Moose Jaw are excluded from this category as they are not directly combustible in their downstream use.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Gibson's sold products do not generate any end of life GHG emissions because they are consumed as a source of energy or as a feedstock for other processes. Given the majority of these products are energy based, we anticipate that there will not be any end of life emissions to treat the products. This would not apply to end of life treatment of asphalt products as it is not feasible to determine the fate of asphalt, when and where and how it is treated. A rough estimate assuming all roofing flux product is turned into shingles and all shingles produced will become landfilled suggested these emissions would be less than 1% of our Scope 3 emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Gibson does not lease any assets that would fall under the definition of this category and therefore it is not relevant.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

Gibson does not own any franchises and therefore this category is not relevant.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

Gibson has minimal equity investments, debt investments and long-term financing projects and therefore, emissions from this category are immaterial to our overall Scope 3 footprint.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Please explain

Gibson does not have other upstream Scope 3 emissions to report and therefore this category is not relevant.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Please explain

Gibson does not have other downstream Scope 3 emissions to report and therefore this category is not relevant.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000014

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

156,806

Metric denominator

unit total revenue

Metric denominator: Unit total

11,035,411,000

Scope 2 figure used

Market-based

% change from previous year

30

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in revenue

Please explain

We saw a decrease in our Scope 1+2 emissions intensity in tonnes CO₂e/unit total revenue from 0.000020 in 2021 to 0.000014 in 2022 due to an increase in our revenue. In addition, our intensity decreased due to other emission reduction activities such as completion of the fuel switching project at our Moose Jaw Facility.

Intensity figure

0.000334

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

156,806

Metric denominator

barrel of oil equivalent (BOE)

Metric denominator: Unit total

469,001,814

Scope 2 figure used

Market-based

% change from previous year

0.5

Direction of change

Increased

Reason(s) for change

Other emissions reduction activities

Change in output

Please explain

We saw a negligible increase in our Scope 1+2 emissions intensity in tonnes CO₂e/BOE from 0.000332 in 2021 to 0.000334 in 2022. While our emissions increased due to the DRU being operational for its first full fiscal year, we also saw an 8% increase in infrastructure volumes for the year, largely attributable to increased throughput at the Hardisty and Edmonton Terminals from certain customers utilizing their existing tankage, partially offset by reduced capacity of the Moose Jaw Facility due to a turnaround completed during the year and completion of the fuel switching project, which lowered the emissions intensity per barrel.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO₂e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify

m³ throughput

Metric tons CO₂e from hydrocarbon category per unit specified

0

% change from previous year

2

Direction of change

Increased

Reason for change

We saw a minor increase in our Scope 1 emissions intensity in tonnes CO₂e/m³ throughput from 0.00144 in 2021 to 0.001438 in 2022. This was mainly driven by the DRU having its first full fiscal year of operations in 2022. Please note that this intensity metric is not related to our 2025 and 2030 company-wide emissions intensity targets, as the targets are for Scope 1+2 intensity combined.

Comment

The "metric tons CO₂e from hydrocarbon category per unit specified" was 0.001438, but has been rounded to 0 due to CDP's online database system.

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Midstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.28

Details of methodology

Our operations do not consist of any natural gas throughput or production, therefore we are not able to report the estimated total methane emitted expressed as % of natural gas production or throughput at given division.



C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	102,989	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	3,560	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	678	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

43,193

Gross Scope 1 methane emissions (metric tons CH4)

24

Total gross Scope 1 emissions (metric tons CO2e)

43,790

Comment

Natural Gas CH4 GWP = 25

Emissions category

Combustion (excluding flaring)

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

54,247

Gross Scope 1 methane emissions (metric tons CH4)

64

Total gross Scope 1 emissions (metric tons CO2e)

55,842

Comment

Fuel Gas CH4 GWP = 25

Emissions category

Flaring

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

4,072

Gross Scope 1 methane emissions (metric tons CH4)

8

Total gross Scope 1 emissions (metric tons CO2e)

4,271

Comment

Flaring CH4 GWP = 25

Emissions category

Venting

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

15

Total gross Scope 1 emissions (metric tons CO2e)

377

Comment

Venting CH4 GWP = 25

Emissions category

Fugitives

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

27

Total gross Scope 1 emissions (metric tons CO₂e)

674

Comment

Fugitives CH₄ GWP = 25

Emissions category

Other (please specify)

Propane

Value chain

Midstream

Product

Gas

Gross Scope 1 CO₂ emissions (metric tons CO₂)

189

Gross Scope 1 methane emissions (metric tons CH₄)

0

Total gross Scope 1 emissions (metric tons CO₂e)

189

Comment

Propane CH₄ GWP = 25



Emissions category

Other (please specify)

Diesel

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

191

Gross Scope 1 methane emissions (metric tons CH4)

0

Total gross Scope 1 emissions (metric tons CO2e)

191

Comment

Diesel CH4 GWP = 25

Emissions category

Other (please specify)

Gasoline

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

91

Gross Scope 1 methane emissions (metric tons CH4)

0

Total gross Scope 1 emissions (metric tons CO2e)

97

Comment

Gasoline CH4 GWP = 25

Emissions category

Other (please specify)

Truck and fleet vehicles fuel

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

1,007

Gross Scope 1 methane emissions (metric tons CH4)

2

Total gross Scope 1 emissions (metric tons CO2e)

1,050

Comment

Fuel CH4 GWP = 25

Emissions category

Other (please specify)

Wastewater Treatment

Value chain

Midstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

3

Total gross Scope 1 emissions (metric tons CO2e)

68

Comment

Wastewater Treatment CH4 GWP = 25

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
---------------------	--------------------------------------

Canada	104,533
United States of America	2,694

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

By activity

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Moose Jaw Facility	54,156	50.384342	-105.513219
Diluent Recovery Unit (50% equity share)	36,304	52.63895	-111.19183
Hardisty Terminal	112	52.6399	-111.27447
Hardisty Custom Treater	4	52.63398	-111.275422
Hardisty Fractionator	8,753	52.63187	-111.2748
Hardisty West (50% equity share)	2	52.643458	-111.280064
Plato North	852	51.557256	-108.980039
Plato South	1,031	51.153758	-108.37385
Rimbey	1,108	52.6453	-114.219933
Edmonton	707	53.551333	-113.371378
Sexsmith	275	55.342917	-118.773075
Hussar	7	51.094206	-112.821995



Edson	0	53.573982	-116.648528
Canadian Pipelines	316	0	0
Canadian Fleet Vehicles	907	0	0
Wink Terminal	37	31.71136	-103.1595
US Pipelines	0	0	0
US Trucking	112	0	0
US Fleet Vehicles	41	0	0
US Injection Stations	161	0	0
Joliet Terminal (36% equity share)	2,343	41.485168	-88.109658

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Storage and Handling Facilities – Includes activities from Edmonton, Edson, Hardisty Terminal, Hardisty West, Hardisty Custom Treater, Hussar, Plato North, Plato South, Rimbey, Sexsmith, Canadian Pipelines, Canadian Fleet Vehicles, US Injection Stations, Wink Terminal, US Pipelines, US Trucking, US Fleet Vehicles and Joliet Terminal	5,023
Processing Facilities – Includes activities from the Moose Jaw Facility, Diluent Recovery Unit, Plato North Custom Treater, Plato South Custom Treater, Rimbey Custom Treater, Sexsmith drilling fluid recycling and Hardisty Fractionator	102,204

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.



	Gross Scope 1 emissions, metric tons CO2e	Comment
Oil and gas production activities (upstream)	0	We do not have any upstream oil and gas production activities.
Oil and gas production activities (midstream)	107,227	
Oil and gas production activities (downstream)	0	We do not have any downstream oil and gas production activities.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canada	54,754	48,216
United States of America	1,546	1,363

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By facility

By activity

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Moose Jaw Facility	7,457	
Diluent Recovery Unit (50% equity share)	5,715	

Hardisty Terminal	26,185	
Hardisty Custom Treater	448	
Hardisty Fractionator	1,853	
Hardisty West (50% equity share)	2,333	
Plato North	480	
Plato South	238	
Rimbey	391	
Edmonton	5,704	
Sexsmith	487	
Hussar	255	
Edson	1	
Canadian Pipelines	3,208	
Canadian Fleet Vehicles	0	
Wink Terminal	727	
US Pipelines	90	
US Trucking	0	
US Fleet Vehicles	0	
US Injection Stations	7	
Joliet Terminal (36% equity share)	722	

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.



Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Storage and Handling Facilities – Includes activities from Edmonton, Edson, Hardisty Terminal, Hardisty West, Hussar, Plato North, Plato South, Rimbey, Sexsmith, Canadian Pipelines, Canadian Fleet Vehicles, US Injection Stations, Wink Terminal, US Pipelines, US Trucking, US Fleet Vehicles and Joliet Terminal	40,877	
Processing Facilities – Includes activities from the Moose Jaw Facility, Diluent Recovery Unit, Plato North Custom Treater, Plato South Custom Treater, Rimbey Custom Treater, Sexsmith drilling fluid recycling, Hardisty Custom Treater and Hardisty Fractionator	15,424	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Oil and gas production activities (upstream)	0	0	We do not have any upstream oil and gas production activities.
Oil and gas production activities (midstream)	56,300	49,579	
Oil and gas production activities (downstream)	0	0	We do not have any downstream oil and gas production activities.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	584	Decreased	0.4	We had an increase in renewable energy consumption from 2021 to 2022 due to the purchase of certified renewable energy from Canadian produced hydropower. For 2022, we consumed 11,500 MWh of renewable energy, versus 10,500 MWh in 2021. The additional 1,000 MWh of renewable energy replaced approximately 584 tCO2e of non-renewable energy consumption for our Canadian operations. The percentage change in emissions due to this change in renewable energy consumption is approximately: $(584/143,955) * 100 = 0.4\%$ Please note that the calculations in this column use our 2021 total Scope 1 and 2 emissions of 145,955 tCO2e, as requested by CDP guidance.
Other emissions reduction activities	3,000	Decreased	2.1	We had several emissions reduction initiatives underway during the 2022 reporting year, including one that was implemented at our Moose Jaw Facility, which was designed to provide an estimated total reduction of approximately 5,000 tCO2e of Scope 1 emissions. This project switched Moose Jaw from a from a feedstock-based fuel supply to natural gas, while increasing anticipated production from

				22,500 bpd to 24,000 bpd. For more information, please refer to C4.3b. While the total anticipated emissions reduction will be 5,000 tCO2e annually, within the reporting year, we estimate that there was an approximate decrease of 3,000 tCO2e as the fuel switching project was not fully operational for the full fiscal year. The percentage change in emissions due to this emissions reduction activity is approximately: $(3,000/143,955) * 100 = 2.1\%$
Divestment	2,066	Decreased	1.4	As of February 2022, we sold our US Trucking business. The decrease in emissions from 2021 to 2022 was a total of 2,066 tCO2e. The percentage change in emissions due to this divestiture is approximately: $(2,066/143,955) * 100 = 1.4\%$
Acquisitions				N/A
Mergers				N/A
Change in output	2,000	Increased	1.4	Storage and handling volumes increased by approximately 30.2 million barrels or 7% from 2021 to 2022, largely attributable to increased throughput at the Hardisty and Edmonton Terminals from certain customers utilizing their existing tankage. Overall, we estimate the increase in throughput resulted in an increase of approximately 2,000 tonnes of our Scope 1+2 emissions. The percentage change in emissions due to change in output is approximately: $(2,000/143,955) * 100 = 1.4\%$
Change in methodology	2,278	Increased	1.6	There were two minor changes that occurred in the quantification methodology. The natural gas usage at the Hardisty Fractionator was previously quantified as a part of the ethane volumes, which was not the case this year and resulted in an increase of 1,621 tCO2e. In addition, the emissions from Canada Fleet Vehicles were previously calculated based on mileage summaries, but for 2022 we obtained data on the fuel usage of the vehicles. There was an overall decrease in the fleet size by 13 trucks, but the emissions increased by 657 tCO2e, which may be due to mileage calculations assuming much better fuel consumption rates with less idling than was probably true. The total increase in emissions from these

				methodology changes was 2,278 tCO ₂ e. The percentage change in emissions due to change in methodology is approximately: $(2,278/143,955) * 100 = 1.6\%$
Change in boundary				N/A
Change in physical operating conditions				N/A
Unidentified				There may have been changes in our Scope 2 emissions due to variation in electricity and natural gas consumption as a result of unidentified external factors such as weather. However, we are not able to provide an estimate for this potential change.
Other	22,591	Increased	15.7	In 2022, the DRU had its first full fiscal year of operations, which is a 50% joint venture with US Development Group. Because this facility was only operational for a part of the year of 2021, we saw an increase in emissions in 2022 versus 2021. The increase in emissions from 2021 to 2022 was 19,162 tCO ₂ e Scope 1 and 3,428 tCO ₂ e Scope 2, for a total of 22,591 tCO ₂ e. The percentage change in emissions due to the DRU becoming operational for the full fiscal year is approximately: $(22,591/143,955) * 100 = 15.7\%$

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 30% but less than or equal to 35%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	367,452	367,452



Consumption of purchased or acquired electricity		11,500	85,642	97,142
Total energy consumption		11,500	453,094	464,594

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

366,302

MWh fuel consumed for self-generation of heat

259,485

MWh fuel consumed for self-generation of steam

106,761

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

1,149

MWh fuel consumed for self-generation of heat

76

MWh fuel consumed for self-generation of steam

0

Comment

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

367,452

MWh fuel consumed for self-generation of heat

259,561

MWh fuel consumed for self-generation of steam

106,761

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

Canada

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type

Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11,500

Tracking instrument used

US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute

Canada

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

1971

Comment

In Canada, we have utilized contractual instruments for our organization to retire 11,500 MWh of certified renewable energy from Canadian-produced hydropower. The RECs are certified in accordance with the Midwest Renewable Energy Tracking System (M-RETS) and are within the geographic boundary of the market in which we consume electricity. The total volume of low-carbon energy came from two large hydropower facilities in Manitoba: one was commissioned in 1971 and the other in 2012.

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Canada

Consumption of purchased electricity (MWh)

93,924

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

93,924

Country/area

United States of America

Consumption of purchased electricity (MWh)

3,218



Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,218

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization’s CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years	Explain your CAPEX calculations, including any assumptions



Exploration of new oil fields	0	0	0	Given the nature of our liquids-based midstream operations, we do not have any current or planned exploration of new oil fields as Gibson's oil and gas activities are limited to the midstream sector.
Exploration of new natural gas fields	0	0	0	Given the nature of our liquids-based midstream operations, we do not have any current or planned exploration of new natural gas fields as Gibson's oil and gas activities are limited to the midstream sector.
Expansion of existing oil fields	0	0	0	Given the nature of our liquids-based midstream operations, we do not have any current or planned expansion of existing oil fields as Gibson's oil and gas activities are limited to the midstream sector.
Expansion of existing natural gas fields	0	0	0	Given the nature of our liquids-based midstream operations, we do not have any current or planned expansion of existing natural gas fields as Gibson's oil and gas activities are limited to the midstream sector.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Gibson has and will continue to invest in low-carbon applied research and development with a focus on identifying opportunities to invest in current or emerging proven technologies to lower our emissions footprint, including through renewable energy opportunities (such as geothermal energy) and improvements to our infrastructure and operations efficiency. We regularly conduct engineering and efficiency studies to determine the GHG and air emissions reduction potential of new and emerging technologies. Additionally, the studies include factoring the current and future carbon price into the economics to determine the overall viability of potential projects. These reviews influence our project development strategy on an ongoing basis as a key part of our corporate strategy.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Other, please specify Infrastructure	Applied research and development	75		70	Our applied research and development related to infrastructure includes process efficiency evaluations focused on reducing emissions from existing and potential infrastructure. Through our efficiency studies, we identified an opportunity to invest \$20,500,000 at our Moose Jaw Facility to further reduce the emissions intensity by switching from a feedstock-based fuel supply to natural gas. This



					project began construction in 2021 and was completed in Q2 2022. Additional opportunities for similar projects which would result in process efficiency improvements of our infrastructure assets have also been identified and are being pursued. Please note that the average % of R&D investment planned over the next 5 years is an estimate and is subject to change.
Other, please specify Renewable Energy	Basic academic/theoretical research	25		30	We continue to investigate the potential of integrating renewable energy technologies into our business to reduce the Scope 2 emissions footprint of our assets on an ongoing basis. During the reporting year, three renewable energy opportunities were investigated, and further steps are underway to execute one of these opportunities. The other two opportunities are being investigated in greater detail. Gibson will continue to research and evaluate renewable technologies which can support our Net Zero by 2050 commitment on an ongoing basis. Please note that the average % of R&D investment planned over the next 5 years is an estimate and is subject to change.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Verification Report - Gibson Energy Inc. - 2022 Corporate Inventory.pdf

Page/ section reference

All document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Verification Report - Gibson Energy Inc. - 2022 Corporate Inventory.pdf

Page/ section reference

All document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

- Scope 3: Purchased goods and services
- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Downstream transportation and distribution
- Scope 3: Processing of sold products
- Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year


Complete

Type of verification or assurance

Limited assurance



Attach the statement

 Verification Report - Gibson Energy Inc. - 2022 Corporate Inventory.pdf

Page/section reference

All document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISO 14064-3 Reasonable assurance	The verification statement includes an assessment of the energy consumption data from C8.2a in terms of accuracy and conformance with the criteria of the ISO 14064-3 standards. The scope of this energy consumption data covers all operations in Canada and the US, which we have chosen to verify as this data relates to our Scope 2 emissions quantification.

			📎 1
C6. Emissions data	Year on year emissions intensity figure	ISO 14064-3 Reasonable assurance	The verification statement includes an assessment of the volumes and emissions data for our company-wide emissions intensity per barrel of oil equivalent (BOE) from C6.10 in terms of accuracy and conformance with the criteria of the ISO 14064-3 standards. We have chosen to verify this data as it relates to our company-wide emissions intensity targets. 📎 1

📎 1 Verification Report - Gibson Energy Inc. - 2022 Corporate Inventory.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

- Alberta TIER - ETS
- BC carbon tax
- Canada federal fuel charge
- Saskatchewan OBPS - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Alberta TIER - ETS

% of Scope 1 emissions covered by the ETS

38.8

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

36,481

Allowances purchased

4,071

Verified Scope 1 emissions in metric tons CO₂e

40,551

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

The TIER Regulation is Alberta's industrial GHG emissions pricing regulation and emissions trading system for Scope 1 emissions. In 2020, we elected to begin voluntarily participating in TIER as an aggregate facility. For our operations included within the aggregate facility for the 2020 compliance year (Hardisty Fractionator and Hardisty Custom Treater), Gibson received a facility specific benchmark (FSB) set at 90% of the emissions intensity of the operations.

In 2021, we applied and received approval for the inclusion of the DRU, which began operation in mid-2021, into our TIER aggregate. Due to the unique operations of the DRU, we engaged with Alberta Environment and Parks to confirm how to recalculate the FSB to reflect the new aggregate facility composition. We determined that the aggregate facility will be issued two benchmarks: one benchmark specifically for the DRU and the other will be for the non-DRU facilities (Hardisty Fractionator and Hardisty Custom Treater). The non-DRU facilities of our TIER aggregate will continue with the previous benchmarking methodology. The DRU undertook changes to the facility to provide steam for flashpoint reduction starting in December 2021. Accordingly, the TIER regulator directed us to use 2022 as a baseline period due to more stable and representative operations.

Based on our 2022 verified emissions for the aggregate facilities, the number of allowances purchased to meet the true-up obligation was 4,071.

Saskatchewan OBPS - ETS

% of Scope 1 emissions covered by the ETS

50.4

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2022

Period end date

December 31, 2022

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO₂e

54,013



Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

The Saskatchewan Output-Based Pricing System (OBPS), regulated by the MRGGR, applies to Scope 1 emissions at our Moose Jaw Facility. It uses an emission benchmark calculated from an average of 2016-2018 baseline Scope 1 emissions intensity, with baselines confirmed in 2019. The number of allowances allocated and purchased for the 2022 compliance year is 0 because the compliance obligation has not yet been assessed by the Saskatchewan Ministry of Environment Climate Change Branch as of the publication of this document.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

BC carbon tax

Period start date

January 1, 2022

Period end date

December 31, 2022

% of total Scope 1 emissions covered by tax

0

Total cost of tax paid

253,849.76

Comment

The BC Carbon Tax was adopted in 2008 and was the first broad-based carbon tax in North America. Under this tax system, Gibson is registered as a distributor with respect to the fuels that we export into BC, and a deputy collector for the fuels that we purchase in BC to resell to someone other than a purchaser. The tax paid to the BC government was based on volume of fuel we imported and purchased in BC during the reporting period, but ultimately, we recovered the tax paid on the resale of this fuel to customers in the province. The percent of Scope 1 emissions is 0% because we do not have facilities operating in BC under our consolidation approach for emissions quantification.

Canada federal fuel charge

Period start date

January 1, 2022

Period end date

December 31, 2022

% of total Scope 1 emissions covered by tax

5.4

Total cost of tax paid

4,157.1

Comment

In 2022, Gibson was registered under Part I of Canada's Greenhouse Gas Pollution Pricing Act (GGPPA).

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Our Canadian operations are currently regulated by several emissions and tax systems including SK OBPS, TIER, BC Carbon Tax and Canada's federal fuel charge. Participating in SK OBPS and TIER and meeting the respective performance standards exempts us from the Canada federal fuel charge for fuel consumed at facilities regulated under these programs. To proactively address and comply with existing and emerging regulations, our strategy is comprised of four pillars:



Accountability: Our operations and engineering, government relations, tax as well as environment and regulatory teams all have key responsibilities to ensure we remain current on and comply with all climate-related regulatory systems we participate in. Annually, these teams are provided with sufficient regulatory compliance resources and third-party support to enable them to spend adequate time and effort on meeting compliance expectations, while also monitoring our exposure to emerging systems. As a responsible operator, before we begin any operations or construction activities in a jurisdiction, we ensure we apply for and receive the necessary approvals and permits. Additionally, we apply an internal carbon shadow price to business units, corporate divisions and facilities where we have operational control and can influence business and operations decision-making within Canada.

Third-Party Quantification and Verification: We obtain third-party support to quantify and verify of our company-wide GHG emissions, including our OBPS-regulated Moose Jaw Facility and aggregate TIER facilities. In accordance with the regulations, we are required to obtain such services to conduct third-party verification to the relevant standard of all baseline information and emissions returns for each regulated facility.

Engagement and Monitoring: We monitor and evaluate our regulatory exposure to other emissions trading systems and proactively engage with governments to provide input on policy drafts. Our internal teams are responsible for monitoring changes in regulations that could impact our business. They also interpret and draw attention to any climate-related legislation developments that could impact our business or operations.

Emissions Reduction and Efficiency: Our commitment to reduce emissions and improve energy efficiency throughout our operations will help achieve performance standards required under SK OBPS and TIER. We consider innovation and optimization as key parts of our strategy and our operations and engineering in collaboration with our environment and regulatory teams are responsible for supporting the identification of both intensity and absolute emissions reduction initiatives as well as identifying partnership opportunities with a variety of external stakeholders to achieve additional energy and emissions reductions that will meaningfully contribute to our emissions targets. We already consider the impact of GHG emissions as part of our capital review processes and remain committed to ensuring that all our capital investments continue to realize Gibson's internal return hurdles.

Regulations in 3-5 Years

The Government of Canada has confirmed its previously announced plan to accelerate climate action in Canada, which includes increasing the cost of carbon to \$170/tonne by 2030. To reach that level, the carbon price will increase by \$15/tonne each year starting in 2023. The agreement between the Alberta and Federal governments of TIER equivalency, announced in December 2022, provides some measure of certainty on this front in that Alberta will follow the federal price schedule, in exchange for TIER remaining the applicable industrial carbon pricing regime in Alberta at least until the 2026 scheduled federal review. In November 2022, Saskatchewan reached agreement with the federal government for its industrial carbon pricing plan to replace the federal carbon tax, effective January 1, 2023. Saskatchewan's OPBS meets the federal carbon pricing benchmark for the period 2023 to

2030. This certainty is now being integrated into Gibson's business planning for that period. We will continue to align our internal carbon pricing with the government's schedule until any further changes are introduced. Gibson is closely monitoring the federal government's work on oil and gas sector emissions caps, but materials on how the emission caps are to be implemented have not been made available for assessment. We continue to monitor the announced Canada Growth Fund for potential opportunities going forward, including the proposed contract-for-difference, which has the potential to reduce further uncertainty around carbon pricing implications for Gibson. We also continue to monitor the potential for carbon policies to be introduced in the US, but at this time we are not subject to carbon pricing at any of our US operations.

The four pillars of our compliance strategy as described above would be applied towards any new climate policies we may face in the next 3-5 years.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Type of internal carbon price

Shadow price

How the price is determined

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities
Navigate GHG regulations
Stakeholder expectations
Stress test investments

Scope(s) covered

Scope 1

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

We follow the Government of Canada's current guidelines and will align our internal carbon pricing with the government's legislation to increase the carbon price by \$15 per year to \$170/tonne in 2030. As of 2023, we apply an internal carbon price at the low end of \$65/tonne for projects with shorter-time horizons and a higher cost of \$80/tonne for medium-term projections.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

65

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

80

Business decision-making processes this internal carbon price is applied to

Capital expenditure
Operations
Procurement

Product and R&D
Remuneration
Risk management
Opportunity management
Value chain engagement

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for all decision-making processes

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Understanding future costs is vital to determining project viability so we include carbon pricing in business case modelling for our Canadian projects. To understand the future impacts of an internal carbon price on our business decisions, including investment in emission reduction activities, we currently use an evolving shadow price of \$65-80/tonne for projects in Canada. The Government of Canada's plan to accelerate climate action in Canada, titled "A Healthy Environment and a Healthy Economy" intends to increase the carbon price from the 2022 rate of \$50/tonne by \$15 per tonne each year beginning in 2023 until it reaches \$170/tonne in 2030, which may have an impact on Canadian industry participants, potentially including Gibson. We continue to monitor the potential for additional carbon pricing programs to be introduced in the US. At this time, our US operations are not subject to any carbon tax regulations. We consider the impact of carbon tax and other climate-related impacts on the viability of our future projects. As an example, we considered carbon pricing as part of our investigation of a potential fuel switching opportunity at the DRU, similar to our previously completed fuel switching project at our Moose Jaw Facility, which would require alignment with our JV partner, and could result in additional emissions reduction by switching from a feedstock-based fuel supply to natural gas. During the investigation of this project for the DRU, we considered many factors such as the impact this project would have on Gibson's emissions in addition to incorporating the carbon pricing into the project evaluation to better understand how it may help reduce our emissions obligations and be resilient in the face of tightening emissions standards in the future.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect other climate related information at least annually from suppliers

% of suppliers by number

25

% total procurement spend (direct and indirect)

48

% of supplier-related Scope 3 emissions as reported in C6.5

43

Rationale for the coverage of your engagement



We collect environmental information, including climate-related information, from our suppliers as part of our third-party supplier management tool, entitled “ISNetwork”, which includes a prequalification questionnaire that asks questions related to ESG practices and performance. The process ensures suppliers meet minimum requirements, including with respect to carbon management. Registering with ISNetwork is a requirement for our high-risk suppliers, such as those working at our sites, and we target this group of suppliers because they make up a significant portion of our spend each year. Through the ISNetwork questionnaire, we compile information on suppliers with environmental policies, audit programs, training and programs including waste management. Throughout 2022, we continued to include environmental and climate-related questions to collect information such as sources and tracking of direct GHG emissions as well as climate-related strategy. This engagement is relevant to all high-risk suppliers we work with across all facilities where we operate in Canada and the US and is not focused on certain regions or geographic areas.

Impact of engagement, including measures of success

By gathering climate-related information about our suppliers, we are better able to understand our climate-related impacts through the supply chain and identify the possible opportunities to work with suppliers to improve practices, where necessary. The measures of success include the % of suppliers that complete the ISNetwork questionnaire, the % of suppliers with environmental policies and the % of suppliers with environmental programs. In 2022, because joining ISNetwork is only a mandatory requirement for our high-risk suppliers such as those working at our sites, 25% of suppliers we worked with in 2022 completed the ISNetwork questionnaire, representing 48% of our total spend. We aim for a threshold of at least 40% of our annual spend to include suppliers who have completed the ESG questionnaire in ISNetwork. In addition, we were able to collect information on a portion of these suppliers who have environmental policies and environmental programs. Going forward, we hope to continue increasing the proportion of suppliers who complete the ISNetwork questionnaire to better enable us to identify suppliers with opportunities to improve their environmental and climate-related practices.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

1

% total procurement spend (direct and indirect)

19

% of supplier-related Scope 3 emissions as reported in C6.5

18

Rationale for the coverage of your engagement

We actively engage and raise the awareness of our suppliers on our environmental, including climate-related priorities and objectives and conduct stewardship meetings with several suppliers on an annual basis. In 2022, we hosted our first Supplier Forum for several key suppliers to engage in discussion on our sustainability expectations, share current and emerging best practices and discuss upcoming initiatives. The Supplier Forum was attended by 11 of our engineering and construction suppliers, which were chosen because they were the largest spend suppliers and we believe that we can leverage our strong working relationships to positively engage on climate-related issues. In particular, these suppliers are Canadian and conducted work at our facilities in Alberta and Saskatchewan. Climate change was an important topic on our agenda the Supplier Forum. We educate our suppliers about our environmental, including climate change goals and objectives and use the engagement as an opportunity to learn more about how we might collaborate on joint emission reduction projects.

Impact of engagement, including measures of success

By engaging and raising the awareness of our suppliers of our climate-related priorities, we clarify our expectations and enable accelerated action on our objectives. The measure of success is to ensure our largest spend suppliers attend the Supplier Forum and are working collaboratively to contribute to our environmental goals and objectives, including climate-related priorities. We aim for a threshold of engaging at least five of our top spend suppliers annually. In 2022, we engaged with 11 of our largest suppliers who comprised approximately 19% of our total spend.

Comment

Type of engagement

Other, please specify
Compliance & onboarding

Details of engagement

Other, please specify
Included climate change in supplier selection / management mechanism

% of suppliers by number

6

% total procurement spend (direct and indirect)

23

% of supplier-related Scope 3 emissions as reported in C6.5

23

Rationale for the coverage of your engagement

Throughout 2022, we continued to include a sustainability and ESG questionnaire as part of the RFP process to collect information on how potential suppliers address ESG practices and performance, including climate-related topics such as air and GHG emissions and climate-related strategy. The sustainability and ESG section holds a 10% weighting of the overall supplier selection criteria for evaluating all RFP's. We target potential suppliers going through the RFP process because it provides us an opportunity to both collect information from proponents, while also encouraging them to share climate-related information in a meaningful way. This engagement is relevant to all RFPs we issue for work across all facilities where we operate in Canada and the US and is not focused on certain regions or geographic areas.

Impact of engagement, including measures of success

By scoring suppliers on their ESG performance during the RFP process, it will encourage suppliers to improve their ESG and climate-related practices and disclosures. The measure of success for this engagement is the proportion of new RFPs which ask ESG and climate-related information, with a target threshold for 100% of new RFPs to include the questionnaire. Although 100% of RFPs issued in 2022 included the sustainability and ESG questionnaire, not all suppliers we work with go through an RFP process, therefore by year-end 6% of all existing



suppliers we worked with in 2022 had completed the ESG questionnaire through our RFP process, which included information on climate-related topics.

Comment

Type of engagement

Other, please specify

Compliance & onboarding

Details of engagement

Other, please specify

Code of conduct featuring climate change KPIs

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

100

Rationale for the coverage of your engagement

Carbon management by our suppliers is an important priority for Gibson. As part of our supplier/vendor contracting, compliance and onboarding program, all suppliers are required to adhere to our Supplier Code which outlines how we expect our suppliers to uphold our values in their conduct of business, and further encourages suppliers to seek opportunities to improve their environmental and climate-related performance. The Supplier Code was approved by the Board in July 2021, and by the end of 2022 we communicated the new Supplier Code to all past and existing suppliers as part of this engagement. We will continue to ensure all current and new suppliers are aware of our Supplier Code, as this provides us with an opportunity to make our climate-related expectations clear at the beginning of our working relationship. This engagement is



relevant to all suppliers we work with across all facilities where we operate in Canada and the US and is not focused on certain regions or geographic areas.

Impact of engagement, including measures of success

By communicating our Supplier Code, the successful impact of this engagement is greater clarity for our suppliers on our position on environmental responsibility and carbon management expectations. Our suppliers are an important extension of our business and we want to ensure they understand what we expect from them with regards to climate-related issues. The measure of success is the % of vendors that we have communicated our Supplier Code to, which clarifies our expectations of suppliers related to environmental responsibility and carbon management. We target a threshold of 100% of suppliers for this engagement and by year-end, we communicated our Supplier code and carbon management expectations to 100% of vendors in 2022.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Collaboration & innovation

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

50

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

Solving complex climate-related issues is only possible through industry-wide collaboration. We engage with some of our customers to understand how we can help meet their climate and environmental goals by providing solutions that help them reduce GHG emissions or partnering with our customers on innovative projects. Our commercial team has an internal working group that meets bi-weekly to discuss priorities for engaging with customers on climate-related issues such as renewable energy opportunities or biofuels. Through this team, we regularly host both formal and informal conversations with our customers to share Gibson's climate change strategy and targets as well as better understand our customers climate and environmental focused priorities. We also encourage innovation by identifying opportunities where we can supplement customers' strategies and longer-term ambitions. In 2022, we conducted engagement meetings with over 50% of our producers and marketing customers. We target our major commercial customers for this type of engagement and aim for a threshold of at least 50% because many have also set ambitious GHG emissions reduction targets and low-carbon fuel goals, and we believe we can help them achieve their commitments by providing innovative solutions to problems they are currently facing and solutions for the future. Customers were engaged where we believe our skill sets and strategic climate-related priorities have the potential to complement our customers stated climate and environmental focused commitments. This engagement is relevant across all regions where we operate and is not focused on certain geographic areas.

Impact of engagement, including measures of success

Through this type of engagement, Gibson can demonstrate how we can support the energy transition and the changing needs of our customers, while partnering with customers to help achieve their low-carbon fuel goals. The measure of success is the implementation of low-carbon innovative projects in collaboration with our customers. For example, as a midstream storage and infrastructure-focused company, Gibson is in an advantageous position to expand our business to meet the demand for products and services that are required as we transition to a lower-carbon future. We were tasked with identifying how Gibson can support our customers changing need as the world continues to transition towards decarbonization and increased use of low-carbon fuels, while providing attractive growth opportunities for Gibson. Through this process, we successfully identified an opportunity to use our asset base to enter into the biofuels value chain to facilitate the storage and blending of biofuels. Ultimately, in 2022 we successfully placed the Biofuels Blending Project into service at our Edmonton Terminal with our customer Suncor, which includes an expansion to facilitate the storage, blending and transportation of renewable diesel. We continue to engage with our customers regarding the potential for additional opportunities to expand on our current biofuels blending and loading business. Moreover, we continue to identify ways to enter into other segments of the biofuels value chain and access a new set of customers, while continuing to pivot with the energy transition. We continue to investigate the opportunity to potentially partner to build a renewable diesel facility in Alberta and/or Saskatchewan, which would produce hydrotreated renewable diesel as a low-carbon alternative to conventional petroleum diesel.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

The 'other' partners we have identified as critical to engage with on climate-related matters within our value chain are our peers.

We actively participate in a sustainability leadership initiative comprised of our energy industry peers in Calgary, Alberta. Engagement with this group includes bi-monthly meetings to discuss sustainability integration challenges, third-party disclosure challenges and opportunities, learnings from innovations implemented by our peers and best practices in disclosure and engagement, especially as it related to climate change and GHG emissions. In 2022, the meetings covered several topics including proposed climate-related regulations, ESG assurance and controls, ESG third party ratings and climate-related case studies from companies who are members of the working group or other invited speakers. Each meeting focuses on a specific subject matter that is lead by one or more companies who have experience in the respective area or a subject matter that a member company is currently challenged by that wishes to engage the broader group. We prioritized this method of engagement within our value chain because it produces climate-related ideas and solutions that can be immediately trialed or implemented within Gibson based on peers that have face similar issues and challenges. Additionally, we connect with peers and other value chain partners by regularly attending sustainability and climate-focused conferences, such as GLOBExCHANGE.

Gibson is also a corporate member of Canadian Business for Social Responsibility (CBSR), which is a professional association for Canadian companies championing business as a force for good. CBSR supports sustainable business in Canada by offering companies tools, insights and a platform to share information and engage with other businesses, NGOs and governments on best practices and opportunities for collaboration. Through this group, we participate in regular round-table discussions where we engage with other sustainability leaders across a broad set of industries. Discussions cover various sustainability and climate-related topics, including sustainability strategy and reporting best practices, sustainable procurement and just transition. Additionally, we are a member of CBSR's Net Zero Working Group.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, suppliers have to meet climate-related requirements, but they are not included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Description of this climate related requirement

In July 2021, we introduced a Supplier Code which outlines our expectations of suppliers and ensures our suppliers uphold Gibson's values in their conduct of business. Subsequently, in 2022 we communicated the Supplier Code to all suppliers and clarified that complying with the policy is required to do business with Gibson. The Supplier Code requires that all suppliers must operate in full compliance with the laws, rules and regulations of the countries in which it operates, including climate-related regulatory requirements where applicable. The Supplier Code encourages suppliers to go beyond legal compliance to advance social and environmental responsibility and business ethics. We ensure continued awareness of the Supplier Code by communicating it to all new suppliers as well as making it available on our external and internal websites. We monitor compliance through grievance mechanisms including through reports to management or via our whistleblower hotline, as governed by the Whistleblower Policy. In the case of a less serious violation or potential violation to the Supplier Code, Gibson may retain and engage suppliers to resolve such violations and take all reasonable measures to meet the requirements in a diligent manner. A violation may result in disciplinary action up to and including termination of contracts, disqualification as a future supplier and/or legal action. In 2022, all suppliers were in compliance with the Supplier Code and no known breaches occurred.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Grievance mechanism/Whistleblowing hotline

Response to supplier non-compliance with this climate-related requirement

Retain and engage

Climate-related requirement

Other, please specify

Improving environmental and climate-related performance

Description of this climate related requirement

In addition to outlining explicit requirements of our suppliers, the Supplier Code further encourages suppliers to seek opportunities to improve their environmental and climate-related performance. Suppliers should consider energy efficiency of business operations in order to reduce GHG emissions where possible. We encourage suppliers to improve energy efficiency in their operations, minimize energy consumption and GHG emissions and track and disclose Scope 1 and 2 emissions. 100% of our suppliers are required to be in compliance with our Supplier Code and we collect information on GHG emissions and efficiency initiatives from new suppliers through our RFP process and ISNetworkworld questionnaire. As we continue to educate and engage suppliers on emissions and energy management topics, we will continue to look for opportunities to establish a more robust compliance mechanism based on the size of the supplier and the scope of the contract.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Other, please specify

Supplier education and engagement

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

Gibson has several processes to ensure our direct activities that influence policy are consistent with our overarching climate strategy, including our Net Zero by 2050 commitment as well as our 2025 and 2030 targets. The risks associated with climate policy are monitored by several groups and are escalated to Gibson's management team through our ERM process as required. We do this to ensure our management team and Board have visibility on the broader climate policy environment and are aware of any material risks that have been identified. We also leverage our climate scenario analysis work and our climate signposts to monitor the and assess the impact to the business of the IEA scenarios, specifically carbon pricing and carbon policy developments.

Our Director of Communications & Brand is responsible for maintaining consistency with our climate strategy and conducting any direct and indirect engagement with government and policy. Gibson maintains consistency with its climate strategy in any engagement by leveraging the internal expertise of various business units, including but not limited to, environment and regulatory, tax, legal and commercial. These teams are also responsible for supporting Gibson's climate scenario work and additional external disclosure, so information sharing is cross-functionally integrated and all business units are aware of Gibson's approach. We engage a third-party government relations team to monitor relevant

regulation changes and help ensure we are consistent in our approach and messaging.

As a part of our commitment to the energy transition, we aim for our interactions with organizations, such as industry associations, to be consistent with our climate commitments and plans. We participate in policy discussions as part of our membership with business associations and groups and encourage alignment of these groups' ESG stances with Gibson's. Where misalignment is encountered, Gibson advocates for our position as we strive to be a constructive voice in the development of public policy. Although, certain organizations we engage with may not be fully aligned with Gibson's climate commitments and climate transition plan, we believe that in almost all cases it is better to be present and represent a constructive diverse view than to be absent from the dialogue. Participation in such organizations, and engagement in constructive discussion with our peers, does not detract from our commitment with our stated climate commitments.

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Government of Canada's 2030 Emissions Reduction Plan

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Climate-related targets

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Gibson has engaged with policy makers to discuss our efforts in our sustainability journey as well as communicate how our ESG targets, specifically our Net Zero by 2050 commitment as well as our 2025 and 2030 targets, work to support the Government of Canada's 2030 Emissions Reduction Plan and Net Zero ambitions, align with the Pathways Alliance, and ensure we support the transition to a lower-carbon future.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Clean Fuels Fund

Category of policy, law, or regulation that may impact the climate

Low-carbon products and services

Focus area of policy, law, or regulation that may impact the climate

Alternative fuels

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Gibson has engaged with policy makers to discuss our previous application to the Clean Fuels Fund with respect to the potential development of a hydrotreated renewable diesel facility. Gibson's engagement was to discuss how this project was an ideal candidate for funds from the Government of Canada's Clean Fuels Fund.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Greenhouse Gas Pollution Pricing Act

Category of policy, law, or regulation that may impact the climate

Carbon pricing, taxes, and subsidies

Focus area of policy, law, or regulation that may impact the climate

Carbon taxes

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Gibson participates in ongoing discussions with the provincial government regarding GHG and air emissions regulations for the midstream sector. The goal of Gibson's engagement is to ensure public policy and subsequent legislation considers the balance between environmental benefits as well as maintaining competitiveness across geographical boundaries. We continue to follow the current Government of Canada's guidelines and will align our internal carbon pricing with the government's legislation to set a carbon price of \$170 per tonne in 2030.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Forward Regulatory Plan 2022 to 2024, Environment and Climate Change Canada

Category of policy, law, or regulation that may impact the climate

Climate change mitigation

Focus area of policy, law, or regulation that may impact the climate

Emissions – other GHGs

Policy, law, or regulation geographic coverage

National

Country/area/region the policy, law, or regulation applies to

Canada

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Despite having already low levels of volatile organic compound (VOC) emissions, Gibson engaged with Environment and Climate Change Canada (ECCC) regarding proposed regulations on VOCs for the petroleum sector, addressing VOC emissions from petroleum liquid storage and transfer operations. The engagement focused on discussing the proposed regulatory approach and technical issues, and ensure technical details of the regulations take into account, as far as possible, the unique operational factors and other differences that exist across facilities in the sector.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Canadian Association of Petroleum Producers

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position



Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

CAPP's position on climate change is articulated through a set of climate principles, released in 2020, which are designed to address the challenges associated with mitigating climate change from a producer's perspective. For example, CAPP supports carbon pricing mechanisms, when properly implemented.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

7,500

Describe the aim of your organization's funding

As a midstream infrastructure service provider, Gibson provides funding as an associate member of CAPP as we are not a producer. Our engagement and work with CAPP is focused on emerging regulations and policy with a focus on air, land and water to understand potential impacts to our business and to on our upstream customers businesses, many of whom are members of CAPP. This ensures that Gibson can remain agile in supporting our customers changing long-term needs.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Business Renewables Centre of Canada (BRCC)

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

BRCC is a non-profit initiative seeking to catalyze the market for non-utility procurement in Canada to grow renewable energy development in the country. This initiative is managed by a partnership between the Pembina Institute, a non-profit think-tank that advocates for strong, effective policies to support Canada's clean energy transition, as well as the Clean Energy Buyers Association and Prairies Economic Development Canada. The initiative makes it easier for corporations to enter the renewable energy market by providing resources on renewable energy procurement, including PPAs, and bringing veteran renewable purchasers and deal-makers together with those exploring the opportunity. BRCC supports the transition to a low-carbon future and is focused on addressing climate change and reducing emissions from the grid through corporate renewable energy procurement, which aligns with Gibson's climate strategy and goals.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

5,000

Describe the aim of your organization's funding

Gibson provides funding annually to maintain our membership as a silver member of BRCC. Through this engagement, we can connect with potential renewable energy partners and gain valuable resources to help meet our renewable energy goals and demonstrate our commitment to our ESG targets.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations or individuals in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization or individual

State the organization or individual to which you provided funding

Canadian Business for Social Responsibility (CBSR)

Funding figure your organization provided to this organization or individual in the reporting year (currency as selected in C0.4)

10,000

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

Gibson provides funding annually as a corporate member of CBSR, which is a membership association for companies co-creating a sustainable, equitable future. CBSR has an independent board and is both a registered not for profit and charitable organization in Canada. CBSR engages business, academic, government and NGO leaders on critical sustainability and climate issues on behalf of its members.

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).


Publication

In voluntary sustainability report

Status

Complete

Attach the document

 Gibson Energy 2021 Sustainability Report.pdf

Page/Section reference

Whole document, with particular content elements referenced below:

Governance (pages 16-17)

Strategy and Risks & Opportunities (pages 20-27)

Emission targets (page 18)

Emission figures (pages 63-65)

Other metrics (pages 65-69)

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

In Q3 2022, we published our 2021 Sustainability Report. This report is aligned to the recommendations of the TCFD, among other ESG reporting frameworks, and includes our sustainability and ESG performance data for the years 2019-2021.


Publication

In mainstream reports

Status

Complete

Attach the document

 Gibson Energy 2022 Annual Information Form.pdf

Page/Section reference

"Sustainability" (pages 22-26)

"Risk Factors" (pages 36-60)

Content elements

Governance

Strategy

Risks & opportunities

Emission targets

Comment

See Gibson's 2022 Annual Information Form (AIF) for details on the pages/sections noted. Climate-related risk factors discussed in our AIF include: Accuracy of Climate Scenario and Assumptions, Climate Change and ESG Targets and Commitments, Demand for Crude Oil and Petroleum Products, Climate Change Legislation, U.S. Regulation, Climate Change Legislation, Emerging Climate Change Regulations, Increasing Minimum Price on Carbon, Clean Fuel Regulations, Environmental and Health and Safety Regulations, Reputation, Seasonality and Adverse Weather Conditions, and Hazards and Operational Risks.

Publication

In mainstream reports

Status

Complete

Attach the document

 Gibson Energy 2022 Annual Report.pdf

Page/Section reference

"Risk Factors" (pages 23-35)

Content elements

Risks & opportunities

Comment

Climate-related risk factors discussed in our 2022 Annual Report include: Climate Change and ESG Targets and Commitments, Demand for Crude Oil and Petroleum Products, Climate Change Legislation, U.S. Regulation, Emerging Climate Change Regulations, Increasing Minimum Price on Carbon, Clean Fuel Regulations, Environmental and Health and Safety Regulations, Reputation, and Hazards and Operational Risks.

Publication

In mainstream reports

Status

Complete

Attach the document

 Gibson Energy 2023 Management Information Circular.pdf

Page/Section reference

Governance (throughout document and specifically with respect to STIP pages 67-70)

Strategy (pages 3 and 6-7)

Emission targets (page 8)

Other metrics (pages 5 and 9-10)

Content elements

Governance

Strategy

Emission targets

Other metrics



Comment

See Gibson’s 2023 Management Information Circular for details on the pages/section noted.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD) Other, please specify CBSR Net Zero Working Group	<p>In 2021, we released our first TCFD Report. As an ongoing supporter of the TCFD recommendations, Gibson is committed to continuing aligning our reporting with the TCFD framework.</p> <p>Gibson is also a Corporate member of CBSR’s Net Zero Working Group. The objectives of this group are to advance CBSR member adoption and implementation of net zero ambitions, support needs, provide resourcing and peer input to accelerate progress, and contribute to Canada’s achievement of net zero goals. The working groups are set up to be a minimum of 2 years in time frame, and the topics build on each other to show a growing knowledge base, ambition and capacity. Gibson participates in the working group sessions, which are held quarterly.</p>

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Board-level oversight and/or executive management-level	Description of oversight and objectives relating to biodiversity
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	responsibility for biodiversity-related issues	
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Gibson’s Board recognizes the vital importance of managing ESG and biodiversity-related issues in our long-term strategy. The SESG Committee is responsible for reviewing the status and effectiveness of our sustainability performance, metrics and goals, including processes to ensure compliance with all internal policies and applicable laws and regulations, with a focus on providing a desirable outcome for all stakeholders including investors, customers, employees, suppliers and the community. The SESG Committee assists Gibson’s Board in fulfilling its mandate on sustainability issues, including biodiversity, by reporting to the Board on management’s progress. The SESG Committee is also responsible for reviewing emerging risks and opportunities associated with sustainability issues relevant to Gibson that may have the potential to impact our reputation and business performance. The SESG Committee provides oversight on how we are responding to ESG and biodiversity-related risks and opportunities.</p> <p>At the executive management level, Gibson’s C-Suite Sustainability Committee is comprised of our executives who meet monthly to monitor emerging sustainability risks and opportunities relative to our sector and business. Our President & CEO is responsible for overseeing environmental issues and effectively managing potential environmental impacts on our business. Our SVP & CASO is the lead on ESG and environmental matters and is responsible for overseeing the governance of environmental matters; overseeing the development of ESG targets and initiatives in collaboration with our SVP & COO; supporting the deployment of Gibson’s biodiversity strategy and any resources needed to implement it; leading Gibson’s Environment & Regulatory team; engaging on environmental topics with stakeholders including government and investors; and reporting on environmental performance. The SVP & COO is responsible for overseeing the integration of environmental and biodiversity-related matters within our OMS through our Environmental Management element. The SVP & COO works closely with the SVP & CASO and reports to the CEO on these matters.</p>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?



	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Adoption of the mitigation hierarchy approach	SDG

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations

Tools and methods to assess impacts and/or dependencies on biodiversity

IBAT – Integrated Biodiversity Assessment Tool

Other, please specify

World Database of Protected Areas (WDPA)

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

We conducted a biodiversity analysis and mapping to better understand the potential impacts on biodiversity of Gibson’s entire asset base. We completed a spatial analysis to identify and quantify the proportion of both Gibson’s operational and non-operational assets (i.e., pipelines, facilities, tanks, and land holdings) in Canada and the US that directly intersect or are within 5 km of areas of protected conservation status or endangered species habitat. Spatial data for protected areas was obtained from the World Database of Protected Areas (WDPA) and the spatial data for endangered species range was obtained from the Integrated Biodiversity Assessment Tool (IBAT). These tools were utilized because they are widely accepted and align with ESG reporting frameworks. Gibson’s asset data was overlaid with the spatial data for protected areas and endangered species ranges, and areas of overlap were identified and quantified. This analysis provided insight into the biodiversity sensitive areas we may operate in, as well as the at risk species that may potentially live near our facilities, and enable us to continue being a

responsible steward of the environment. We aim to investigate additional avoidance and mitigation measures for new developments where appropriate to reduce potential asset-related impacts on biodiversity.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify
Provincial Park in Alberta

Country/area

Canada

Name of the biodiversity-sensitive area

Lois Hole Centennial Provincial Park

Proximity

Overlap

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

This property is a leased non-operational land holding, which remains as an artifact of historic operations in the area several decades ago (Acheson Terminal). Gibson does not have any current operations on this property, it is currently a surface lease for access to third-party pipeline infrastructure.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Operational controls

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

This surface lease provides access from an established industry access road to third-party pipeline infrastructure. Potential impacts to biodiversity are related to third-party light vehicle traffic to access the infrastructure in the area, which may have a minor impact on nesting site selection for migratory bird species and segmentation of habitat. We mitigate potential impacts by controlling access and preventing unauthorized or unnecessary use of the road.

Classification of biodiversity -sensitive area

Other biodiversity sensitive area, please specify

Provincial Pasture in Saskatchewan

Country/area

Canada

Name of the biodiversity-sensitive area

Eagle Lake Provincial Pasture

Proximity



Overlap

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

There are two short segments (473 metres and 170 metres) of Gibson’s Plato pipeline system owned and operated by Gibson that occur within Eagle Lake Provincial Pasture in Saskatchewan.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Restoration

Explain how your organization’s activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

Once installed, underground operating pipelines are minimally disruptive to surface activities. Following construction of the pipeline several decades ago, the right-of-way was reclaimed to a standard that is supportive of the current land use as a fully functional provincial pasture grazing area. Periodically, access to the right-of-way for inspection and maintenance purposes may be required. Potential impacts to biodiversity may include infrequent nuisance noise, and potential soil compaction when accessing the right-of-way, however we anticipate these impacts would be minimal.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management Species management Education & awareness




C15.6


(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?


	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Response indicators


C15.7

(C15.7) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Governance Details on biodiversity indicators Biodiversity strategy	Content of biodiversity-related policies or commitments: page 30 Governance: pages 16-17 Details on biodiversity indicators: page 65 Biodiversity Strategy: Page 30  1
Other, please specify Code of Conduct and Ethics	Content of biodiversity-related policies or commitments	Environmental commitment: page 6  2
Other, please specify Land and Biodiversity Fact Sheet	Content of biodiversity-related policies or commitments Governance Biodiversity strategy	Entire document  3

 1Gibson Energy 2021 Sustainability Report.pdf

 2Gibson Energy Code of Conduct and Ethics.pdf

 ³Gibson Energy Land and Biodiversity Fact Sheet.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

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”, “goal”, “seek”, 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: embedding sustainability into Gibson's evolving business strategy; Gibson's ESG and emission reduction focuses and targets, including, achieving Net Zero Scope 1 and 2 emissions by 2050 and the interim goals related thereto, and the timing and strategy to achieve such targets; Gibson's ability to achieve its climate-related goals by the applicable target dates; climate-related governance and oversight processes and meeting frequency; Gibson remaining a low-emitter and ESG leader relative to its peers; the success of Gibson's ESG initiatives, including climate-related compensation performance objectives, and their ability to reduce emissions and achieve climate-related goals; Gibson's process for risk identification and mitigation; the effects of legislation on Gibson's business and Gibson's ability to prepare for and adapt to such developments; the introduction of climate-change legislation, including in the US; Gibson's position and ability to pivot with and support the energy transition and a low-carbon economy, including changes in demand for Gibson's products and services; upholding Gibson's reputation as a credible and trustworthy company; the expansion of Gibson's asset base to support its ESG focus; outcomes predicted by climate scenarios and underlying assumptions thereof; the use of climate scenario analysis and the anticipated effects on Gibson's business should such scenarios materialize; Gibson's revenue stability; the extension, renewal and entry into contracts; demand for Gibson's products, services and low-carbon fuel; the costs and actions necessary to mitigate climate-related risks; the operational and financial effect of Gibson's ESG initiatives on its business; Gibson's obligations under climate-change legislation; the stigmatization of the energy industry generally, and the effects thereof on Gibson; the integration of ESG & climate-related considerations in Gibson's business; the benefits of and costs and actions necessary to realize climate-related opportunities; Gibson's ability to consume lower-carbon electricity and contribute to the overall decarbonization of the grid; reductions in operating costs as a result of changes to Gibson's electricity consumption; the

DRU's and fuel switching projects' impact on emissions reductions; Gibson's ability to enter the biofuels supply chain; Gibson's business strategy; the development and timing of Gibson's transition plan; the benefits of the energy transition; the impact of changing energy supply and demand on Gibson's business; Gibson's investment priorities and commitments, including in emerging technology; the opportunities associated with the energy transition and Gibson's ability to offer enhanced infrastructure and services; the benefits of the Biofuels Blending Project and the Moose Jaw fuel switching project, including emissions and flaring reductions and production increases; proportion of spending aligned with energy transition and the results of Gibson's internal new venture team; Gibson's transparent ESG reporting; the strategic alignment of Gibson's initiatives with its ambitious targets; PPA opportunities and the effects thereof, including Gibson's ability to apply the resulting credits to Gibson's business; the variability and timing of Gibson's progress toward its goals; Gibson's methane and GHG emissions; Gibson's sustainable procurement strategy; the completion and timing of climate-related projects; the continued consideration of climate-related risks and opportunities in Gibson's financial planning; Gibson's pathway to Net Zero, including costs and milestones; Gibson's budget and capital allocation and the process used for its determination; continued regulatory compliance; increases to the price of carbon and its impact on Gibson's business; increases in the costs of capital and the effect on Gibson's market capitalization; and the repurposing of Gibson's infrastructure.

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, the assumptions underlying our climate scenario analysis, 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 annual and interim management's discussion and analysis and Annual Information Form, in each case as filed on SEDAR at 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.

Assumptions for Estimation of Emissions Avoided from DRUBit(TM)

The model is based on the following assumptions:



- 1) All scenarios ship the same amount of bitumen to Texas.
- 2) The majority of diluent imported into Alberta is sourced from fractionation facilities in Mont Belvieu, Texas.
- 3) The current market scenario of diluent recycle from Mont Belvieu is compared with the new scenario of diluent recovery and recycle at the HET in Hardisty, Alberta.
- 4) The same volume of diluent is recovered from DilBit at the HET as is recovered from DilBit in Texas.
- 5) GHG emissions for diluent recovery at the HET are the same as GHG emissions for diluent recovery in Texas.
- 6) Diluent is currently recycled to Alberta from Texas to Illinois via the Explorer pipeline and then from Illinois to Alberta through the Southern Lights diluent return dedicated pipeline.
- 7) Minor emissions from pipeline transport between facilities or custody transfer in Texas (e.g. Port Arthur and Mont Belvieu) are ignored.
- 8) DRUBit(TM) delivered by rail into the Port Arthur market displaces DilBit delivered by rail into Port Arthur.
- 9) Railcars are dedicated to DRUBit(TM) or DilBit transport and are returned to Alberta empty.
- 10) The rail route for DRUBit(TM) and DilBit by rail is the same.
- 11) The analysis is agnostic of third-party rail or pipeline transport investments in renewable power purchase agreements, renewable energy certificates or other offsets and uses published grid and rail emissions intensities.
- 12) The model calculates operational emissions and does not include construction or decommissioning emissions.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President and Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP



	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms