

Sustainability Policy

Effective date: November 30, 2010

Last updated: July 28, 2021

Purpose

At Cenovus, our actions are guided by our Code of Business Conduct & Ethics (Code) and this Sustainability Policy (Policy). We conduct our business in a responsible, transparent and respectful way and comply with applicable laws and regulations. We believe embedding environmental, economic and social considerations in our business decisions creates long-term, sustainable value.

This means we are committed to providing a safe and inclusive workplace, investing in and partnering with local and Indigenous communities, innovating to reduce our greenhouse gas emissions and minimize our environmental impact, and delivering transparent performance reporting.

Scope

With oversight from the Board of Directors (Board), this Policy sets the framework for Cenovus (the company) and applies to all staff, suppliers and service providers who perform activities for, or on behalf of, Cenovus; and applies in all locations where Cenovus conducts business.

Policy statements

Our activities are aligned with, and guided by, the following six topics:

Governance and leadership

Cenovus's Safety, Sustainability and Reserves Committee of the Board is appointed to assist the Board in fulfilling its oversight responsibilities. Responsibilities related to environmental, social and governance (ESG) and sustainability include overseeing and monitoring the integration of the Policy into our practices and behaviours and stewarding our ESG commitments.

Cenovus's Leadership Team is accountable for implementing programs to achieve the company's ESG commitments and ensuring that performance expectations are consistent with the principles of this Policy, the Code and Cenovus's values. These expectations are communicated across the company's workforce. We strive to maintain, promote and enforce high standards of integrity and leading corporate governance practices in all aspects of our business. We sustainably develop our assets in a safe, innovative and cost-efficient manner, while embedding ESG considerations into our business plans.

We pursue measurable and meaningful targets in five ESG focus areas:

- Climate & GHG emissions - supporting transition to lower carbon economy.
- Water stewardship – using water in an environmentally sustainable manner.
- Biodiversity – addressing ecological, wildlife and land use impacts.
- Indigenous reconciliation – ongoing engagement to support increased understanding and inclusion.
- Inclusion & diversity – building a sense of belonging through inclusion and diversity.

The company links compensation for executives and all other employees to an annual scorecard that includes safety and environmental, operating and financial performance metrics.

We apply a risk-based approach to drive the identification, measurement, prioritization and management of ESG-related risks.

Cenovus expects that its employees, contractors, suppliers and service providers act in a manner that reflects our values. See the Supplier Code of Business Conduct for further information regarding principles applicable to suppliers.

We have emergency management protocols in place to reduce the potential impact on the company, our stakeholders, the environment, wildlife and surrounding communities, as well as our assets, financial condition and reputation.

People

Safety is a top value for Cenovus. The health and safety of all workers involved in our activities, as well as residents of the communities where we work, is vital at Cenovus, and is reflected in our policies and standards, including our safety commitments.

We treat our workers with dignity, fairness and respect. We follow applicable occupational health and safety legislation and industry recommended practices, and adhere to applicable workplace, employment and human rights standards. In addition, we support the principles of the Universal Declaration of Human Rights as outlined in Cenovus's Human Rights Policy.

At Cenovus, we invest in our people, ensuring individuals and teams have the required skills, knowledge and expertise to deliver on Cenovus's strategy and business plan while striving for continuous improvement.

We are committed to providing equal opportunity based on merit and support an inclusive and diverse workplace focused on providing an environment where people feel respected, valued and listened to.

Environment

Cenovus integrates environmental considerations into its business plans, spending decisions, performance management, project development, operations, communications and stakeholder relations.

We track and report on a broad range of environmental metrics, in alignment with global reporting standards, as part of our commitment to environmental stewardship and continuous improvement.

The company is committed to limiting our impact on climate, air, water, land and wildlife by investing in technology and continuously improving our operating practices. We believe in collaborating with our industry peers and suppliers to find innovative solutions to minimize our impact on the environment and maximize business value.

Stakeholder engagement

Cenovus strives to build positive relationships with stakeholders through communication based on honesty, trust and respect. We work to understand stakeholder interests in our operations through ongoing engagement and communication. Our stakeholders include but are not limited to Indigenous groups, communities near our operations, various levels of government and members of the financial community.

Indigenous reconciliation

At Cenovus, we seek to build and maintain long-term, mutually beneficial relationships with local Indigenous communities, respecting and recognizing their Indigenous rights and culture. We believe this approach is consistent with the United Nations Declaration on the Rights of Indigenous People (UNDRIP) and is reflected in Cenovus's Indigenous Relations policy.

Community involvement and investment

Cenovus strives to create a positive impact for both the community and our business. We invest in organizations and initiatives that improve people's quality of life in the communities where we live and work. We look beyond financial resources to leverage our core assets and make purposeful investments that help to address key issues within Cenovus's priority focus areas.

Cenovus provides diverse opportunities for employees to give, volunteer and support the causes important to them as well as the social issues of importance to the company. See the Cenovus Cares Program Guideline and Staff Fundraising Guideline for further details.

Support

For questions related to this Policy, please contact us at sustainability@cenovus.com.

Related policies and standards

- Code of Business Conduct & Ethics
- Human Rights Policy
- Indigenous Relations Policy
- Safety Policy
- Social Investment Standard
- Supplier Code of Business Conduct