UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

(Check One)

☐ Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

☒ Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For fiscal year ended: December 31, 2024
Commission File Number: No. 1-12384

SUNCOR ENERGY INC.
(Exact name of registrant as specified in its charter)

Canada	**1311,1321,2911, 4613,5171,5172**	**98-0343201**
(Province or other jurisdiction of incorporation or organization)	(Primary standard industrial classification code number, if applicable)	(I.R.S. employer identification number, if applicable)

150 - 6th Avenue S.W.
P.O. Box 2844
Calgary, Alberta, Canada T2P 3E3
(403) 296-8000

(Address and telephone number of registrant's principal executive office)

CT Corporation System
28 Liberty St.
New York, New York 10005
(212) 894-8940

(Name, address and telephone number of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s):	Name of each exchange on which registered:
Common shares	**SU**	**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

For annual reports, indicate by check mark the information filed with this form:

☒ Annual Information Form ☒ Annual Audited Financial Statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

Common Shares	**As of December 31, 2024 there were 1,244,331,601 Common Shares issued and outstanding**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.

Yes☒ No☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes☒ No☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

INCORPORATION BY REFERENCE

This annual report on Form 40-F is incorporated by reference into and as an exhibit to, as applicable, each of the following Registration Statements of the Registrant under the Securities Act of 1933: Form S-8 (File No. 333-87604), Form S-8 (File No. 333-112234), Form S-8 (File No. 333-118648), Form S-8 (File No. 333-124415), Form S-8 (File No. 333-149532), Form S-8 (File No. 333-161021) and Form S-8 (File No. 333-161029). The Registrant's Annual Information Form dated February 26, 2025, Audited Consolidated Financial Statements, Management's Discussion and Analysis for the year ended December 31, 2024 and Supplementary Oil and Gas Disclosures, included as Exhibit 99-1, Exhibit 99-2, Exhibit 99-3 and Exhibit 99-10, respectively, to this annual report on Form 40-F, are incorporated by reference into and as an exhibit to, as applicable, the Registrant's Registration Statement on Form F-10 (File No. 333- 279937).

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking

Suncor Energy Inc. (the "Registrant") undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the staff of the Securities and Exchange Commission ("SEC"), and to furnish promptly, when requested to do so by the SEC staff, information relating to the securities in relation to which the obligation to file an annual report on Form 40-F arises, or transactions in said securities.

B. Consent to Service of Process

The Registrant has filed previously with the SEC a Form F-X in connection with the Common Shares.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

See pages 2 and 3 of Exhibit 99-2 and page 54 of Exhibit 99-3.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

See pages 4 and 5 of Exhibit 99-2.

AUDIT COMMITTEE FINANCIAL EXPERT

See page 56 of Exhibit 99-1.

CODE OF ETHICS

See page 20 of Exhibit 99-1.

FEES PAID TO PRINCIPAL ACCOUNTANT

See page 57 of Exhibit 99-1.

AUDIT COMMITTEE PRE-APPROVAL POLICIES

See Schedule "B" of Exhibit 99-1.

APPROVAL OF NON-AUDIT SERVICES

See Schedule "B" of Exhibit 99-1.

IDENTIFICATION OF THE AUDIT COMMITTEE

See page 56 of Exhibit 99-1.

EXHIBIT INDEX

Exhibit No.	Description
97	Executive Compensation Clawback Policy (incorporated by reference from Exhibit No. 97 to the Registrant's Form 40-F, filed with the Commission on March 22, 2024).
99-1	Annual Information Form of Suncor Energy Inc. for the fiscal year ended December 31, 2024 dated February 26, 2025
99-2	Audited Consolidated Financial Statements of Suncor Energy Inc. for the fiscal year ended December 31, 2024
99-3	Management's Discussion and Analysis for the fiscal year ended December 31, 2024, dated February 26, 2025
99-4	Consent of KPMG LLP
99-5	Consent of GLJ Ltd.
99-6	Certificate of the Chief Executive Officer Pursuant to Exchange Act Rules 13a-14(a) or 15d-14(a)
99-7	Certificate of the Chief Financial Officer Pursuant to Exchange Act Rules 13a-14(a) or 15d-14(a)
99-8	Certificate of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Enacted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99-9	Certificate of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Enacted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99-10	Supplementary Oil and Gas Disclosures
101	Inline interactive data file
104	Cover page interactive data file (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

SUNCOR ENERGY INC.

DATE: February 26, 2025

PER: /s/ KRIS P. SMITH

Kris P. Smith
Chief Financial Officer

Annual Information Form dated February 26, 2025

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Advisories

In this Annual Information Form (AIF), references to “Suncor” or “the company” or “Suncor Energy” mean Suncor Energy Inc., its subsidiaries, partnerships and joint arrangements, unless otherwise specified or the context otherwise requires.

All financial information is reported in Canadian dollars, unless otherwise noted. Production volumes are presented on a working-interest basis, before royalties, except for production volumes from the company’s Libyan operations, which are presented on an economic basis.

References to the 2024 audited Consolidated Financial Statements mean Suncor’s audited Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the notes thereto and the auditor’s report thereon, as at and for the years ended December 31, 2024 and 2023. References to the annual 2024 MD&A mean Suncor’s Management’s Discussion and Analysis for the year ended December 31, 2024, dated February 26, 2025.

This AIF contains forward-looking statements and forward-looking information based on Suncor’s current plans, expectations, estimates, projections and assumptions. This information is subject to a number of risks and uncertainties, many of which are beyond the company’s control. Many of these risk factors and other assumptions related to Suncor’s forward-looking statements are discussed in further detail throughout this AIF and the company’s annual 2024 MD&A under the heading Risk Factors, which section is incorporated by reference herein and available on Suncor’s SEDAR+ profile at sedarplus.ca. Users of this information are cautioned that actual results may differ materially from those expressed or implied by the forward-looking statements contained herein. Refer to the Advisory – Forward-Looking Statements and Non-GAAP Financial Measures section of this AIF for information on risk factors and the material assumptions underlying the forward-looking statements.

Information contained in or otherwise accessible through Suncor’s website at www.suncor.com does not form a part of this AIF and is not incorporated into this AIF by reference.

Abbreviations

Measurement, Products and Markets

mbbls	thousands of barrels
mbbls/d	thousands of barrels per day
mmbbls	millions of barrels
boe	barrels of oil equivalent
mboe	thousands of barrels of oil equivalent
mboe/d	thousands of barrels of oil equivalent per day
mmboe	millions of barrels of oil equivalent
mcf	thousands of cubic feet of natural gas
mmcfe/d	millions of cubic feet of natural gas equivalent per day
bcfe	billions of cubic feet of natural gas equivalent
GHG	greenhouse gas
mmbtu	millions of British thermal units
CO_2	carbon dioxide
CO_2e	carbon dioxide equivalent
NGL(s)	natural gas liquid(s)
NO_2	nitrogen dioxide
NOx	nitrogen oxides
SAGD	steam assisted gravity drainage
SCO	synthetic crude oil
SO_2	sulphur dioxide
MW	megawatts
Mt	megatonnes
WCS	Western Canadian Select
WTI	West Texas Intermediate

Places and Currencies

U.S.	United States
U.K.	United Kingdom
$ or Cdn$	Canadian dollars
US$	United States dollars

Suncor converts certain natural gas volumes to boe, mboe and mmboe on the basis of six mcf to one boe. Any figure presented in boe, mboe or mmboe may be misleading, particularly if used in isolation. A conversion ratio of six mcf of natural gas to one bbl of crude oil or NGLs is based on an energy-equivalency conversion method primarily applicable at the burner tip and does not necessarily represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, conversion on a 6:1 basis may be misleading as an indication of value.

Corporate Structure

Name, Address and Incorporation

Suncor Energy Inc. (formerly Suncor Inc.) was originally formed by amalgamation under the *Canada Business Corporations Act* (the CBCA) on August 22, 1979, of Sun Oil Company Limited, incorporated in 1923, and Great Canadian Oil Sands Limited, incorporated in 1953. On January 1, 1989, the company amalgamated with a wholly owned subsidiary under the CBCA. The company amended its Articles in 1995 to move its registered office from Toronto, Ontario, to Calgary, Alberta, and in April 1997 to adopt the name, "Suncor Energy Inc."

Pursuant to an arrangement under the CBCA, which was completed effective August 1, 2009, Suncor amalgamated with Petro-Canada™ to form a single corporation continuing under the name "Suncor Energy Inc." On January 1, 2017, November 20, 2023, and January 1, 2024, Suncor amalgamated with certain of its wholly owned subsidiaries under the CBCA.

Suncor's registered and head office is located at 150 – 6 th Avenue S.W., Calgary, Alberta, T2P 3E3.

Intercorporate Relationships

Suncor's material subsidiaries, the voting securities of which were held either directly or indirectly by the company as at December 31, 2024, are shown below.

Name	Jurisdiction Where Organized	Percentage Owned
Canadian operations		
Suncor Energy Oil Sands Limited Partnership	Alberta	100%
Suncor Energy Products Partnership	Alberta	100%
Suncor Energy Marketing Inc.	Alberta	100%
Canadian Oil Sands Partnership #1 (1)	Alberta	100%
Fort Hills Energy Limited Partnership	Alberta	100%
U.S. operations		
Suncor Energy (U.S.A.) Marketing Inc.	Delaware	100%
Suncor Energy (U.S.A.) Inc.	Delaware	100%

(1) On January 1, 2024, Suncor Energy Ventures Partnership contributed its ownership interest to Canadian Oil Sands Partnership #1 and Suncor Energy Ventures Corporation amalgamated with Suncor Energy Inc.

The company's remaining subsidiaries each accounted for (i) less than 10% of the company's consolidated assets as at December 31, 2024, and (ii) less than 10% of the company's consolidated revenues for the fiscal year ended December 31, 2024. In aggregate, the company's remaining subsidiaries accounted for less than 20% of the company's consolidated assets as at December 31, 2024, and less than 20% of the company's consolidated revenues for the fiscal year ended December 31, 2024.

General Development of the Business

Overview

Suncor Energy is Canada's leading integrated energy company headquartered in Calgary, Alberta, Canada. Suncor's operations include oil sands development, production and upgrading; offshore oil production; petroleum refining in Canada and the U.S.; and the company's Petro-Canada™ retail and wholesale distribution networks (including Canada's Electric Highway™, a coast-to-coast network of fast-charging electric vehicle stations). Suncor is developing petroleum resources while advancing the transition to a lower-emissions future through investments in lower emissions intensity power, renewable feedstock fuels and projects targeting emissions intensity. Suncor also conducts energy trading activities focused primarily on the marketing and trading of crude oil, natural gas, byproducts, refined products and power. Suncor's common shares (symbol: SU) are listed on the Toronto Stock Exchange (TSX) and New York Stock Exchange (NYSE).

Three-Year History

Over the last three years, the following events have influenced the general development of Suncor's business.

2022

- **Share repurchase program.** In 2022, Suncor repurchased, pursuant to its normal course issuer bid (NCIB) approximately 116.9 million of its common shares, or the equivalent of 8.1% of its issued and outstanding common shares as at December 31, 2021, at an average share price of $43.92 per common share.
- **Dividend increases.** In the second and fourth quarters of 2022, the Board approved increases to the quarterly dividend, raising it to $0.47 per share and $0.52 per share, respectively.
- **Executed debt tender offer.** In the fourth quarter of 2022, the company completed a debt tender offer and repurchased approximately $3.6 billion of its various series of outstanding notes below par.
- **Restart of West White Rose Project.** In the second quarter of 2022, Suncor and the joint venture owners announced the decision to restart the West White Rose Project offshore the east coast of Canada, which is expected to extend the production life of the White Rose field. As a result of the restart decision, Suncor increased its ownership in the White Rose assets by an additional 12.5% to approximately 39%. Production from the West White Rose Project is expected to commence in 2026.
- **Kris Smith appointed interim President and Chief Executive Officer.** On July 8, 2022, Mr. Smith was named interim President and Chief Executive Officer, replacing Mark Little.
- **Suncor enters into agreement with Elliott Investment Management.** In the third quarter of 2022, Suncor entered into an agreement with affiliates of Elliott Investment Management (Elliott), pursuant to which Suncor appointed three new independent directors to its Board.
- **Completed sale of Norway operations.** The company completed the sale of its Exploration and Production (E&P) assets in Norway for gross proceeds of approximately $430 million, before closing adjustments and other closing costs.
- **Fort Hills mine improvement plan.** Fort Hills commenced its three-year mine improvement plan, which includes an accelerated sequence of mine development relative to historical plans, during which time the asset is expected to average lower than 90% production rates.
- **Results of retail review.** In the fourth quarter of 2022, following a comprehensive strategic review of its downstream retail business, the company announced that it would retain and continue to improve and optimize the Petro-Canada™ retail business.

2023

- **Share repurchase program.** In 2023, Suncor repurchased approximately 52.0 million, pursuant to its NCIB, or the equivalent of 3.9% of its issued and outstanding common shares as at December 31, 2022, at an average price of $42.96 per common share.
- **Suncor amends agreement with Elliott.** In the first quarter of 2023, the agreement with Elliott was amended to extend the right for Elliott to appoint an additional director to the Board, which occurred in March 2023.
- **Sale of wind and solar assets.** In the first quarter of 2023, Suncor completed the sale of its wind and solar assets for gross proceeds of $730 million, before closing adjustments and other closing costs. The sale included the company's interest in the Forty Mile, Adelaide, Magrath and Chin Chute wind farms.
- **Acquired additional interest in Fort Hills.** On February 2, 2023, Suncor completed the acquisition of an additional 14.65% working interest in Fort Hills for $712 million from Teck Resources Limited, bringing the company's working interest to 68.76%. The effective date of the transaction was November 1, 2022.
- **Rich Kruger appointed President and Chief Executive Officer.** Effective April 3, 2023, Mr. Kruger was named Suncor's President and Chief Executive Officer. Effective May 9, 2023, Kris Smith assumed the role of Chief Financial Officer.
- **Sale of U.K. assets.** In the second quarter of 2023, Suncor completed the sale of its U.K. E&P portfolio for gross proceeds of $1.1 billion, before closing adjustments and other closing costs.
- **Cybersecurity incident.** In the second quarter of 2023, Suncor experienced a cybersecurity incident. The incident did not impact the safety and reliability of the company's field operations but did impact certain business operations and services. The cybersecurity incident did not have a material impact on the company's 2023 financial results.
- **Co-ownership agreement with North Atlantic.** In the first quarter of 2023, Suncor entered into a co-ownership agreement with North Atlantic to combine retail fuel networks. The combined network has 110 sites and will include the rebranding of a number of North Atlantic's sites to the Petro-Canada™ brand.
- **Petro-Canada™ and Canadian Tire Corporation partnership.** In the second quarter of 2023, Petro-Canada™ and Canadian Tire Corporation announced a new partnership that will result in the rebranding of over 200 of Canadian Tire Corporation's retail fuel network sites to the Petro-Canada™ brand, as well as the partnering of the two brand's loyalty programs. Suncor will also become the primary fuel provider for Canadian Tire Corporation's retail fuel network.
- **Workforce reductions.** During the second half of 2023, Suncor completed workforce reductions of approximately 1,500 employees.
- **Terra Nova returns to production.** In the fourth quarter of 2023, the Terra Nova Floating, Production, Storage and Offloading (FPSO) vessel safely restarted production.
- **Dividend increase.** In the fourth quarter of 2023, the Board approved a quarterly dividend of $0.545 per share, an increase of approximately 5% over the prior quarter dividend.
- **Acquired remaining interest in Fort Hills.** On November 20, 2023, Suncor completed the acquisition of TotalEnergies EP Canada Ltd. (TotalEnergies Canada), which held the remaining 31.23% working interest in Fort Hills, for $1.468 billion before closing adjustments and other closing costs, making Suncor the sole owner of Fort Hills. The effective date of the transaction was April 1, 2023.
- **Issuance of senior notes.** During the fourth quarter of 2023, Suncor issued $1.0 billion aggregate principal amount of 5.60% senior unsecured medium term notes and $500 million

aggregate principal amount of 5.40% senior unsecured medium term notes, due on November 17, 2025, and November 17, 2026, respectively, to finance the acquisition of TotalEnergies Canada.

2024

- **Share repurchase program.** In 2024, Suncor repurchased approximately 55.6 million of its common shares, or the equivalent of 4.3% of its issued and outstanding common shares as at December 31, 2023 at an average price of $52.33 per common share, pursuant to its NCIB, which expired on February 25, 2025. Suncor has renewed its NCIB as at February February 26, 2025. The renewed NCIB will commence on March 3, 2025 and expire March 2, 2026, and permits the company to purchase up to 10% of Suncor's public float as at February 18, 2025.
- **New cogeneration facility begins operating.** In the fourth quarter of 2024, the company began operating an 800 MW cogeneration facility to replace the coke-fired boilers at Oil Sands Base Plant, which provides the steam generation required for extraction and upgrading activities at a lower cost. The cogeneration facility also generates lower-carbon-intensive power for Alberta's power grid.
- **Executed debt tender offer.** In the third quarter of 2024, the company completed a debt tender offer and repurchased $1.1 billion aggregate principal amount of certain series of the company's outstanding notes, capturing significant economic value and reducing future interest obligations.
- **Dividend increase.** In the fourth quarter of 2024, the Board approved a quarterly dividend of $0.57 per share, an increase of approximately 5% over the prior quarter dividend.

Narrative Description of Suncor's Businesses

Suncor has classified its operations into the following segments: Oil Sands, Exploration & Production, Refining & Marketing (R&M), and Corporate & Eliminations.

Oil Sands

Suncor's Oil Sands segment produces bitumen from mining operations at Base Plant, Syncrude, and Fort Hills and In Situ operations at Firebag and MacKay River, located in the Athabasca oil sands of northeast Alberta. Suncor has integrated upgrading facilities at Base Plant and Syncrude, where bitumen is either upgraded into synthetic crude oil (SCO) or blended with diluent for refinery feedstock or direct sale to market.

Regional Integration

The Oil Sands segment is regionally integrated giving it the ability to transport bitumen and intermediate production between assets in the region. Base Plant acts as the hub with both Fort Hills and In Situ having the ability to transport production directly to Base Plant. Syncrude's Mildred Lake site is connected to Base Plant by the bi-lateral interconnecting pipelines. This integration allows Suncor to move production within the region to maximize value through upgrading and to minimize maintenance impacts.

Oil Sands Production

Production Summary (mbbls/d)	2024	2023
Oil Sands Bitumen Production		
Oil Sands Base	261.9	250.2
Fort Hills[1]	168.0	106.4
Syncrude	211.0	212.1
In Situ		
Firebag	233.8	217.4
MacKay River	32.3	33.7
Total Oil Sands Bitumen Production	907.0	819.8
Upgraded – Net SCO and Diesel Production		
Oil Sands Operations[2]	345.8	314.9
Syncrude	198.4	190.9
Inter-asset transfer and consumption	(28.1)	(18.8)
Upgraded – net SCO and diesel production	516.1	487.0
Non-Upgraded Bitumen Production		
Oil Sands Operations[2]	141.8	123.4
Fort Hills[1]	168.0	106.4
Syncrude	1.1	1.7
Inter-asset transfer and consumption	(53.2)	(28.9)
Non-Upgraded Bitumen	257.7	202.6
Total Oil Sands Production Volumes	773.8	689.6

(1) In the first quarter of 2023, Suncor completed the acquisition of an additional 14.65% working interest in Fort Hills, and in the fourth quarter of 2023 completed the acquisition of the remaining 31.23% working interest.

(2) Oil Sands operations consists of: Oil Sands Base operations and In Situ operations.

Mining Operations

Suncor has two wholly owned mining operations, Oil Sands Base and Fort Hills, and owns a 58.74% interest in the Syncrude joint operation, all of which are open-pit mining operations. Suncor has been the operator of the Syncrude joint operation since September 30, 2021.

Oil Sands Base Mining

Bitumen at Oil Sands Base is mined from the Millennium area, which began production in 2001, and the North Steepbank area, which began production in 2011. Shovels are used to excavate oil sands bitumen ore, which is trucked to primary extraction, from there a slurry of hot water, sand and bitumen is delivered via a pipeline to the extraction plants. Naphtha is added to the bitumen froth, which is then centrifuged to separate impurities, minerals and coarse tailings.

Fort Hills Mining

Fort Hills mine, comprising leases on the east side of the Athabasca River, is north of Oil Sands Base operations. Fort Hills achieved first production in early 2018. Fort Hills operations are substantially similar to those of Suncor's Oil Sands Base mining and extraction assets, however, Fort Hills uses a paraffinic froth treatment process to produce a marketable bitumen product that is partially decarbonized, resulting in a higher-quality bitumen requiring less diluent and eliminating the need for on-site upgrading facilities. In 2025, Fort Hills will be in the third year of its three-year mine improvement plan.

Syncrude Mining

Syncrude mining and extraction operations are similar to those at Oil Sands Base. Syncrude began producing in 1978 and is located north and east of Oil Sands Base operation. It includes mining operations at Mildred Lake and Aurora North. Syncrude is progressing the Mildred Lake West Extension (MLX-W) project, which is expected to sustain bitumen production levels at the Mildred Lake site after resource depletion at the Mildred North Mine using existing mining and extraction facilities. First oil from MLX-W is expected in 2025. The Mildred Lake East Extension (MLX-E) program is expected to follow the MLX-W development if economic conditions remain suitable.

Other Mining Leases

Suncor directly owns interests in several other mineable oil sands leases, including Base Mine Extension (100%) and Audet (100%). Suncor undertakes exploratory drilling programs on such leases from time to time as part of its bitumen supply strategy. Suncor indirectly owns interests in other mineable oil sands leases, including Lease 29, Lease 30 and Lease 31, through the company's interest in Syncrude.

New Technology

Suncor continues to progress the phased implementation of Autonomous Haulage Systems (AHS) at its mines to lower costs, and improve productivity and safety performance. AHS has been deployed at Oil Sands Base mine for ore delivery with plans to deploy in overburden next and is expected to be deployed at Syncrude in 2026 and Fort Hills in 2028.

In 2024, the Mine Connect Digital Tool was implemented in the company's mining operations to improve fleet productivity by providing access to real time equipment performance data. The tool allows teams to rapidly identify and execute on performance opportunities and leverage learnings between locations.

In Situ Operations

Suncor's In Situ operations include bitumen production from Firebag and MacKay River, as well as supporting infrastructure, including central processing facilities, cogeneration units, product transportation infrastructure, diluent import capabilities, storage assets and a cooling and blending facility. In Situ operations use SAGD technology for producing bitumen from oil sands deposits that are too deep to be mined. Once Through Steam Generators (OTSGs) and cogeneration units are used to generate steam and electricity for operations and are fueled by both purchased natural gas and produced natural gas recovered at central processing facilities. Excess electricity generation is sold to the Alberta power grid or is used at Oil Sands Base facilities.

Firebag

Production from Firebag commenced in 2004. The Firebag complex has central processing facilities with a nameplate capacity of 215 mbbls/d of bitumen. Firebag includes 26 well pads in operation, with 329 SAGD well pairs and 53 infill wells either producing or on initial steam injection as of December 31, 2024. Central processing facilities have been designed to provide some flexibility as to which well pads supply bitumen. Steam generated at the various facilities can be used at multiple well pads.

MacKay River

Production from MacKay River commenced in 2002. The MacKay River central processing facilities have a bitumen processing capacity of 38 mbbls/d. MacKay River includes ten well pads with 125 well pairs either producing or on initial steam injection as of December 31, 2024. A third party owns the on-site cogeneration unit, which Suncor operates. There are also four OTSGs at the site for additional steam generation.

New Technology

Expanding Solvent SAGD (ES-SAGD) is an enhancement of SAGD technology that accelerates bitumen production, reduces the steam-to-oil ratio and lowers GHG emissions intensity. The technology is expected to be ready for deployment in Suncor's In-Situ projects by 2028.

The Enhanced Bitumen Recovery Technology (EBRT) process involves the replacement of steam with a hydrocarbon solvent to reduce steam requirements. The combined solvent and thermal effect has potential for improvement relative to SAGD.

Other In Situ Leases

Suncor holds a large portfolio of In Situ lands in proximity to Fort McMurray. Suncor holds a 100% working interest in Lewis and Gregoire, a 100% working interest in Firebag South, a 77.78% working interest in OSLO, a 75% working interest in Meadow Creek, and interests varying from 25% to 50% in Chard. Lewis has received regulatory approval for future production. The portfolio is well positioned to leverage Suncor's existing asset base and is currently being evaluated as part of Suncor's integrated bitumen supply strategy.

Upgrading Facilities

Base Plant

Base Plant upgrades bitumen to SCO with two upgraders with a combined nameplate capacity of 350 mbbls/d of SCO. Suncor's secondary upgrading facilities consist of three hydrogen plants, three naphtha hydrotreaters, two gas oil hydrotreaters, one diesel hydrotreater and one kerosene hydrotreater. The SCO is either sold as sour SCO or upgraded further into sweet SCO by removing sulphur and nitrogen using a hydrotreating process. Upgrading processes also produce ultra-low sulphur diesel fuel and other byproducts. In 2024 the Upgrader 1 coke drum replacement project was progressed. The replacement of eight coke drums, ancillary systems, and foundation repairs to extend the life of the Upgrader 1 facility by an expected 30 years, and reduce future operating and capital cost requirements, is planned to be completed in 2025.

Syncrude

Upgrading technologies at Syncrude are similar to those used at Oil Sands Base, with the exception that Syncrude uses a fluid coking process that involves the continuous thermal cracking of the heaviest hydrocarbons. Upgrader nameplate capacity is 206 mbbls/d of SCO net to Suncor. At Mildred Lake, electricity is provided by a utility plant fueled by natural gas and rich fuel gas from upgrading operations. At Aurora North, Syncrude operates two cogeneration units that provide heat and electricity. Syncrude primarily produces a sweet SCO product, and each individual Syncrude owner is responsible for marketing its share of production.

Power Generation

In the fourth quarter of 2024, Suncor began operating an 800 MW cogeneration facility, that replaces the coke-fired boilers at Oil Sands Base. The facility provides the steam generation required for extraction and upgrading activities at a lower cost and is expected to lower the GHG emissions intensity associated with steam production at Oil Sands Base. In addition, the facility will produce excess electricity that will be transmitted to Alberta's power grid.

Suncor also has cogeneration units at Firebag, Fort Hills and Syncrude which produce excess electricity that can be sold to the Alberta power grid.

Sales of Principal Products

Primary markets for SCO and bitumen production from Suncor's Oil Sands segment include refining operations in Alberta, Ontario, Quebec, the U.S. Midwest and the U.S. Rocky Mountain region, and markets on the U.S. Gulf Coast, U.S. West Coast and Asia. Diesel production from upgrading operations is sold primarily in Western Canada and the U.S.

	2024		2023	
Sales Volumes and Operating Revenues - Principal Products	mbbls/d	% Operating Revenues	mbbls/d	% Operating Revenues
SCO and diesel	513.2	65	486.6	72
Bitumen	260.8	34	199.4	27
Byproducts and other operating revenues (1)	n/a	1	n/a	1
	774.0		686.0	

(1) Operating revenues include revenues associated with excess electricity from cogeneration units.

Distribution of Products

Production from Suncor's Oil Sands segment is gathered into facilities at the Enbridge Athabasca Terminal or the East Tank Farm. Production from Syncrude is moved to market via the Pembina Alberta Oil Sands Pipeline.

Product moves from the Athabasca Terminal in the following ways:

- To Edmonton, via the Oil Sands pipeline where the product is processed in Suncor's Edmonton refinery, sold to other local refiners or transferred on the Enbridge Mainline or the Trans Mountain Pipeline system.
- To Hardisty, Alberta, on the Enbridge Athabasca Pipeline or the Enbridge Wood Buffalo Pipeline and the Enbridge Wood Buffalo Pipeline Extension.
- To Edmonton via the Enbridge Waupisoo Pipeline, originating at Cheecham.

From Edmonton and Hardisty, where Suncor owns storage capacity and has additional capacity under contract, there are various options for delivering SCO and bitumen to customers:

- To Suncor's Commerce City refinery via the Express and Platte pipelines, and via the mainline from Rose Rock's Platteville Terminal. Suncor owns and operates the Rocky Mountain Pipeline which originates from Guernsey, Wyoming.
- To Suncor's Sarnia refinery on the Enbridge Mainline and to Suncor's Montreal refinery from Sarnia on Enbridge's Line 9.
- To most major refining hubs via the Enbridge Mainline, Express/Platte, Keystone and Flanagan South pipeline systems.
- To U.S. Puget Sound refineries and to global markets via the Trans Mountain Pipeline, as well as by rail.

Exploration and Production

Suncor's E&P segment consists of offshore operations off the east coast of Canada and onshore assets in Libya and Syria.

E&P Canada – Assets and Operations

Based in St. John's, Newfoundland and Labrador, this business includes interests in four producing fields and future developments and extensions. Suncor is the only company in this region with interests in every field currently in production.

E&P Canada Production

Crude Oil Prodcution (mbbls/d)	2024	2023
Terra Nova	11.4	0.6
Hibernia and Hibernia Southern Expansion	14.2	13.8
White Rose and White Rose Extension	0.0	5.2
Hebron	24.1	24.8
Total	49.7	44.4

Terra Nova

Suncor holds a 48% working interest in the Terra Nova oilfield. Terra Nova, which is approximately 350 kilometres southeast of St. John's, was discovered in 1984 and was the second oilfield to be developed offshore Newfoundland and Labrador. Operated by Suncor, the production system uses an FPSO vessel that is moored on location. The Terra Nova oilfield is divided into three distinct areas: the Graben, the East Flank and the Far East. Production from Terra Nova began in January 2002.

Production at Terra Nova re-started in the fourth quarter of 2023 following the completion of the Terra Nova Asset Life Extension Project (ALE) which is expected to extend the production life of the Terra Nova field by approximately 10 years. The asset was offline since 2019 as the ALE was completed.

Hibernia and the Hibernia Southern Extension Unit

Suncor holds a non-operated interest in Hibernia (20% in the base project and 19.485% in the Hibernia Southern Extension Unit). The Hibernia oilfield, encompassing the Hibernia and Ben Nevis Avalon reservoirs, is approximately 315 kilometres southeast of St. John's and was the first field to be developed in the Jeanne d'Arc Basin. Operated by Hibernia Management and Development Company Ltd., the production system is a fixed gravity-based structure that sits on the ocean floor. Hibernia commenced production in November 1997.

White Rose and the White Rose Extensions

White Rose is approximately 350 kilometres southeast of St. John's. Operated by Cenovus Energy Inc., White Rose uses the SeaRose FPSO vessel. Production from White Rose began in November 2005. The White Rose Extensions include the North Amethyst, South White Rose Extension, and West White Rose satellite fields (the Extensions). First oil was achieved at North Amethyst in May 2010 and at the South White Rose Extension in June 2015. Suncor's working interest is 40% in the White Rose Field, and 38.6% in the Extensions.

Development of the West White Rose field has been divided into two stages. The first stage achieved first oil in September 2011 and the second stage, the West White Rose Project, was sanctioned in 2017. Production from the West White Rose Project is expected to commence in 2026.

White Rose was taken offline late in the fourth quarter of 2023 for the SeaRose FPSO Asset Life Extension Project and did not produce in 2024 while the FPSO was in dry dock. Production at White Rose is expected to restart in 2025.

Hebron

Suncor holds a 21.034% interest in the Hebron oilfield, located approximately 340 kilometres southeast of St. John's and operated by ExxonMobil. The development includes a concrete gravity-based structure that sits on the ocean floor and supports an integrated topsides deck used for production, drilling and accommodations. First oil was achieved in November 2017.

Other Assets

Suncor holds interests in 49 significant discovery licences.

Distribution of Products

Field production is transported by shuttle tanker from offshore installations and either delivered directly to customers or to the Newfoundland transshipment terminal in Placentia Bay, where it is subsequently loaded onto tankers for transport to markets in Eastern Canada, the U.S., Europe, Latin America and Asia. Suncor has a 14% ownership interest in the transshipment facility and is part of a group of companies that share the operation of marine transportation assets for East Coast Canada.

E&P International – Assets and Operations

International

Libya

In Libya, Suncor is a signatory to seven exploration and production sharing agreements (EPSAs) with the National Oil Corporation (NOC). Under the EPSAs, Suncor pays 100% of the exploration costs, 50% of the development costs and 12% of the operating costs. The development, operating and eligible exploration costs are recovered through a 12% share of production (Cost Recovery Oil). Any Cost Recovery Oil remaining after Suncor's costs have been recovered is shared between Suncor and the NOC based on several factors. The EPSAs expire on December 31, 2032, but include an initial five-year extension through the end of 2037.

Since 2013, production and liftings in Libya have been intermittent due to ongoing political unrest, and the remaining value of Suncor's assets in Libya was impaired in 2015. The timing of a return to normal operations in Libya remains uncertain due to continued political unrest.

The estimated cost of Suncor's remaining exploration work program commitment at December 31, 2024, is US$359 million. Suncor declared force majeure for all exploration commitments in Libya effective December 14, 2014, and this declaration remains in effect.

Syria

In December 2011, sanctions were imposed due to political unrest in Syria, and Suncor declared force majeure under its contractual obligations, suspending its operations in the country. The company ceased recording all production and revenue associated with its Syrian assets and the remaining value of the Suncor assets in Syria was impaired to zero in 2013.

Sales of Principal Products

Sales arrangements are made on a spot basis and incorporate pricing that is generally determined on a daily or monthly basis in relation to a specified market reference price. Suncor does not typically enter into long-term supply arrangements to sell its production from its E&P segment.

In Libya, crude oil is marketed by the NOC on behalf of Suncor.

Exploration and Production Sales Summary:

	2024		2023	
Crude Oil Sales Volumes	mbbls/d	% Operating Revenues	mbbls/d	% Operating Revenues
E&P Canada	52.2	93	41.5	78
E&P International(1)	4.0	7	11.4	22
Total Exploration and Production	56.2	100	52.9	100

(1) E&P International crude oil include production volumes for Libya on an economic basis.

Refining and Marketing

Suncor's refining and marketing (R&M) segment consists of two primary operations: the Refining and Supply operations and the Sales and Marketing operations, as well as the infrastructure supporting the marketing, supply and risk management of refined products, crude oil, natural gas, power and byproducts.

Refining and Supply – Assets and Operations

Refinery Throughputs, Utilizations and Yields

The following tables summarize the crude feedstock, utilizations and production yield mix for Suncor's refineries for the years ended December 31, 2024, and 2023.

Average Daily Crude Throughput	Montreal		Sarnia		Edmonton		Commerce City	
(mbbls/d, except as noted)	2024	2023	2024	2023	2024	2023	2024	2023
Sweet SCO	28.1	25.7	35.7	31.3	60.8	60.6	—	—
Sour SCO	—	—	26.9	32.1	49.6	45.3	11.6	7.0
Diluted bitumen	27.6	25.1	—	—	42.9	32.6	11.8	9.4
Sweet conventional	70.5	70.4	3.1	—	—	—	65.4	46.3
Sour conventional	7.4	8.5	14.4	19.3	—	—	9.3	7.1
Total	133.6	129.7	80.1	82.7	153.3	138.5	98.1	69.8
Total Capacity	137	137	85	85	146	146	98	98
Utilization (%)	97	95	94	97	105	95	100	71

Refined Petroleum Production Yield Mix	Montreal		Sarnia		Edmonton		Commerce City	
(%)	2024	2023	2024	2023	2024	2023	2024	2023
Gasoline	40	38	46	45	43	42	50	47
Distillates	42	39	37	41	52	53	33	34
Other	18	23	17	14	5	5	17	20

Eastern North America

Montreal Refinery

The Montreal refinery has a flexible configuration that allows processing of sweet SCO from the company's Oil Sands segment, WCS, conventional crude oil and intermediate feedstock. Crude oil for the refinery can be supplied through several channels, including via Enbridge's Line 9 and the Portland-Montreal Pipeline, by marine transportation and by rail.

Production yield from the Montreal refinery includes gasoline, distillate, heavy fuel oil, solvents, asphalt and petrochemicals, which are distributed primarily across Quebec and Ontario. Refined products are delivered to distribution terminals and customers via the Trans-Northern Pipeline, truck, rail and marine vessel.

To meet the demands of Suncor's marketing network in eastern North America, the company also purchases gasoline and distillate from other refiners. Suncor enters into reciprocal exchange arrangements with refiners in eastern North America, primarily for gasoline and distillate, as a means of minimizing transportation costs and balancing product availability. Specialty products, such as asphalt and petrochemicals, are also exported to customers in the U.S.

Sarnia Refinery

The Sarnia refinery processes both SCO from the company's Oil Sands segment and conventional crude oil purchased from third parties on a spot basis or under contracts that can be terminated on short notice. Crude oil is supplied to the Sarnia refinery primarily via the Enbridge Mainline and Lakehead pipeline systems. Suncor procures conventional crude oil feedstock primarily from Western Canada and has the ability to supplement supply with purchases from the U.S.

Production yield from the Sarnia refinery includes gasoline, jet and diesel fuels, petrochemicals and asphalt, which are primarily distributed in Ontario. Refined products are delivered to distribution terminals in Ontario via the Sun-Canadian Pipeline or delivered to customers directly via marine vessel and rail. The Sarnia refinery also has limited access to pipelines delivering refined products into the U.S.

The Sarnia refinery also enters into reciprocal exchange arrangements for gasoline and distillate and exports specialty products to the U.S.

Other Facilities

Suncor operates Canada's largest ethanol facility, the St. Clair ethanol plant in the Sarnia-Lambton region of Ontario. In 2024, the plant produced 402 million litres of ethanol (2023 –360 million litres).

Western North America

Edmonton Refinery

The Edmonton refinery has the capability to run a full slate of sweet, sour, and heavy feedstock sourced from Suncor's Oil Sands segment and from other producers from the Wood Buffalo and Cold Lake regions of Alberta. Crude oil is supplied to the refinery via company owned and third party pipelines.

Production yield from the Edmonton refinery includes primarily gasoline, jet and diesel fuels and other light oils, which are delivered to distribution terminals across Western and Eastern Canada via the Alberta Products Pipeline, the Trans Mountain Pipeline and the Enbridge pipeline system, as well as via truck and rail.

The Edmonton refinery also enters into reciprocal agreements for gasoline and distillate.

Commerce City Refinery

The Commerce City refinery processes primarily conventional crude oil and has the capacity to process sour SCO and diluted bitumen from Suncor's Oil Sands operations. A majority of the crude feedstock is supplied from sources in the U.S., while the remainder is sourced from Suncor's Oil Sands segment or is purchased from other Canadian sources. Crude oil purchase contracts have terms ranging from month-to-month to multi-year. Crude oil is supplied to the Commerce City refinery primarily by pipeline, with the remainder transported via truck.

Production yield from the Commerce City refinery includes primarily gasoline, jet and diesel fuels and paving grade asphalt. The majority of the refined products are sold to commercial and wholesale customers in Colorado and Wyoming, and to a retail network in Colorado and Wyoming. Refined products are distributed by truck, rail and pipeline.

Other Facilities

Suncor imports and exports finished products through its Burrard distribution terminal located on the west coast of British Columbia. The Burrard distribution terminal has total export capacity of 40 mbbls/d and supports the supply and demand balance in the Vancouver area.

Distribution Terminals and Pipelines

Suncor owns and operates 13 major refined product terminals across Canada (including terminals adjacent to refineries) and three product terminals in Colorado. Combined with access to facilities under long-term contractual arrangements with other parties, Suncor's North American assets are sufficient to meet the R&M segment's current storage and distribution needs.

As at December 31, 2024, Suncor's ownership interests in certain pipelines were as follows:

Pipeline	Ownership	Type	Origin	Destinations
Portland-Montreal Pipeline	100.00%	Crude oil	Portland, Maine	Montreal, Quebec
Trans-Northern Pipeline	33.30%	Refined product	Montreal, Quebec	Ontario – Ottawa, Toronto & Oakville
Sun-Canadian Pipeline	55.00%	Refined product	Sarnia, Ontario	Ontario – Toronto, London & Hamilton
Alberta Products Pipeline	35.00%	Refined product	Edmonton, Alberta	Calgary, Alberta
Rocky Mountain Crude Pipeline	100.00%	Crude oil	Guernsey, Wyoming	Denver, Colorado
Centennial Pipeline	100.00%	Crude oil	Guernsey, Wyoming	Cheyenne, Wyoming
Oil Sands Pipeline	100.00%	Crude oil	Fort McMurray, Alberta	Edmonton, Alberta

Sales and Marketing– Assets and Operations

Suncor's retail service station network operates nationally in Canada primarily under the Petro-Canada ™ brand. This network consists of 1,638 outlets across Canada, of which 765 locations are company-owned locations and 873 are branded dealers. Selected locations along the Trans-Canada Highway are part of Canada's Electric Highway™, a network of fast-charging electric vehicle stations. Suncor's Canadian retail network averaged approximately 4.2 million litres per site of gasoline sales in 2024 (2023 – 4.2 million litres).

Suncor's Colorado retail network consists of 44 owned or leased Shell ™, Exxon™ or Mobil™ branded outlets. Suncor also has product supply agreements with 89 Shell-branded sites in both Colorado and Wyoming, and with 83 Exxon and Mobil-branded sites in Colorado.

Marketing activities from the retail network also generate revenues from convenience store sales and car washes.

In 2024 Suncor continued the enhancement of high-grading our retail network through enhancing quick serve restaurant offerings, with the goal of maintaining our industry leading brand position and growing margin. It is the company's intention to continue this strategy in 2025.

Petro-Canada™ and Canadian Tire Corporation launched a new partnership in 2023 and in 2024 commenced the rebranding of over 200 of Canadian Tire Corporation's retail fuel network sites to the Petro-Canada™ brand and partnered the two brand's loyalty programs. Suncor has also become the primary fuel provider for Canadian Tire Corporation's retail fuel network. Site rebranding began in the third quarter of 2024, with 19 sites completed as of December 31, 2024.

Suncor's wholesale operations sell refined products into farm, home heating, paving, small industrial, commercial and truck markets. Through its PETRO-PASS™ network, Suncor is a national marketer to the commercial road transport segment in Canada. Suncor also sells refined products directly to large industrial and commercial customers and independent marketers.

Retail and Wholesale Summary

Suncor's retail network consists of the following branded outlets supplied with Suncor fuel. These outlets are comprised of Suncor owned or leased locations, as well as third-party sites branded and supplied with branded fuel through Suncor. The number of wholesale sites is shown in the table below.

Locations	As at December 31 **2024**	2023
Retail Service Stations - Canada		
Petro-Canada branded	1 637	1 584
Sunoco branded	1	1
	1 638	1 585
Retail Service Stations - U.S.		
Shell-branded retail service stations - Colorado/Wyoming	124	135
Exxon-branded retail service stations - Colorado	65	54
Mobil-branded retail service stations - Colorado	27	24
	216	213
Wholesale Cardlock Sites - Canada		
Petro-Canada-branded cardlock sites (PETRO-PASS)	320	323

(1) Shell™ is a registered U.S. trademark of Shell Trademark Management B.V., and Exxon™ and Mobil™ are registered U.S. trademarks of Exxon Mobil Corporation.

Refined Products Sales Volumes

Sales Volumes	2024 mbbls/d	2024 % Operating Revenues	2023 mbbls/d	2023 % Operating Revenues
Gasoline (includes motor and aviation gasoline)				
Eastern North America	118.6		112.2	
Western North America	134.7		115.8	
	253.3	43	228.0	42
Distillates (includes diesel and heating oils, and aviation jet fuels)				
Eastern North America	116.3		104.3	
Western North America	145.6		139.6	
	261.9	48	243.9	49
Other (includes heavy fuel oil, asphalts, petrochemicals, other)				
Eastern North America	52.7		51.9	
Western North America	32.5		29.3	
	85.2	9	81.2	9
Total Sales Volume	600.4		553.1	

Sales volumes for specific products are moderately affected by seasonal cycles: gasoline sales are typically higher during the summer driving season; heating oil sales are typically higher during the winter season; diesel sales are typically higher during the drilling season at the beginning of the year in Western Canada and during agricultural planting and harvest seasons in early spring and late summer, respectively; and asphalt sales are typically higher during the summer construction paving period. Suncor has the flexibility to modify refinery inputs and outputs to match production yields with anticipated product demands. Suncor also has the flexibility to import and export refined products to optimize domestic seasonal cycles and to capture incremental margins from market dislocations.

Sales volumes can also be impacted when refineries undergo maintenance events. Suncor is able to mitigate this impact through its integrated facilities, inventory management and by purchasing refined products from third parties.

Other Suncor Businesses

Energy Trading

Suncor's Energy Trading business is organized around five main commodity groups – crude oil, transportation fuels, specialty products and feedstock, natural gas, and electricity – and has trading offices in Canada, the U.K. and the U.S. Energy Trading manages open price exposure along the Suncor value chain and provides commodity supply, transportation and storage services while optimizing price realizations for Suncor's products. The company's customers include mid to large sized commercial and industrial consumers, utility companies and energy producers.

The Energy Trading business supports the company's Oil Sands and E&P production by optimizing price realizations, managing inventory levels and managing the impacts of external market factors, such as pipeline disruptions or outages at refining customers' facilities. The Energy Trading business has entered into contractual arrangements for other midstream infrastructure, such as pipeline, storage capacity and rail access, to optimize delivery of existing and future growth production, while generating earnings on select trading strategies and opportunities.

The Energy Trading business supports the company's Refining and Marketing business by optimizing the supply of crude oil and NGL feedstock to the company's refineries, managing crude inventory levels around maintenance events, as well as managing external impacts, such as pipeline disruptions. Energy Trading also moves Suncor's refinery production to market and ensures supply to Suncor's branded retail and wholesale marketing channels. The business provides reliable natural gas supply to Suncor's upstream and downstream operations and generates incremental revenue through trading and asset optimization.

Corporate and Eliminations

The Corporate and Eliminations segment includes activities not directly attributable to any other operating segment. Corporate activities include Suncor's debt and borrowing costs, expenses not allocated to the company's businesses, and investments in certain clean technologies.

Intersegment activity includes the sale of product between the company's segments, primarily relating to crude refining feedstock sold from Oil Sands to R&M.

Suncor Employees

The following table shows the distribution of Suncor's full- and part-time employees:

As at December 31	2024	2023
Oil Sands	9 702	9 590
Exploration and Production	213	215
Refining and Marketing	2 502	2 447
Corporate	2 593	2 654
Total	15 010	14 906

In addition to Suncor's employees, the company also uses independent contractors and temporary workers to supply a range of services. As at December 31, 2024, Suncor had 484 contractors and temporary workers (2023 – 807 contractors and temporary workers).

Approximately 26% of the company's employees are covered by collective agreements.

Ethics, Social and Environmental Policies

Suncor has adopted several policies focused on ethics, social and environmental matters, which are reviewed regularly and accessible to employees and contractors. Additional workshops and training sessions are also conducted as warranted throughout the year.

Suncor's standards for the ethical conduct of business are set forth in its Standards of Business Conduct Code (the Code). Topics addressed in the Code include: accounting and business controls, competition and trade; confidentiality; conflict of interest; equal opportunity and respect for people; improper payments; protection and proper use of corporate assets and opportunities; trading in shares and securities; and reports and communications. The Code is supported by a compliance program, under which every Suncor director, officer, employee and independent contractor is required to annually complete a training course and affirm their understanding of the requirements of the Code and provide confirmation of compliance since their last affirmation or confirmation that any instance of non-compliance has been resolved with the individual's supervisor. Compliance is reported to Suncor's Governance Committee of the Board of Directors.

Compliance with Suncor's Supplier Code of Conduct is a requirement for all suppliers, contractors, consultants and other third parties with whom Suncor does business. It addresses topics such as safety, human rights, harassment, bribery and corruption, and confidential information, among others.

Suncor's Human Rights Policy is intended to ensure that Suncor is not complicit in human rights abuses. The policy makes clear that the scope of Suncor's human rights due diligence should include its own operations and, where it can influence its third-party business relationships, the operations of others.

Suncor's Stakeholder Relations Policy and Indigenous Relations Policy set the foundation for a consistent approach to the company's relationships, outline Suncor's responsibilities and commitments, and guide Suncor's business decisions on a day-to-day basis. The Stakeholder Relations Policy commits to developing and maintaining positive, meaningful relationships with our stakeholders by seeking to understand their interests, issues, needs and concerns and seeking to develop relationships that are based on transparency, mutual respect and trust. Suncor's Indigenous Relations Policy commits to productive, long-term, and mutually beneficial relationships with Indigenous Peoples. The relationships we build and foster and the interactions we share are based on principles of honesty, respect, transparency, inclusion, and integrity.

The Environment, Health and Safety (EH&S) policy states that Suncor's number one priority and core value is Safety Above All Else. The policy affirms Suncor's commitments to a safe and healthy workplace for all through fostering a culture of safety and environmental responsibility while complying with all applicable EH&S and regulatory requirements to protect the environment and communities in which we operate. Our Operational Excellence Management System (OEMS) is the framework that enables us to meet our EH&S Policy commitments.

Statement of Reserves Data and Other Oil and Gas Information

Date of Statement

The Statement of Reserves Data and Other Oil and Gas Information outlined below is dated February 26, 2025, with an effective date of December 31, 2024. Reserves evaluations have not been updated since the effective date and, therefore, do not reflect changes in the company's reserves since that date. The preparation date of the Statement of Reserves Data and Other Oil and Gas Information outlined below is January 20, 2025.

Disclosure of Reserves Data

Suncor is subject to the reporting requirements of Canadian securities laws, including the reporting of reserves data in accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* (NI 51-101).

The reserves data included in this section of the AIF is based upon evaluations conducted by GLJ Ltd. (GLJ), contained in its report dated February 18, 2025 (the GLJ Report). GLJ is an independent qualified reserves evaluator as defined in NI 51-101.

The reserves data summarizes Suncor's SCO, bitumen, light crude oil and medium crude oil (combined, including heavy crude oil) reserves and the net present values of future net revenues for these reserves using forecast prices and costs prior to provision for interest and general and administrative expense. All of Suncor's reserves are located in Canada as at December 31, 2024.

Advisories – Reserves Data

Classifications of reserves as proved or probable are only attempts to define the degree of certainty associated with the estimates. There are numerous uncertainties inherent in estimating quantities of petroleum reserves. It should not be assumed that the estimates of future net revenues presented in the tables below represent the fair market value of the reserves. There is no assurance that the forecast prices and cost assumptions will be attained and variances could be material. There is no guarantee that the estimates for SCO, bitumen, light, medium and heavy crude oil reserves provided herein will be recovered. Actual SCO, bitumen, light, medium and heavy crude oil volumes recovered may be greater than or less than the estimates provided herein. Readers should review the Abbreviations and definitions and information contained in the notes in the following tables. For additional information, see the section entitled Risk Factors in the company's annual 2024 MD&A, which section is incorporated by reference into this AIF, and is available on SEDAR+ at sedarplus.ca and EDGAR at sec.gov.

Oil and Gas Reserves Tables and Notes

Summary of Oil and Gas Reserves[1]

as at December 31, 2024
(forecast prices and costs) [2]

	SCO[3] (mmbbls)		Bitumen (mmbbls)		Light Crude Oil & Medium Crude Oil[4] (mmbbls)		Total (mmbbls)	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Proved Developed Producing								
Mining	1 488	1 309	1 014	916	-	-	2 503	2 225
In Situ	227	186	118	92	-	-	345	277
E&P Canada	-	-	-	-	73	60	73	60
Total Proved Developed Producing	1 715	1 495	1 133	1 008	73	60	2 921	2 562
Proved Developed Non-Producing								
Mining	-	-	-	-	-	-	-	-
In Situ	-	-	15	13	-	-	15	13
E&P Canada	-	-	-	-	-	-	-	-
Total Proved Developed Non-Producing	-	-	15	13	-	-	15	13
Proved Undeveloped								
Mining	277	240	-	-	-	-	277	240
In Situ	911	742	447	360	-	-	1 358	1 102
E&P Canada	-	-	-	-	60	53	60	53
Total Proved Undeveloped	1 188	982	447	360	60	53	1 694	1 395
Proved								
Mining	1 766	1 549	1 014	916	-	-	2 780	2 465
In Situ	1 138	928	581	465	-	-	1 718	1 393
E&P Canada	-	-	-	-	133	112	133	112
Total Proved	2 903	2 477	1 595	1 381	133	112	4 631	3 970
Probable								
Mining	431	358	383	315	-	-	813	673
In Situ	1 424	1 104	343	260	-	-	1 767	1 363
E&P Canada	-	-	-	-	103	79	103	79
Total Probable	1 855	1 461	725	575	103	79	2 684	2 116
Proved Plus Probable								
Mining	2 197	1 906	1 397	1 231	-	-	3 593	3 138
In Situ	2 562	2 032	923	724	-	-	3 485	2 756
E&P Canada	-	-	-	-	236	191	236	191
Total Proved Plus Probable	4 759	3 938	2 320	1 956	236	191	7 315	6 085

Please see Notes (1) through (4) at the end of the reserves data section for important information about volumes in this table.

Reconciliation of Gross Reserves[1]

as at December 31, 2024 (forecast prices and costs) [2]

	SCO[3]			Bitumen			Light Crude Oil & Medium Crude Oil[4]			Total		
	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable	Proved	Probable	Proved Plus Probable
	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls	mmbbls
Mining												
December 31, 2023	1 789	313	2 102	1 392	283	1 675	—	—	—	3 182	596	3 778
Extensions & Improved Recovery[5]	-	46	46	-	-	-	—	—	—	-	46	46
Technical Revisions[6]	123	72	194	(329)	100	(230)	—	—	—	(207)	171	(35)
Discoveries[7]	-	-	-	-	-	-	—	—	—	-	-	-
Acquisitions[8]	-	-	-	-	-	-	—	—	—	-	-	-
Dispositions[9]	-	-	-	-	-	-	—	—	—	-	-	-
Economic Factors[10]	-	-	-	-	-	-	—	—	—	-	-	-
Production[11]	(147)	—	(147)	(49)	—	(49)	—	—	—	(195)	—	(195)
December 31, 2024	1 766	431	2 197	1 014	383	1 397	-	-	-	2 780	813	3 593
In Situ												
December 31, 2023	1 103	1 159	2 262	678	221	899	—	—	—	1 781	1 380	3 161
Extensions & Improved Recovery[5]	-	326	326	9	69	78	—	—	—	9	395	404
Technical Revisions[6]	75	(61)	14	(61)	52	(9)	—	—	—	14	(9)	6
Discoveries[7]	—	—	—	—	—	—	—	—	—	-	-	-
Acquisitions[8]	—	—	—	—	—	—	—	—	—	-	-	-
Dispositions[9]	—	—	—	—	—	—	—	—	—	-	-	-
Economic Factors[10]	—	—	—	—	—	—	—	—	—	-	-	-
Production[11]	(41)	—	(41)	(44)	—	(44)	—	—	—	(85)	—	(85)
December 31, 2024	1 138	1 424	2 562	581	343	923	-	-	-	1 718	1 767	3 485
E&P Canada												
December 31, 2023	—	—	—	—	—	—	137	114	251	137	114	251
Extensions & Improved Recovery[5]	—	—	—	—	—	—	1	—	1	1	—	1
Technical Revisions[6]	—	—	—	—	—	—	13	(10)	2	13	(10)	2
Discoveries[7]	—	—	—	—	—	—	—	—	—	—	—	—
Acquisitions[8]	—	—	—	—	—	—	—	—	—	—	—	—
Dispositions[9]	—	—	—	—	—	—	—	—	—	—	—	—
Economic Factors[10]	—	—	—	—	—	—	—	—	—	—	—	—
Production[11]	—	—	—	—	—	—	(18)	—	(18)	(18)	—	(18)
December 31, 2024	-	-	-	-	-	-	133	103	236	133	103	236
Total Canada												
December 31, 2023	2 893	1 472	4 365	2 070	504	2 574	137	114	251	5 100	2 090	7 189
Extensions & Improved Recovery[5]	-	372	372	9	69	78	1	—	1	9	442	451
Technical Revisions[6]	198	11	209	(391)	152	(238)	13	(10)	2	(180)	153	(27)
Discoveries[7]	—	—	—	—	—	—	—	—	—	—	—	—
Acquisitions[8]	—	—	—	—	—	—	—	—	—	—	—	—
Dispositions[9]	—	—	—	—	—	—	—	—	—	—	—	—
Economic Factors[10]	—	—	—	—	—	—	—	—	—	—	—	—
Production[11]	(187)	—	(187)	(93)	—	(93)	(18)	—	(18)	(298)	—	(298)
December 31, 2024	2 903	1 855	4 759	1 595	725	2 320	133	103	236	4 631	2 684	7 315

Please see Notes (1) through (11) at the end of the reserves data section for important information about volumes in this table. Suncor's resources in Libya and Syria are classified as contingent resources and are not disclosed above.

Notes to Reserves Data Tables

as at December 31, 2024

(1) Reserves data tables may not add due to rounding.

(2) See the Notes to the Future Net Revenues tables for information on forecast prices and costs.

(3) SCO reserves figures include the company's diesel sales volumes.

(4) Gross volumes of light crude oil and medium crude oil for E&P Canada includes immaterial quantities of heavy crude oil from Hebron, which produces a commingled blend of light, medium and heavy crude oil.

(5) Extensions & improved recovery are additions to the reserves resulting from stepout drilling, infill drilling and implementation of improved recovery schemes. Negative volumes, if any, for probable reserves result from the transfer of probable reserves to proved reserves. In Situ changes in 2024 were primarily the result of well pair length re-design in future MacKay River development and the addition of approved development lands to fill increased facility capacity at Firebag. Mining changes in 2024 were the result of the addition of lease 934 at Syncrude.

(6) Technical revisions include changes in previous estimates resulting from new technical data or revised interpretations. Changes in 2024 are primarily due to new information obtained during the year, including drilling results and ongoing field performance. In 2024, Mining changes are primarily due to mine plan and geological risks updates. The bitumen negative proved revision primarily relates to risks reclassified to probable that did not impact Proved plus Probable, as well as increased upgrading volumes. In 2024, In Situ and E&P changes are primarily due to production performance updates.

(7) Discoveries are additions to reserves in reservoirs where no reserves were previously booked as a result of the confirmation of the existence of an accumulation of a significant quantity of potentially recoverable petroleum.

(8) Acquisitions are additions to reserves estimates as a result of purchasing interests in oil and gas properties. There were no acquisitions in 2024.

(9) Dispositions are reductions in reserves estimates as a result of selling all or a portion of an interest in oil and gas properties. There were no dispositions in 2024.

(10) Economic factors are changes due primarily to price forecasts, inflation rates or regulatory changes.

(11) Production quantities may include estimated production for periods near the end of the year when actual sales quantities were not available at the time the reserves evaluations were conducted.

Definitions for Reserves Data Tables

In the tables set forth above and elsewhere in this AIF, the following definitions and other notes are applicable:

Gross means:

(a) in relation to Suncor's interest in production or reserves, Suncor's working-interest share before deduction of royalties and without including any royalty interests of Suncor;

(b) in relation to Suncor's interest in wells, the total number of wells in which Suncor has an interest; and

(c) in relation to Suncor's interest in properties, the total area of properties in which Suncor has an interest.

Net means:

(a) in relation to Suncor's interest in production or reserves, Suncor's working-interest share after deduction of royalty obligations, plus the company's royalty interests in production or reserves;

(b) in relation to Suncor's interest in wells, the number of wells obtained by aggregating Suncor's working interest in each of the company's gross wells; and

(c) in relation to Suncor's interest in a property, the total area in which Suncor has an interest multiplied by the working interest owned by Suncor.

Reserves Categories

The reserves estimates presented are based on the definitions and guidelines contained in the Canadian Oil and Gas Evaluation (COGE) Handbook. A summary of those definitions is set forth below.

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on analyses of drilling, geological, geophysical and engineering data, the use of established technology, and specified economic conditions, which are generally accepted as being reasonable.

Reserves are classified according to the degree of certainty associated with the estimates:

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

Proved and probable reserves categories may be divided into developed and undeveloped categories:

Developed reserves are those reserves that are expected to be recovered (i) from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production, or (ii) for mining assets, through installed extraction equipment and infrastructure that is operational at the time of the reserves estimate. The developed category may be subdivided into producing and non-producing.

(a) **Developed producing reserves** are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

(b) **Developed non-producing reserves** are those reserves that either have not been on production, or have previously been on production but are shut in, and the date of resumption of production is unknown.

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved or probable) to which they are assigned.

Future Net Revenues Tables and Notes

Net Present Values of Future Net Revenues Before Income Taxes[1]

as at December 31, 2024
(forecast prices and costs)

	(in $ millions, discounted at % per year)					Unit Value[2]
	0%	5%	10%	15%	20%	($/bbl)
Proved Developed Producing						
Mining	27 476	32 486	26 449	21 129	17 258	11.89
In Situ	11 865	10 457	9 301	8 363	7 597	33.52
E&P Canada	2 732	2 682	2 564	2 434	2 309	42.99
Total Proved Developed Producing	42 073	45 625	38 315	31 925	27 164	14.96
Proved Developed Non-Producing						
Mining	—	—	—	—	—	
In Situ	348	267	208	165	133	15.70
E&P Canada	—	—	—	—	—	
Total Proved Developed Non-Producing	348	267	208	165	133	15.70
Proved Undeveloped						
Mining	5 488	4 207	3 143	2 412	1 911	13.10
In Situ	48 797	24 894	13 928	8 417	5 411	12.64
E&P Canada	1 720	1 514	1 281	1 062	868	24.37
Total Proved Undeveloped	56 005	30 615	18 351	11 891	8 190	13.16
Proved						
Mining	32 964	36 694	29 592	23 541	19 170	12.01
In Situ	61 009	35 618	23 437	16 945	13 140	16.83
E&P Canada	4 452	4 196	3 846	3 496	3 177	34.27
Total Proved	98 426	76 507	56 874	43 981	35 487	14.33
Probable						
Mining	19 985	12 030	7 221	4 785	3 473	10.73
In Situ	103 740	29 304	11 523	6 079	3 956	8.45
E&P Canada	6 077	4 686	3 658	2 909	2 358	46.21
Total Probable	129 801	46 020	22 401	13 773	9 787	10.59
Proved Plus Probable						
Mining	52 950	48 723	36 813	28 326	22 643	11.73
In Situ	164 749	64 922	34 960	23 024	17 096	12.68
E&P Canada	10 528	8 882	7 503	6 404	5 535	39.21
Total Proved Plus Probable	228 227	122 527	79 276	57 754	45 274	13.03

Please see the Notes at the end of the Future Net Revenues Tables.

Net Present Values of Future Net Revenues After Income Taxes[1]

as at December 31, 2024
(forecast prices and costs)

	(in $ millions, discounted at % per year)				
	0%	5%	10%	15%	20%
Proved Developed Producing					
Mining	17 112	24 957	20 706	16 564	13 503
In Situ	9 294	8 179	7 258	6 510	5 901
E&P Canada	2 338	2 297	2 189	2 070	1 957
Total Proved Developed Producing	28 744	35 432	30 153	25 144	21 361
Proved Developed Non-Producing					
Mining	—	—	—	—	—
In Situ	260	200	156	123	99
E&P Canada	—	—	—	—	—
Total Proved Developed Non-Producing	260	200	156	123	99
Proved Undeveloped					
Mining	3 968	3 059	2 248	1 695	1 322
In Situ	37 343	18 780	10 352	6 162	3 896
E&P Canada	1 111	1 005	853	699	558
Total Proved Undeveloped	42 422	22 844	13 454	8 556	5 776
Proved					
Mining	21 080	28 016	22 955	18 259	14 825
In Situ	46 897	27 158	17 766	12 795	9 896
E&P Canada	3 449	3 302	3 043	2 769	2 515
Total Proved	71 426	58 476	43 763	33 823	27 236
Probable					
Mining	15 399	9 374	5 501	3 561	2 537
In Situ	79 758	22 371	8 796	4 657	3 039
E&P Canada	4 635	3 566	2 767	2 187	1 762
Total Probable	99 792	35 311	17 064	10 405	7 338
Proved Plus Probable					
Mining	36 479	37 390	28 455	21 820	17 362
In Situ	126 655	49 529	26 562	17 452	12 936
E&P Canada	8 085	6 868	5 810	4 956	4 276
Total Proved Plus Probable	171 219	93 787	60 828	44 228	34 575

Please see the Notes at the end of the Future Net Revenues Tables.

Total Future Net Revenues[1]

as at December 31, 2024
(forecast prices and costs)

(in $ millions, undiscounted)	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	Future Net Revenues Before Deducting Future Income Tax Expenses	Future Income Tax Expenses	Future Net Revenues After Deducting Future Income Tax Expenses
Proved Developed Producing								
Mining	254 356	28 571	125 484	30 625	42 199	27 476	10 365	17 112
In Situ	32 527	5 844	10 732	3 136	950	11 865	2 571	9 294
E&P Canada	8 143	1 508	2 092	149	1 661	2 732	393	2 338
Total Proved Developed Producing	295 025	35 923	138 309	33 910	44 810	42 073	13 329	28 744
Proved Developed Non-Producing								
Mining	—	—	—	—	—	—	—	—
In Situ	1 069	152	474	54	41	348	88	260
E&P Canada	—	—	—	—	—	—	—	—
Total Proved Developed Non-Producing	1 069	152	474	54	41	348	88	260
Proved Undeveloped								
Mining	32 257	4 367	16 121	4 641	1 640	5 488	1 520	3 968
In Situ	154 740	27 927	53 112	23 235	1 670	48 797	11 454	37 343
E&P Canada	7 053	844	1 653	1 515	1 321	1 720	609	1 111
Total Proved Undeveloped	194 050	33 138	70 886	29 392	4 630	56 005	13 583	42 422
Proved								
Mining	286 613	32 937	141 606	35 267	43 839	32 964	11 884	21 080
In Situ	188 336	33 924	64 318	26 425	2 661	61 009	14 112	46 897
E&P Canada	15 196	2 352	3 745	1 665	2 982	4 452	1 003	3 449
Total Proved	490 145	69 213	209 668	63 356	49 482	98 426	26 999	71 426
Probable								
Mining	97 619	16 859	40 159	11 041	9 575	19 985	4 587	15 399
In Situ	281 304	59 903	81 284	34 298	2 080	103 740	23 981	79 758
E&P Canada	12 147	3 136	1 944	740	251	6 077	1 441	4 635
Total Probable	391 070	79 898	123 387	46 078	11 906	129 801	30 009	99 792
Proved Plus Probable								
Mining	384 232	49 797	181 764	46 307	53 414	52 950	16 471	36 479
In Situ	469 640	93 826	145 602	60 723	4 741	164 749	38 094	126 655
E&P Canada	27 343	5 488	5 689	2 404	3 233	10 528	2 444	8 085
Total Proved Plus Probable	881 215	149 111	333 055	109 434	61 388	228 227	57 009	171 219

Please see the Notes at the end of the Future Net Revenues Tables.

Future Net Revenues by Product Type[1]

as at December 31, 2024
(forecast prices and costs)

(before income taxes, discounted at 10% per year)	$ millions	Unit Value $/bbl[2]
Proved Developed Producing		
SCO	24 634	16.48
Bitumen	11 117	11.03
Light Crude Oil & Medium Crude Oil [3]	2 564	42.99
Total Proved Developed Producing	38 315	14.96
Proved		
SCO	38 606	15.59
Bitumen	14 423	10.45
Light Crude Oil & Medium Crude Oil [3]	3 846	34.27
Total Proved	56 874	14.33
Proved Plus Probable		
SCO	54 779	13.91
Bitumen	16 994	8.69
Light Crude Oil & Medium Crude Oil [3]	7 503	39.21
Total Proved Plus Probable	79 276	13.03

(1) Figures may not add due to rounding.
(2) Unit values are net present values of future net revenues before deducting estimated cash income taxes payable, discounted at 10%, divided by net reserves.
(3) Light crude oil and medium crude oil includes immaterial quantities of heavy crude oil from Hebron, which produces a commingled blend of light, medium and heavy crude oil.

Notes to Future Net Revenues Tables

In Situ and Mining Future Net Revenues

Future net revenues for SCO include upgraded In Situ and Fort Hills bitumen volumes based on estimated available upgrading capacity and the company's bitumen supply strategy. The future net revenues include SCO volumes and estimates for upgrader operating and capital costs. For net proved plus probable reserves, approximately 90% of Firebag bitumen production is expected to be upgraded to SCO by 2037 and 100% thereafter. Approximately 29% of Fort Hills bitumen production is expected to be upgraded to SCO.

Power sale revenues and the natural gas fuel expense associated with excess electricity generated from cogeneration facilities at Firebag, Fort Hills, Syncrude and Base Mine are included in future net revenues.

Forecast Prices and Costs

Crude oil, natural gas and other important benchmark reference pricing, as well as inflation and exchange rates utilized in the GLJ Report, were derived using averages of forecasts developed by GLJ (dated January 1, 2025), Sproule Associates Limited (dated December 31, 2024) and McDaniel & Associates Consultants Ltd. (dated January 1, 2025), all of whom are independent qualified reserves evaluators. Benchmark forecast prices have been adjusted for quality differentials and transportation costs applicable to the specific evaluation areas and products. The inflation rates utilized in cost forecasts were 0.0% in 2025 and 2.0% thereafter.

Carbon cost compliance for Canadian reserves is based on the *Greenhouse Gas Pollution Pricing Act* (Canada) which escalates from $95/tonne in 2025 to $170/tonne in 2030.

Prices Impacting Reserves Tables

Forecast	Brent North Sea(1)	WTI Cushing Oklahoma(2)	WCS Hardisty Alberta(3)	Light Sweet Edmonton Alberta(4)	Pentanes Plus Edmonton Alberta(5)	AECO Gas(6)	Exchange Rate
Year	US$/bbl	US$/bbl	Cdn$/bbl	Cdn$/bbl	Cdn$/bbl	Cdn$/mmbtu	US$/Cdn$
2025	75.58	71.58	82.69	94.79	100.14	2.36	0.7120
2026	78.51	74.48	84.27	97.04	100.72	3.33	0.7280
2027	79.89	75.81	83.81	97.37	100.24	3.48	0.7430
2028	81.82	77.66	85.70	99.80	102.73	3.69	0.7430
2029	83.46	79.22	87.46	101.79	104.79	3.76	0.7430
2030	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	0.7430

(1) Price used when determining offshore light, medium and heavy crude oil reserves for E&P Canada.
(2) Price used when determining portions of bitumen reserves presented as In Situ and Mining reserves that are sold at the U.S. Gulf Coast, as well as for determining portions of bitumen pricing for royalty calculation purposes.
(3) Price used when determining portions of bitumen reserves presented as In Situ and Mining reserves that are sold in Canada, as well as for determining bitumen pricing for royalty calculation purposes.
(4) Price used when determining SCO reserves presented as In Situ and Mining reserves.
(5) Price used when determining the cost of diluent associated with bitumen reserves presented as In Situ and Mining reserves, as well as when accounting for diluent in determining bitumen pricing for royalty calculation purposes. A bitumen/diluent ratio of approximately two barrels of bitumen for one barrel of diluent was used for In Situ reserves and a ratio of approximately three barrels of bitumen for one barrel of diluent was used for Mining reserves.
(6) Price used when determining natural gas input costs for production of SCO and bitumen reserves.

Disclosure of Net Present Values of Future Net Revenues After Income Taxes

Values presented in the table for Net Present Values of Future Net Revenues After Income Taxes reflect income tax burdens of assets at a business area or legal entity level based on tax pools associated with that business area or legal entity. Suncor's actual corporate legal entity structure for income taxes and income tax planning has not been considered, and, therefore, the total value for income taxes presented in the total future net revenues table may not provide an estimate of the value at the corporate entity level, which may be significantly different. The 2024 audited Consolidated Financial Statements and the annual 2024 MD&A should be consulted for information on income taxes at the corporate entity level.

Additional Information Relating to Reserves Data

Future Development Costs[1]

as at December 31, 2024
(forecast prices and costs)

($ millions)	2025	2026	2027	2028	2029	Remainder	Total	Discounted at 10%
Proved								
Mining	3 074	2 828	2 577	2 653	2 385	21 749	35 267	19 505
In Situ	760	776	1 059	1 062	772	21 996	26 425	9 671
E&P Canada	607	225	132	159	155	387	1 665	1 292
Total Proved	4 441	3 828	3 768	3 875	3 312	44 132	63 356	30 468
Proved Plus Probable								
Mining	3 323	3 154	2 900	2 982	2 681	31 268	46 307	22 596
In Situ	804	874	1 024	911	726	56 384	60 723	11 201
E&P Canada	720	353	254	283	236	559	2 404	1 814
Total Proved Plus Probable	4 847	4 380	4 178	4 176	3 644	88 210	109 434	35 611

(1) Figures may not add due to rounding.

Management believes that internally generated cash flows, existing and future credit facilities and access to capital markets will be sufficient to fund future development costs. Failure to develop those reserves would have a negative impact on future cash flow provided by operating activities.

Interest expense or other costs of external funding are not included in the reserves and future net revenues estimates and could reduce future net revenues. Suncor does not anticipate the costs of funding would make development of any property uneconomic.

Abandonment and Reclamation Costs

The company completes an annual review of its consolidated abandonment and reclamation cost estimates. The estimates are limited to current disturbances and based on the anticipated method and extent of restoration, consistent with legal requirements and the possible future use of the site.

As at December 31, 2024, Suncor estimates its undiscounted, uninflated abandonment and reclamation costs for its upstream assets to be approximately $21.1 billion (discounted at 10%, approximately $4.9 billion). Suncor estimates that it will incur $1.6 billion of its identified abandonment and reclamation costs during the next three years.

The abandonment and reclamation costs for current and future disturbances of $61.4 billion (inflated and undiscounted) have been deducted from the net present values of the company's proved and probable reserves.

Gross Proved and Probable Undeveloped Reserves

The tables below outline the gross proved and probable undeveloped reserves and represent undeveloped reserves additions resulting from acquisitions, discoveries, infill drilling, improved recovery and/or extensions in the year when the events first occurred.

Gross Proved Undeveloped Reserves [1]
(forecast prices and costs)

	2022		2023		2024	
	First Attributed	Total as at December 31, 2022	First Attributed	Total as at December 31, 2023	**First Attributed**	**Total as at December 31, 2024**
SCO (mmbbls)						
Mining	—	273	—	281	**—**	**277**
In Situ	6	668	181	854	**—**	**911**
Total SCO	6	941	181	1 135	**—**	**1 188**
Bitumen (mmbbls)						
Mining	—	26	—	14	**—**	**—**
In Situ	2	514	151	563	**9**	**447**
Total bitumen	2	540	151	577	**9**	**447**
Light crude oil & medium crude oil (mmbbls)						
E&P Canada[2]	46	59	—	60	**—**	**60**
North Sea	1	1	—	—	**—**	**—**
Total light crude oil & medium crude oil	47	60	—	60	**—**	**60**
Total (mmbbls)	55	1 541	333	1 772	**9**	**1 694**

(1) Figures may not add due to rounding.
(2) Includes immaterial amounts of heavy crude oil from Hebron, which produces a commingled blend of light, medium and heavy crude oil.

Gross Probable Undeveloped Reserves [1]
(forecast prices and costs)

	2022		2023		2024	
	First Attributed	Total as at December 31, 2022	First Attributed	Total as at December 31, 2023	**First Attributed**	**Total as at December 31, 2024**
SCO (mmbbls)						
Mining	110	133	—	132	**46**	**193**
In Situ	—	1 249	42	1 085	**326**	**1 342**
Total SCO	110	1 382	42	1 217	**373**	**1 534**
Bitumen (mmbbls)						
Mining	3	3	—	2	**—**	**—**
In Situ	—	175	7	133	**69**	**277**
Total bitumen	3	178	7	135	**69**	**277**
Light crude oil & medium crude oil (mmbbls)						
E&P Canada[2]	15	76	1	77	**0**	**72**
North Sea	—	1	—	—	**—**	**—**
Total light crude oil & medium crude oil	15	77	—	77	**0**	**72**
Total (mmbbls)	129	1 638	49	1 428	**442**	**1 884**

(1) Figures may not add due to rounding.
(2) Includes immaterial amounts of heavy crude oil from Hebron, which produces a commingled blend of light, medium and heavy crude oil.

Proved undeveloped and proved plus probable undeveloped reserves are attributed in accordance with COGE Handbook guidelines.

In Situ

Undeveloped In Situ reserves are related only to sustaining pads and well pairs required for current producing or sanctioned projects. Proved undeveloped reserves have been assigned to areas delineated with vertical wells on 80-acre well spacing with 3D seismic control or 40-acre spacing without 3D seismic control. Probable undeveloped areas are limited to areas delineated with vertical wells on 320-acre spacing with seismic control or 160-acre spacing without seismic control. Development of undeveloped In Situ reserves is an ongoing process and is a function of estimating excess processing capacity and production decline forecasts from existing In Situ wells. These forecasts align current production, and processing constraints (which, in the case of processing constraints, do not permit Suncor to develop all of its undeveloped In Situ reserves within two years), capital spending commitments and future development for the next 10 years, and are updated and approved annually. The production level increase in Firebag has resulted in additional probable undeveloped reserves.

Mining

Undeveloped Mining reserves relate to the Syncrude MLX-W and MLX-E mining areas, which received regulatory approval in 2019 and 2020, respectively and the Lease 934 extension to Aurora North. Construction activities at MLX-E were restarted in 2021 and will continue through 2025. MLX-W reserves will remain as undeveloped until certain capital projects are completed prior to first ore which is scheduled for 2025. Development of MLX-E requires the relocation of infrastructure and construction of a production haul road from the lease; project engineering commenced in 2022. MLX-E reserves will remain as undeveloped until its major components, such as infrastructure relocation and the production haul road, are completed. Further ore body delineation drilling will continue in 2025. Both MLX projects will utilize existing ore processing and extraction facilities at Syncrude's Mildred Lake operation and are expected to sustain bitumen production levels at Mildred Lake after resource depletion at the Mildred North Mine. The Lease 934 extension will remain as undeveloped until regulatory approval of the amendment application. Lease 934 will extend bitumen production at the Aurora North Mine.

E&P

Undeveloped conventional reserves are mainly associated with future drilling at Hebron, Hibernia and White Rose. Attribution of proved undeveloped and probable undeveloped reserves reflect, where applicable, the respective degrees of certainty with respect to various reservoir parameters, primarily drainage areas and recovery factors. In developing undeveloped conventional reserves, Suncor considers existing facility capacity, capital allocation plans, and remaining reserves availability.

Properties with no Attributed Reserves

The following table shows a summary of properties to which no reserves are attributed as at December 31, 2024. For lands in which Suncor holds interests in different formations under the same surface area pursuant to separate leases, the area has been counted for each lease.

Country	Gross Hectares	Net Hectares
Canada	1 730 126	877 958
Libya	3 117 800	1 422 900
Syria	345 194	345 194
Total	5 193 120	2 646 052

Suncor's properties with no attributed reserves range from exploration properties in a preliminary phase of evaluation to discovery areas where tenure to the property is held indefinitely on the basis of hydrocarbon test results, but where economic development is not currently possible or has not yet been sanctioned. Certain properties may be in a relatively mature phase of evaluation, where a significant amount of appraisal or even development has occurred; however, reserves cannot be attributed due to one or more contingencies, such as project sanction, or, in the case of Libya and Syria, political unrest. In many cases where reserves are not attributed to lands containing one or more discovery wells, the key limiting factor is the lack of available production infrastructure. As part of the company's ongoing process to review the economic viability of its properties, some properties are selected for further development activities, while others are temporarily deferred, sold, swapped or relinquished back to the mineral rights owner.

In 2025, Suncor's rights to 248,499 net hectares in Canada are scheduled to expire. The lands expiring in 2025 include approximately 243,891 net hectares in East Coast Offshore, 2,816 net hectares in In Situ and 1,792 net hectares in Mining. Substantial portions of expiring lands may have their tenure continued beyond 2025 through the conduct of work programs and/or the payment of prescribed fees to the mineral rights owner.

Work Commitments

Suncor's properties in Libya have no attributed reserves. Suncor has work commitments primarily for conducting seismic programs and drilling exploration wells, which is common in Libya. As at December 31, 2024, Suncor estimates that the value of the work commitment was US$359 million. Due to the political unrest in Libya, it is uncertain when the work commitments will be incurred.

Oil and Gas Properties and Wells

The following table is a summary of the company's oil and gas wells as at December 31, 2024.

	Oil Wells[1]				Natural Gas Wells[1]			
	Producing		Non-producing[2][3]		Producing		Non-producing[2][3]	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alberta – In Situ[4]	507.0	507.0	92.0	92.0	—	—	—	—
Newfoundland and Labrador	95.0	27.5	8.0	2.8	-	-	-	-
Other International[5]	-	-	422.0	212.6	-	-	6.0	6.0
Total	602.0	534.5	522.0	307.4	—	—	6.0	6.0

(1) Alberta oil wells and Other International oil and gas wells are onshore, and Newfoundland and Labrador are offshore.
(2) Non-producing wells include, but are not limited to, wells where there is no near-term plan for abandonment, wells where drilling has finished but the well has not been completed, wells requiring maintenance or workover where the resumption of production is not known, and wells that have been shut in and the date of resumption of production is not known with reasonable certainty.
(3) Non-producing wells do not necessarily lead to classification of non-producing reserves.
(4) SAGD well pairs and multilateral wells are each counted as one well.
(5) Other International includes wells associated with the company's operations in Syria and Libya.

Costs Incurred

The table below summarizes the company's costs incurred related to its exploration and development activities for the year ended December 31, 2024.

($ millions)	Exploration Costs	Proved Property Acquisition Costs	Unproved Property Acquisition Costs	Development Costs	Total
Canada – Mining and In Situ	86	-	—	5 224	5 310
Canada – E&P Canada	3	—	—	907	910
Total Canada	**89**	**-**	**—**	**6 131**	**6 220**
Other International	4	—	—	—	4
Total	**93**	**-**	**—**	**6 131**	**6 224**

Exploration and Development Activities

The table below outlines the gross and net exploratory and development wells the company completed during the year ended December 31, 2024.

	Exploratory Wells[1]		Development Wells	
Total Number of Wells Completed	Gross	Net	Gross	Net
Canada – Oil Sands				
Oil	—	—	30.0	30.0
Service[2]	—	—	68.0	68.0
Stratigraphic test[3]	—	—	690.0	622.7
Total	—	—	788.0	720.7
Canada – E&P Canada				
Oil	—	—	4.0	0.8
Service[2]			4.0	0.8
Total	—	—	8.0	1.6
Total Canada				
Oil	—	—	34.0	30.8
Service	—	—	72.0	68.8
Stratigraphic test	—	—	690.0	622.7
Total	—	—	796.0	722.3

(1) Exploratory wells for Oil Sands include activity related to technology pilot projects.
(2) Service wells for Oil Sands include the injection well in a SAGD well pair, in addition to observation wells, disposal wells and hydrogeological monitoring wells if they have a license. Service wells for E&P Canada include water and gas injection wells, disposal wells and cuttings reinjection wells.
(3) Stratigraphic test wells for Oil Sands include core hole drilling wells.

Significant exploration and development activities in 2024 included:

- For Mining, at Oil Sands Base, asset sustainment activities, the continued development of tailings infrastructure and completion of a new cogeneration facility. At Fort Hills, construction of tailings infrastructure and mine advancement activities. At Syncrude, asset sustainment expenditures, scheduled turnaround, the ongoing development of MLX-W and further delineation of the Lease 29 asset.
- For In Situ, the drilling of new well pairs, infill and sidetracked wells at Firebag and MacKay River are expected to assist in maintaining production levels in future years. Also included are stratigraphic test well and observation well drilling programs.
- For E&P Canada, spending on the development work at the West White Rose Project and drilling activities at Hebron and Hibernia.

For significant exploration and development activities expected to occur in 2025 and beyond, refer to the Narrative Description of Suncor's Businesses and Additional Information Relating to Reserves Data – Future Development Costs sections in this AIF.

Production History[1]

2024	Q1	Q2	Q3	Q4	Year Ended
Canada - Oil Sands					
Upgraded product (SCO and diesel) production (mbbls/d)					
Oil Sands operations	374.6	321.6	329.5	357.6	345.8
Syncrude	197.9	166.7	213.7	214.9	198.4
Inter-asset transfers and consumption	(27.5)	(26.6)	(29.4)	(28.9)	(28.1)
Total upgraded production	545.0	461.7	513.8	543.6	516.1
Non-upgraded bitumen production (mbbls/d)					
Oil Sands operations	120.3	136.9	128.5	180.9	141.8
Fort Hills	177.6	166.9	166.0	161.7	168.0
Syncrude	—	4.4	0.1	—	1.1
Inter-asset transfers and consumption	(57.9)	(53.9)	(32.4)	(68.7)	(53.2)
Total Oil Sands non-upgraded bitumen production	240.0	254.3	262.2	273.9	257.7
Total production (mbbls/d)	**785.0**	**716.0**	**776.0**	**817.5**	**773.8**
Netbacks[3][4]					
Non-upgraded bitumen ($/bbl)					
Average price realized[2]	65.11	82.46	72.88	69.24	72.65
Royalties	(10.41)	(13.29)	(10.77)	(12.13)	(11.71)
Operating costs	(22.74)	(19.94)	(22.93)	(19.65)	(21.22)
Netback	31.96	49.23	39.18	37.46	39.72
Upgraded - net SCO and diesel ($/bbl)					
Average price realized[2]	90.97	106.49	100.57	95.28	97.91
Royalties	(11.19)	(16.25)	(14.32)	(12.58)	(13.45)
Operating costs	(34.49)	(39.28)	(33.39)	(35.31)	(35.48)
Netback	45.29	50.96	52.86	47.39	48.98
Average Oil Sands segment ($/bbl)					
Average price realized[2]	83.24	97.48	91.36	86.32	89.41
Royalties	(10.96)	(15.14)	(13.14)	(12.43)	(12.87)
Operating costs	(30.98)	(32.02)	(29.91)	(29.92)	(30.68)
Netback	41.30	50.32	48.31	43.97	45.86
Exploration and Production - light crude oil & medium crude oil					
Exploration and Production Canada (mbbls/d)	46.7	49.0	52.6	50.3	49.7
Total production volumes (mbbls/d)	**46.7**	**49.0**	**52.6**	**50.3**	**49.7**
Netbacks[3][4]					
Canada - light crude oil & medium crude oil ($/bbl)					
Average price realized[2]	107.52	111.39	109.24	98.26	107.38
Royalties	(14.68)	(9.43)	(14.63)	(19.45)	(14.50)
Operating costs	(21.46)	(27.23)	(17.90)	(25.29)	(22.06)
Netback	71.38	74.73	76.71	53.52	70.82

(1) Production and liftings in Libya were not material to Suncor, and therefore are not included.
(2) Average price realized is net of transportation costs, and before royalties.
(3) Netbacks are based on sales volumes.
(4) Netback is a non-GAAP financial measure. See the Advisory – Forward-Looking Statements and Non-GAAP Financial Measures section of this AIF.

The following table provides the production volumes[1] on a working-interest basis, before royalties for each of Suncor's important fields for the year ended December 31, 2024.

	SCO	Bitumen	Light Crude Oil & Medium Crude Oil
	mbbls/d	mbbls/d	mbbls/d
Mining – Suncor	186.7	-	—
Mining – Syncrude	195.6	-	—
Mining – Fort Hills	33.5	126.5	—
Firebag	100.3	99.0	—
MacKay River	-	32.3	—
Hibernia	—	—	14.2
White Rose	—	—	—
Terra Nova	—	—	11.4
Hebron[2]	—	—	24.1

(1) Volumes shown are actual volumes and may differ from the estimated volumes shown in the Reconciliation of Gross Reserves Table.
(2) The majority of volumes shown for Hebron are heavy crude oil volumes, which is produced as a commingled blend of light, medium and heavy crude oil.

Production Estimates

The table below outlines the production estimates for 2025 that are included in the estimates of proved reserves and probable reserves as at December 31, 2024.

	SCO (mbbls/d)[1]		Bitumen (mbbls/d)[1]		Light Crude Oil & Medium Crude Oil (mbbls/d)[1][2]		Total (mbbls/d)[1]	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Total[1]								
Proved	445	389	280	239	55	47	780	674
Probable	33	28	27	21	5	4	66	53
Proved Plus Probable	478	417	308	260	60	51	846	728

(1) Figures may not add due to rounding.
(2) Includes immaterial quantities of heavy crude oil from Hebron, which produces a commingled blend of light, medium and heavy crude oil.

The following properties each account for approximately 20% or more of total estimated production for 2025.

Proved

- From Millennium and North Steepbank: 193 mbbls/d of SCO.
- From Fort Hills: 157 mbbls/d of SCO and bitumen (10 mbbls/d and 146 mbbls/d, respectively).
- From Firebag: 191 mbbls/d of SCO and bitumen (84 mbbls/d and 107 mbbls/d, respectively).
- From Syncrude: 158 mbbls/d of SCO and bitumen (157 mbbls/d and 1 mbbls/d, respectively).

Proved Plus Probable

- From Millennium and North Steepbank: 205 mbbls/d of SCO.
- From Fort Hills: 167 mbbls/d of SCO and bitumen (13 mbbls/d and 154 mbbls/d, respectively).
- From Firebag: 207 mbbls/d of SCO and bitumen (86 mbbls/d and 121 mbbls/d, respectively).
- From Syncrude: 174 mbbls/d of SCO and bitumen (173 mbbls/d and 1 mbbls/d, respectively).

Forward Contracts

Suncor may use financial derivatives to manage its exposure to fluctuations in commodity prices. A description of Suncor's use of such instruments is provided in the 2024 audited Consolidated Financial Statements and related annual 2024 MD&A.

Industry Conditions

The oil and natural gas industry is subject to extensive regulations imposed by legislation enacted by various levels of government and, with respect to the export and taxation of oil and natural gas, by agreements among the federal and provincial governments of Canada, as well as the governments of the U.S. and other foreign jurisdictions in which Suncor operates. All governments have the ability to change legislation, and the company is unable to predict what additional legislation or amendments to legislation may be enacted. Suncor may engage in government consultation regarding proposed legislative changes to ensure Suncor's interests are recognized. The following discussion outlines some of the principal legislation, regulations and agreements that govern Suncor's operations.

Royalties

Canada

The royalty regime is a significant factor in the profitability of crude oil, NGLs and natural gas production. Crown royalties are determined by governmental regulation or by agreement with governments in certain circumstances, which are subject to change as a result of numerous factors, including political considerations.

Oil sands projects are subject to the royalty framework issued by the Government of Alberta. Under the royalty framework, royalties for oil sands projects are based on a sliding-scale rate of 25% to 40% of net revenue (net revenue royalty or NRR), subject to a minimum royalty within a range of 1% to 9% of gross revenue (gross revenue royalty or GRR) depending on benchmark crude oil pricing. A royalty project remains subject to the minimum royalty (the pre-payout phase) until the project's cumulative gross revenue exceeds its cumulative costs, including an annual investment allowance (the post-payout phase). During the post-payout phase, the annual royalty paid to the province is the greater of the GRR and NRR.

In 2024, all oil sands projects were in the post-payout phase with the exception of Fort Hills which was in the pre-payout phase. Both Fort Hills and Base Mine (due to a carry-forward costs balance) were at GRR, while MacKay River, Firebag and Syncrude were at NRR.

Suncor's East Coast projects are subject to royalty agreements and regulations issued by the Government of Newfoundland and Labrador. The current East Coast royalty regime has a tiered rate structure ranging from a minimum of 1% of gross revenue to a maximum of 42.5% of net revenue, based upon profitability levels. An East Coast project is subject to the minimum royalty (the pre-payout phase) until the project's cumulative gross revenue exceeds its cumulative costs, including an annual investment allowance (the post-payout phase).

As of December 31, 2024, all producing E&P assets were in the post-payout phase, with Hebron reaching post-payout in the third quarter of 2024. Both Terra Nova and White Rose, due to a carry-forward costs balance, were calculated at Gross royalty, while Hebron and Hibernia were calculated at Net royalty.

Other Jurisdictions

For operations in Libya, all government interests, except for income taxes, are presented as royalties and are determined pursuant to EPSAs. The amounts calculated reflect the difference between Suncor's working interest and the net revenue attributable to Suncor.

Land Tenure

In Canada, crude oil and natural gas are predominantly owned by the respective provincial governments, which grant rights to explore for and produce oil and natural gas pursuant to leases, licences and permits for varying terms, and on conditions set forth in provincial legislation, including requirements to perform specific work or make payments.

Environmental Regulations

The company is subject to environmental regulations under a variety of Canadian, U.S. and other foreign, federal, provincial, territorial, state and municipal laws and regulations. Governments continue to revise and add new environmental regulations. It is not possible to accurately predict the nature of any future legislative requirements, nor the impacts of those regulatory changes on the company.

Climate Change and GHG Emissions

Suncor operates in many jurisdictions that regulate, or have proposed to regulate, GHG emissions. As part of its ongoing business planning, Suncor estimates future costs associated with GHG emissions in its operations and in the evaluation of future projects. These estimates use the company's outlook for the carbon price under current and pending GHG regulations, to test the company's business strategy against a range of policy designs.

Environmental regulations and initiatives related to climate change and GHG emissions are described below.

Canadian Federal GHG and Fuel Regulations

The *Canadian Net-Zero Emissions Accountability Act (CNZEAA)* legislates Canada's commitment to achieve net-zero greenhouse gas emissions by 2050 and requires the federal government to set national GHG emission reduction targets on a rolling five-year basis, ten years in advance, necessary to achieve net-zero emissions by 2050. Pursuant to the Paris Agreement, as part of the 2030 Emissions Reduction Plan (ERP), the Government of Canada set a goal to reduce GHG emissions economy-wide by 40% to 45% below 2005 levels by 2030. In December 2024, an updated national GHG emission reduction target of 45% to 50% below 2005 levels by 2035 was declared. In 2025, Canada will submit this target as its Nationally Determined Contribution (NDC) to the United Nations.

The *Clean Fuel Regulations* (CFR) became effective July 1, 2023, and require reductions in the carbon intensity of gasoline and diesel fuels supplied into Canada. Credits for the CFR are generated by blending fuels from renewable feedstocks reducing GHGs at fossil fuel facilities and facilitating fuel switching in transportation. For fossil fuel facility projects, credits cannot be earned from products exported from Canada. Additionally, guidance released in 2024 proposes a default ratio of 20% of crude oil that remains in Canada could be used to generate credits at upstream facilities.

The federal Clean Electricity Regulations (CER) were finalized in December 2024 and are designed to further reduce GHG emissions associated with electricity generation across Canada. The regulations impact individual provincial grids, including Alberta. As a result, Suncor's cogeneration assets that have net exports to the Alberta grid will be regulated under the CER.

Under Development

In addition to existing federal GHG and fuel regulations, the federal government is developing the following climate-related regulations.

In November 2024, the federal government released a draft regulation (CG1) for the oil and gas sector GHG emissions cap that proposes to limit emissions through a cap-and-trade system. The emissions cap stringency will be 27% below 2026 emissions for the sector. Final regulations are planned to be released in 2025.

To incentivize investment in decarbonization, the federal government finalized details of an investment tax credit (ITC) for capital invested in carbon capture, utilization and storage (CCUS) in June 2024. The

ITC would apply to CCUS projects that permanently store captured CO_2 (other than directly from ambient air), which includes dedicated geological storage. From 2022 to 2030, a 50% ITC for investment in equipment to capture CO_2 is proposed for CCUS projects, and a 37.5% ITC for CCUS infrastructure, with both rates being halved starting in 2031. The incentive is expected to support CCUS project economics.

Provincial GHG and Fuel Regulations

The federal government requires all provinces and territories to have a carbon price, which was $80 per tonne of CO_2e in 2024 and will increase by $15 per tonne of CO_2e annually, rising to $170 per tonne of CO_2e in 2030. Provinces and territories have the ability to customize their carbon pricing systems to maintain competitiveness and federal equivalency.

Alberta

The *Technology Innovation and Emissions Reduction Regulation (TIER)* is a provincial carbon pricing regulation for large industrial emitters and applies to Suncor's industrial assets in Alberta. Facilities are required to reduce emissions intensity from their historical performance. Facilities that outperform their reduction targets can generate emission performance credits, while facilities that do not meet their emission intensity target can meet compliance obligations through: i) use of emissions performance credits that are generated by other regulated facilities; ii) use of Alberta-based emission offsets that are generated by projects that have reduced their GHG emissions; and/or iii) paying into the TIER fund. Currently, the company's cogeneration facilities earn credits towards compliance as the electricity generated by these facilities is less GHG-intensive than the current electricity standard.

The TIER regulation is designed to maintain federal equivalency. The stringency on the benchmark tightening rate is 2% per year to 2030. Oil sands facilities have additional stringency increases of 2% in each of 2029 and 2030.

In April 2024, the Government of Alberta finalized the Alberta Carbon Capture Incentive Program (ACCIP) to support the development of CCUS in the province. The ACCIP offers a 12% grant on capital costs for certain CCUS projects, retroactive to January 1, 2022.

British Columbia

CleanBC's *Roadmap to 2030* establishes a series of actions to enable the province to achieve its 2030 emissions reduction target and eventually its net-zero target by 2050. The actions include: a commitment to increase the price on carbon to meet or exceed the federal benchmark; increased clean fuel and energy-efficiency requirements; a reduction of methane emissions from oil and gas by 75% by 2030 and the elimination of all industrial methane emissions by 2035; requirements for new large industrial facilities; and support for innovation in areas like low-carbon hydrogen and negative emissions technology.

Subsequently, BC has updated its low carbon fuel standard (BC-LCFS) to progressively raise the carbon intensity reduction target for gasoline and diesel from 20% to 30% by 2030. Additionally, a new carbon intensity reduction target of 10% by 2030 for jet fuel has been introduced.

Newfoundland and Labrador

Newfoundland and Labrador's carbon pricing program is a hybrid system comprised of performance standards for large industrial facilities, plus a consumer carbon tax on transportation, building fuels and other fuels combusted in the province. Performance standards for large industrial facilities are legislated under the *Management of Greenhouse Gas Act* and associated regulations, which apply to Terra Nova, Hibernia, White Rose and Hebron.

Ontario

Ontario's *Greenhouse Gas Emissions Performance Standards* (EPS) applies to Suncor's Sarnia refinery and St. Clair ethanol plant. The EPS requires facilities to pay the carbon price per tonne of CO_2e of excess emissions units. The Ontario carbon price is aligned with the federal carbon price.

The *Cleaner Transportation Fuels Regulation* requires fuel suppliers to blend an increasing amount of renewable content in gasoline, to support the provincial government's goal of reducing GHG emissions by 30% below 2005 levels by 2030.

Quebec

Quebec's cap-and-trade system for GHG emissions applies to the Montreal refinery, the Montreal Sulphur Plant, and to distributed fuels. Emitters are required to either reduce their emissions or purchase eligible emissions allowances to cover their emissions beyond their allocated emission allowance. The GHG cap and maximum emission allowances are established by the province. Distributed fuels do not receive allocation and must cover 100% of their emission with emissions allowance.

The *Regulation Respecting the Integration of Low-Carbon-Intensity Fuel Content into Gasoline and Diesel Fuel* requires the integration of lower-carbon-intensity fuel content of 10% volume in gasoline and 3% in diesel in 2024, increasing to 15% in gasoline and 10% in diesel by 2030.

U.S. GHG Regulations

The U.S. Environmental Protection Agency (EPA) established a rule mandating that all large facilities report their GHG emissions, which is applicable to Suncor's Commerce City Refinery.

The State of Colorado passed a suite of energy and climate-change-related legislation that includes setting statewide targets to reduce GHG emissions and transition of the electricity system to become renewable. The legislation requires several supporting regulations to be enacted.

The *GHG Emissions and Energy Management for Manufacturing Phase 2* rule requires the Commerce City Refinery to reduce absolute facility emissions by 1.5% between 2024-2029 and 14% from 2030 and beyond compared to its facility GHG baseline emissions.

Land Use and Natural Resources Management Frameworks

Canadian Land Use and Natural Resources Management

Alberta Land Use and Water Management Regulatory Frameworks

The Lower Athabasca Regional Plan (LARP) addresses land use management in the Lower Athabasca region, which includes the area in which Suncor's Oil Sands business is located. The management frameworks established under LARP to date include Surface Water Quality and Quantity, Groundwater, Air and Tailings. The regulatory frameworks required to enable the safe release of treated mine water are under development with both the provincial and federal governments. This framework is necessary to support Suncor's reclamation and closure plans.

Air Quality Regulations

Suncor is also subject to air quality policies and regulations that often require updating or replacing equipment, as well as additional monitoring and reporting requirements. Air quality regulations impacting Suncor's Canadian operations include federal Base-level Industrial Emissions Requirements and Multi-Sector Air Pollutants Regulations, Canadian Ambient Air Quality Standards, Methane Regulations, and

Volatile Organic Compound Regulations. In addition to federal regulations, our sites are also subject to provincial and municipal regulations.

U.S. Land Use and Natural Resources Management

Water Management Regulations

The Colorado Department of Public Health and Environment (CDPHE) issued a renewed water permit for Suncor's Commerce City Refinery effective May 1, 2024, which contains new and more stringent requirements pertaining to discharge water from refineries (process water and stormwater).

While Suncor supports portions of the new permit, Suncor has filed two separate legal challenges to aspects of the new permit challenging 11 categories of new permit conditions, one through an administrative appeal and a second in Colorado state court.

Air Quality Regulations

Suncor's U.S., operations are subject to stringent air quality regulations including the Federal Title V Air Operating Permit, the National Ambient Air Quality Standards, the EPA Regional Haze Rule, National Emissions Standards for Hazardous Air Pollutants, and state level air toxics regulations.

Reclamation

The Government of Alberta's Mine Financial Security Program (MFSP) accounts for the environmental liability associated with the suspension, abandonment, remediation and surface reclamation of oil sands mines and plant sites. The MFSP requires a base amount of security for each project. Additional security may be required under other MFSP conditions, such as failure to meet reclamation plans, falling below a specified asset to liability ratio, or when the estimated remaining production life of the mine reaches certain milestones; however, Suncor has not been required to provide any additional security to date. Results of a review of MFSP were provided by the Government of Alberta in fall 2024, which revised certain MFSP industry reporting requirements and clarified criteria for inclusion of probable reserves as well as heat integrated in situ and mine extension reserves. The revisions will apply to MFSP filings in 2025 and are not anticipated to require Suncor to provide additional security.

Under the Tailings Management Framework (TMF), tailings management plans (TMP) have been approved by Alberta Energy Regulator (AER) for Suncor's mines. Updated Suncor Base Plant and Fort Hills TMPs were approved in 2023 and 2024, respectively. Updates to the Syncrude Aurora North and Mildred Lake TMPs and Life of Mine Closure Plan were submitted to AER in 2023 with additional updates submitted in 2024. The AER regulated closure plans and TMP's including updated tailings quantities, water quantity and quality, pit lakes and closure landscapes.

Risk Factors

A discussion of Suncor's risk factors can be found in the "Risk Factors" section in Suncor's annual 2024 MD&A, which section is incorporated by reference herein and available on the Company's SEDAR+ profile at www.sedarplus.ca.

Dividends

The Board of Directors has established a practice of paying dividends on Suncor's common shares on a quarterly basis. Suncor reviews its ability to pay dividends from time to time with regard to legislative requirements, the company's financial position, financing requirements for growth, cash flow and other factors. Dividends are paid subject to applicable law, if, as and when declared by the Board.

Suncor paid the following common share dividends over the last three years ended December 31:

($ per share)	Year	Q4	Q3	Q2	Q1
2024	2.22	0.57	0.55	0.55	0.55
2023	2.11	0.55	0.52	0.52	0.52
2022	1.88	0.52	0.47	0.47	0.42

Description of Capital Structure

The company's authorized share capital is comprised of an unlimited number of common shares, an unlimited number of preferred shares issuable in series designated as senior preferred shares, and an unlimited number of preferred shares issuable in series designated as junior preferred shares.

The holders of common shares are entitled to attend all meetings of shareholders and vote at any such meeting on the basis of one vote for each common share held. Common shareholders are entitled to receive any dividend declared by the Board on the common shares and to participate in a distribution of the company's assets among its shareholders for the purpose of winding up its affairs. The holders of the common shares shall be entitled to share, on a pro rata basis, in all distributions of such assets.

The company has no preferred shares outstanding.

Petro-Canada Public Participation Act

The *Petro-Canada Public Participation Act* requires that the Articles of Suncor include certain restrictions on the ownership and voting of voting shares of the company. The common shares of Suncor are voting shares. Pursuant to the *Petro-Canada Public Participation Act*, no person, together with associates of that person, may subscribe for, have transferred to that person, hold, beneficially own or control otherwise than by way of security only, or vote in the aggregate, voting shares of Suncor to which are attached more than 20% of the votes attached to all outstanding voting shares of Suncor. Additional restrictions include provisions for suspension of voting rights, forfeiture of dividends, prohibitions against share transfer, compulsory sale of shares, and redemption and suspension of other shareholder rights. The Board may at any time require holders of, or subscribers for, voting shares, and certain other persons, to furnish statutory declarations as to ownership of voting shares and certain other matters relevant to the enforcement of the restrictions. Suncor is prohibited from accepting any subscription for, and issuing or registering a transfer of, any voting shares if a contravention of the individual ownership restrictions results.

Suncor's Articles, as required by the *Petro-Canada Public Participation Act*, also include provisions requiring Suncor to maintain its head office in Calgary, Alberta; prohibiting Suncor from selling, transferring or otherwise disposing of all or substantially all of its assets in one transaction, or several related transactions, to any one person or group of associated persons, or to non-residents, other than by way of security only in connection with the financing of Suncor; and requiring Suncor to ensure (and to adopt, from time to time, policies describing the manner in which Suncor will fulfil the requirement to ensure) that any member of the public can, in either official language of Canada (English or French), communicate with and obtain available services from Suncor's head office and any other facilities where Suncor determines there is significant demand for communication with, and services from, that facility in that language.

Credit Ratings

The following information regarding the company's credit ratings is provided as it relates to the company's cost of funds and liquidity. In particular, the company's ability to access unsecured funding markets and to engage in certain collateralized business activities on a cost-effective basis is primarily dependent upon maintaining competitive credit ratings. A lowering of the company's credit rating may also have potentially adverse consequences for the company's funding capacity for growth projects or access to capital markets; may affect the company's ability, and the cost, to enter into normal course derivative or hedging transactions; and may require the company to post additional collateral under certain contracts.

The following table shows the ratings issued for Suncor by the rating agencies noted herein. The credit ratings are not recommendations to purchase, hold or sell the debt securities in as much as such ratings do not comment as to the market price or suitability for a particular investor. Any rating may not remain in

effect for any given period of time or may be revised or withdrawn entirely at any time by a rating agency in the future if, in its judgment, circumstances so warrant.

	Senior Unsecured	Outlook	Canadian Commercial Paper Program	U.S. Commercial Paper Program
Morningstar DBRS (DBRS)	A (low)	Stable	R-1 (low)	Not rated
Moody's Investors Service (Moody's)	Baa1	Stable	Not rated	P-2
Fitch Ratings (Fitch)	BBB+	Stable	Not rated	F-1

DBRS credit ratings on long-term debt are on a rating scale that ranges from AAA to D, representing the range of such securities rated from highest to lowest. A rating of A by DBRS is the third highest of 10 categories and is assigned to debt securities considered to be of good credit quality, with the capacity for the payment of financial obligations being substantial, but of a lesser credit quality than an AA rating. Entities in the A category may be vulnerable to future events, but qualifying negative factors are considered manageable. All rating categories other than AAA and D also contain designations for (high) and (low). The assignment of a (high) or (low) designation within a rating category indicates relative standing within that category. The absence of either a (high) or (low) designation indicates the rating is in the middle of the category. Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories: "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present circumstances continue, or in some cases, unless challenges are addressed. DBRS's credit ratings on commercial paper are on a short-term debt rating scale that ranges from R1 (high) to D, representing the range of such securities rated from highest to lowest quality. A rating of R-1 (low) by DBRS is the third highest of 10 categories and is assigned to debt securities considered to be of good credit quality. The capacity for the payment of short-term financial obligations as they fall due is substantial, with overall strength not as favourable as higher rating categories. Entities in this category may be vulnerable to future events, but qualifying negative factors are considered manageable. The R-1 and R-2 commercial paper categories are denoted by (high), (middle) and (low) designations.

Moody's credit ratings on long-term debt are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. A rating of Baa by Moody's is the fourth highest of nine categories. Obligations rated Baa are judged to be medium grade and subject to moderate credit risk and, as such, may possess certain speculative characteristics. For rating categories Aa through Caa, Moody's appends the numerical modifiers 1, 2 or 3 to each generic rating classification. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a midrange ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. A Moody's rating outlook is an opinion regarding the likely rating direction over the medium term. Rating outlooks fall into four categories: "Positive", "Negative", "Stable" and "Developing". A Stable outlook indicates a low likelihood of a rating change over the medium term. A rating of P-2 by Moody's for commercial paper is the second highest of four rating categories and indicates a strong ability to repay short-term debt obligations.

Fitch's long-term credit ratings are on a rating scale that ranges from AAA to BBB (investment grade) and BB to D (speculative grade), which represents the range from highest to lowest quality of such securities rated. The terms "investment grade" and "speculative grade" are market conventions and do not imply any recommendation or endorsement of a specific security for investment purposes. A rating of BBB+ is within the fourth highest of 11 categories and indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. A Fitch rating outlook indicates the direction a rating is likely to move over a one- to two-year period, with rating outlooks falling into four categories: "Positive", "Negative", "Stable" or "Evolving". Rating outlooks reflect financial or other trends that have not

yet reached, or have not been sustained at, a level that would trigger a rating action, but which may do so if such trends continue. Positive or Negative outlooks do not imply that a rating change is inevitable and similarly, ratings with Stable outlooks can be raised or lowered without prior revision of the outlook. Where the fundamental trend has strong, conflicting elements of both positive and negative, the rating outlook may be described as Evolving. A Stable Rating outlook indicates a low likelihood of rating change over a one to two-year period. A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. A rating of F-1 for commercial paper is the highest of seven rating categories for short-term debt issuers. Issuers rated F-1 have the strongest capacity for timely payment of financial commitments relative to other issuers or obligations in the same country. Where a liquidity profile is particularly strong, a "+" is added to the assigned rating.

Suncor has paid each of DBRS, Moody's and Fitch their customary fees in connection with the provision of the above ratings. Suncor has not made any payments to DBRS, Moody's or Fitch in the past two years for services unrelated to the provision of such ratings.

Market for Securities

Suncor's common shares are listed on the TSX and the NYSE. The price ranges and the volumes traded on the TSX in 2024 are as follows:

	Price Range (Cdn$)		Trading Volume
Month	High	Low	(000s)
January	45.79	41.88	89 770
February	46.84	42.43	215 696
March	50.11	46.06	247 992
April	54.25	49.81	94 015
May	56.69	51.34	214 070
June	55.59	49.73	207 118
July	55.16	50.92	89 744
August	57.32	49.61	199 381
September	53.97	48.41	230 578
October	55.86	49.47	87 508
November	58.28	52.18	187 967
December	55.86	49.47	204 571

For information in respect of options to purchase common shares of Suncor and common shares issued upon the exercise of options, see note 26 to the 2024 audited Consolidated Financial Statements, which is incorporated by reference into this AIF and available on SEDAR+ at www.sedarplus.ca.

Directors and Executive Officers

Directors

The following individuals are directors of Suncor. The term of each director is from the date of the meeting at which he or she is elected or appointed until the next annual meeting of shareholders or until a successor is elected or appointed.

Name and Jurisdiction of Residence	Period Served and Independence	Biography
Ian R. Ashby[1][4] Queensland, Australia	Director since 2022 Independent	Ian Ashby is the former President of BHP Billiton's iron ore customer sector group. Mr. Ashby has almost 40 years of experience in the mining industry, including 25 years in a wide variety of roles with BHP Billiton in its iron ore, base metals and gold businesses in Australia, the U.S. and Chile, as well as project roles in the corporate office, ultimately leading the company's iron ore business. Since retiring from BHP Billiton in 2012, Mr. Ashby has taken on a number of advisory and board roles with other mining and related organizations. He currently serves as an independent director on the board of Anglo American plc. He has served as a director on the boards of IAMGOLD Corporation, New World Resources PLC, Genco Shipping & Trading, Nevsun Resources Ltd. and Alderon Iron Ore Corp. He has also served in an advisory capacity with Apollo Global Management and Temasek. Mr. Ashby holds a bachelor of engineering (mining) degree from the University of Melbourne in Australia.

Patricia M. Bedient[2][3] Washington, U.S.	Director since 2016 Independent	Patricia Bedient retired as Executive Vice President of Weyerhaeuser Company (Weyerhaeuser), one of the world's largest integrated forest products companies, effective July 1, 2016. From 2007 until February 2016, she also served as Weyerhaeuser's Chief Financial Officer. Prior to this, she held a variety of leadership roles in finance and strategic planning at Weyerhaeuser after joining the company in 2003. Before joining Weyerhaeuser, she spent 27 years with Arthur Andersen LLP and ultimately served as the Managing Partner for its Seattle office and partner in charge of the firm's forest products practice. Ms. Bedient serves on the board of directors of Alaska Air Group, Inc. and Park Hotels and Resorts Inc. and also serves on the Oregon State University Foundation board of trustees, the Overlake Medical Center board of directors and the University of Washington Foster School of Business advisory board. She achieved national recognition in 2012 when *The Wall Street Journal* named her one of the Top 25 CFOs in the United States. She is a member of the American Institute of CPAs and the Washington Society of CPAs. She holds a certificate in Cyber Risk Oversight from the National Association of Corporate Directors. Ms. Bedient received her bachelor's degree in business administration, with concentrations in finance and accounting, from Oregon State University.
Russell Girling Alberta, Canada	Director since 2021 Independent	Russell (Russ) K. Girling was the President and Chief Executive Officer of TransCanada Pipelines Limited and TC Energy Corporation (TC Energy), a North American energy infrastructure company, from 2010 until his retirement on December 31, 2020. Mr. Girling joined TC Energy in 1994 and held progressively senior roles during his 26 years with the company, including seven years as Chief Financial Officer. Prior to joining TC Energy in 1994, he worked at Suncor, Northridge Energy Marketing and Dome Petroleum. Mr. Girling is a director and Chair of Nutrien Ltd. Until December 31, 2020, Mr. Girling was a member of the U.S. National Petroleum Council and the U.S. Business Roundtable, and served as a director of the American Petroleum Institute, the Business Council of Canada and the Business Council of Alberta. Mr. Girling is a graduate of the Institute of Corporate Directors Education Program and holds a bachelor of commerce and a master of business administration (finance) from the University of Calgary.

Jean Paul Gladu[3][4] Ontario, Canada	Director since 2020 Independent	Jean Paul (JP) Gladu is currently Principal of Mokwateh, and previously served as the President and CEO of the Canadian Council for Aboriginal Business for approximately eight years. Mr. Gladu has over 30 years of experience in the natural resource sector including working with Indigenous communities and organizations, environmental non-government organizations, industry and governments from across Canada and the globe. Mr. Gladu serves on the board of the Institute of Corporate Directors and serves on BHP's Forum on Corporate Responsibility. He has completed a forestry technician diploma from Sault College, obtained an undergraduate degree in forestry from Northern Arizona University, holds an Executive MBA from Queen's University, holds the ICD.D designation from the Institute of Corporate Directors through the Rotman School of Management Directors Education Program, and was awarded an honorary doctor of laws degree from Carleton University in 2024. He is a senior fellow with the Macdonald-Laurier Institute and served as the Chancellor of St. Paul's University College Waterloo from 2017 to 2020. JP's achievements have been recognized by the Public Policy Forum as a prestigious 2024 Honouree. He lives in his community of Bingwi Neyaashi Anishinaabek First Nation, Ontario.
Richard M. Kruger Alberta, Canada	Director since 2023 Non-Independent, Management	Richard M. Kruger is President and Chief Executive Officer of Suncor. Mr. Kruger has over 40 years of experience in the energy industry including extensive experience in the Canadian oil sands. Mr. Kruger was Chairman, President and Chief Executive Officer of Imperial Oil Limited from 2013 until his retirement in December 2019. Mr. Kruger worked for Exxon Mobil Corporation and its predecessor companies since 1981 in various upstream and downstream assignments with responsibilities in Canada, the U.S., the former Soviet Union, the Middle East, Africa and Southeast Asia. Mr. Kruger was Vice President of Exxon Mobil and president of ExxonMobil Production Company, a division of Exxon Mobil Corporation, with responsibility for ExxonMobil's global oil and gas producing operations. He holds a mechanical engineering degree from the University of Minnesota and an MBA from the University of Houston.

Brian MacDonald[3][4] Florida, U.S.	Director since 2018 Independent	Brian MacDonald is President and Chief Executive Officer, and is a director of CDK Global, Inc., a leading global provider of integrated information technology and digital marketing solutions to the automotive retail and adjacent industries. Prior to joining CDK Global, Mr. MacDonald served as Chief Executive Officer and President of Hertz Equipment Rental Corporation and served as Interim Chief Executive Officer of Hertz Corporation. Mr. MacDonald previously served as President and Chief Executive Officer of ETP Holdco Corporation, an entity formed following Energy Transfer Partners' acquisition of Sunoco Inc., where Mr. MacDonald had served as chair, president and chief executive officer. He was the chief financial officer at Sunoco Inc. and held senior financial roles at Dell Inc. Prior to Dell Inc., Mr. MacDonald spent more than 13 years in several financial management roles at General Motors Corporation in North America, Asia and Europe. He previously served on the board of directors for Computer Sciences Corporation (now DXC Technology Company), Ally Financial Inc., Sunoco Inc. and Sunoco Logistics L.P. Mr. MacDonald holds an MBA from McGill University and a bachelor of science from Mount Allison University.
Lorraine Mitchelmore[1][2] Alberta, Canada	Director since 2019 Independent	Lorraine Mitchelmore has over 30 years' international oil and gas industry experience. She most recently served as President and Chief Executive Officer for Enlighten Innovations Inc., a fuel upgrading technology company. Prior to Enlighten Innovations, she held progressively senior roles at Royal Dutch Shell. Ms. Mitchelmore joined Shell in 2002, becoming President and Country Chair of Shell Canada Limited in 2009, in addition to her role as Executive Vice President of Heavy Oil Americas. Prior to joining Shell, she worked with Petro-Canada (now Suncor), Chevron and BHP Petroleum in the upstream business units in a combination of technical, exploration & development, and commercial roles. Ms. Mitchelmore is a director of the Bank of Montreal and Cheniere Energy Inc. and has served on the boards of Alberta Investment Management Corporation, Shell Canada Limited, the Canada Advisory Board at Catalyst, Inc. and Trans Mountain Corporation. Ms. Mitchelmore holds a bachelor of science (honours) in geophysics from Memorial University of Newfoundland, a master's of science in geophysics from the University of Melbourne, Australia, and an MBA with distinction from Kingston Business School in London, England.

Jane Peverett[2][3] British Columbia, Canada	Director since 2023 Independent	Jane Peverett has over 25 years of experience in the energy sector, primarily in the utility space. In 2009, she retired as President and Chief Executive Officer of the British Columbia Transmission Corporation (BCTC), prior to that having served as BCTC's Chief Financial Officer from 2003 to 2005. Before joining BCTC, Ms. Peverett held progressively more senior finance and regulatory affairs roles at Westcoast Energy Inc. until her appointment in 2001 as President and Chief Executive Officer of Union Gas Limited. A professional corporate director since 2009, Ms. Peverett has served on numerous corporate boards in the energy, banking, insurance, transportation, utility and media industries in Canada and the U.S. She currently serves on the boards of Canadian Pacific Kansas City Limited, Northwest Natural Holding Company and Capital Power Corporation. Ms. Peverett also serves as Chair of the CSA Group (formerly the Canadian Standards Association). Ms. Peverett holds a bachelor of commerce from McMaster University, a master of business administration from Queen's University and is a Certified Management Accountant. She is a Fellow of the Society of Management Accountants and holds the ICD.D designation from the Institute of Corporate Directors.
Daniel Romasko[1][2] Texas, U.S.	Director since 2023 Independent	Dan Romasko has more than 30 years of experience in the energy industry. Mr. Romasko was most recently President and Chief Executive Officer of Enlighten Innovations Inc., a fuel upgrading technology company. Mr. Romasko is a director of Enlighten Innovations Inc. From 2014 to 2018, Mr. Romasko was the President and Chief Executive Officer of Motiva Enterprises LLC, a leading refiner, distributor and marketer of transportation fuels and lubricant base oils in the Eastern, Southern and Gulf Coast regions of the United States. Prior to that, he was the Executive Vice President of Operations for Tesoro, and preceding that role, held the positions of General Manager, Fort Hills and Vice President, Technical Competence, at Petro-Canada/Suncor Energy Inc. Mr. Romasko began his career with ConocoPhillips and held a variety of progressively senior leadership positions in mid-stream, supply and trading, global specialty products, and refining. Mr. Romasko has a bachelor of science degree in chemical engineering from Montana State University.

Christopher R. Seasons[1][4] Alberta, Canada	Director since 2022 Independent	Christopher Seasons is a professional engineer with more than 30 years of domestic and international experience in the upstream oil and gas industry. Mr. Seasons is currently a partner at ARC Financial Corporation, an energy-focused private equity firm, and currently serves on the boards of Longshore Resources Ltd. and Petronas Energy Canada Ltd.. From 2004 until his retirement in June 2014, he served as President of Devon Canada Corporation, a subsidiary of Oklahoma-based Devon Energy Corporation. Mr. Seasons has long been active in the Calgary community with several not-for-profit organizations including the Canadian Association of Petroleum Producers (former Chairman and head of numerous committees), the Alberta Children's Hospital Foundation (past Chairman) and the United Way of Calgary and Area (past Co-Chair of the annual campaign and board member). Mr. Seasons graduated from Queen's University with a bachelor of science degree in chemical engineering.
M. Jacqueline Sheppard[3][4] Alberta, Canada	Director since 2022 Independent	M. Jacqueline Sheppard has held numerous roles as an executive in the energy industry and as a director of public, private and crown corporations. Ms. Sheppard is the former Executive Vice President, Corporate & Legal, of Talisman Energy Inc., where she was responsible for legal affairs, business development, major projects, corporate communications, investor relations, corporate responsibility and government affairs. Ms. Sheppard serves on the board of Emera Inc., where she also served as Chair for more than 10 years, and serves on the board of ARC Resources Ltd. Ms. Sheppard was also a founder and lead director of Black Swan Energy Inc., an Alberta upstream energy company that was private-equity financed and sold to Tourmaline Oil Corp., and a former director of Alberta Investment Management Corporation, Pacific Northwest LNG Ltd., Seven Generations Energy Ltd. and Cairn Energy PLC. Ms. Sheppard was named one of Canada's Most Powerful Women: Top 100 by the Women's Executive Network and the National Post from 2002-2007. In honour of her exceptional merit and integrity in the legal profession, she was appointed the King's Counsel designation in 2008. Ms. Sheppard is a fellow of the Institute of Corporate Directors, Canada's preeminent distinction for directors. Ms. Sheppard holds a bachelor of arts degree from Memorial University of Newfoundland, and she became a Rhodes Scholar receiving an honours jurisprudence, bachelor of arts and master of arts from Oxford University. She earned her bachelor of laws (Honours) from McGill University and holds an honorary doctor of laws degree from Memorial University of Newfoundland.

(1) Environment, Health, Safety and Sustainable Development Committee
(2) Audit Committee
(3) Governance Committee
(4) Human Resources and Compensation Committee

Executive Officers

The following individuals are the executive officers of Suncor:

Name and Jurisdiction of Residence	Office	Principal Occupation During Past 5 Years
Richard M. Kruger Alberta, Canada	President and Chief Executive Officer	Appointed CEO of Suncor in April 2023. Prior thereto, Chair, President and CEO of Imperial Oil Limited from 2013 until his retirement in 2019.
Kris Smith Alberta, Canada	Chief Financial Officer	Appointed CFO of Suncor on May 9, 2023. Prior thereto, interim CEO from July 2022 until April 2023, and EVP Downstream from September 2013 until July 2022.
Adam Albeldawi Alberta, Canada	Chief Human Resources Officer	Appointed CHRO of Suncor on October 15, 2024. Prior thereto, VP In Situ from November 2021 to October 2024, GM Value Chain Transformation from January 2020 to November 2021, and Director Syncrude Planning from September 2019 to January 2020.
Kent Ferguson, Alberta Canada	Senior Vice President, Strategy, Sustainability & Corporate Development	Appointed SVP, Strategy, Sustainability & Corporate Development of Suncor on January 29, 2024. Prior thereto, Managing Director and Co-Head of Global Energy at RBC Dominion Securities Inc. from September 2019 to January 2024.
Troy Little, Alberta Canada	Senior Vice President, External Affairs	Appointed SVP, External Affairs of Suncor on October 28, 2024. Prior thereto, VP, Investor Relations from September 2022 to October 2024, and CFO/Advisor for a private company from December 2019 to July 2022.
Jacqueline Moore Alberta, Canada	General Counsel & Corporate Secretary	Appointed General Counsel & Corporate Secretary on February 1, 2023. Prior thereto, VP Legal Operations from September 2022 to February 2023, VP External Relations, from July 2021 to September 2022, VP Government Relations, from February 2020 to July 2021 and VP Legal Corporate from April 2011 to February 2020.
Dave Oldreive Alberta, Canada	Executive Vice President, Downstream	Appointed EVP, Downstream on June 19, 2023. Prior thereto, Refinery Manager for ExxonMobil Corporation from February 2021 to June 2023, and Refinery Manager for Imperial Oil Limited from July 2016 to January 2021.
Shelley Powell Alberta, Canada	Senior Vice President, Operational Improvement & Support Services	Appointed SVP, Operational Improvement & Support Services on August 14, 2023. Prior thereto, SVP, In Situ & E&P from September 2021 to August 2023 and SVP Oil Sands Base Plant from May 2017 to August 2021.
Peter Zebedee Alberta, Canada	Executive Vice President, Oil Sands	Appointed EVP, Oil Sands on August 14, 2023. Prior thereto EVP, Mining & Upgrading from April 2022 to August 2023, CEO of LNG Canada from July 2019 to March 2022 and VP Canada Manufacturing & GM Scotford of Shell Canada from December 2018 to June 2019.

As at February 25, 2025, the directors and executive officers of Suncor as a group beneficially owned, or controlled or directed, directly or indirectly, 357,410 common shares of Suncor, which represents 0.03% of the outstanding common shares of Suncor. Inclusive of deferred share units, the total share ownership of Suncor's directors and executive officers as at February 25, 2025, is 909,707 common shares and units of Suncor (for the purpose of share ownership targets, deferred share units are included).

Bankruptcies

As at the date hereof, no director or executive officer of Suncor, or any of their respective personal holding companies, nor any shareholder holding a sufficient number of securities to affect materially the control of Suncor:

(a) is, or has been within the last 10 years, a director or executive officer of any company (including Suncor) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, other than Mr. Gladu, who was an officer of A2A Rail, which obtained creditor protection under Canadian insolvency legislation that was initiated on June 18, 2021. Mr. Gladu ceased to be an officer of A2A Rail on June 2, 2021; or

(b) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Conflicts of Interest

The directors and officers of Suncor may be directors or officers of entities that are in competition with or are customers or suppliers of Suncor or certain entities in which Suncor holds an equity investment. As such, these directors or officers may encounter conflicts of interest in the administration of their duties with respect to Suncor. Directors and officers of Suncor are required to disclose the existence of potential conflicts in accordance with Suncor's policies and in accordance with the CBCA.

Audit Committee Information

The Audit Committee Mandate is attached as Schedule "A" to this AIF.

Composition of the Audit Committee

As at December 31, 2024, the Audit Committee is comprised of Ms. Bedient (Chair), Ms. Mitchelmore, Ms. Peverett and Mr. Romasko. All members are independent and financially literate. The education and experience of each member that has led to the determination of financial literacy is described in the Directors and Executive Officers section of this AIF.

For the purpose of making appointments to the company's Audit Committee, and in addition to the independence requirements, all directors nominated to the Audit Committee must meet the test of financial literacy as determined in the judgment of the Board. Also, at least one director so nominated must meet the requirements of being an Audit Committee Financial Expert (as defined below) as determined in the judgment of the Board of Directors. The Audit Committee Financial Experts on the Audit Committee are Ms. Bedient and Ms. Peverett.

Audit Committee Financial Expert

An "Audit Committee Financial Expert" means a person who, in the judgment of the Board of Directors, has the following attributes:

(a) an understanding of Canadian generally accepted accounting principles and financial statements;

(b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;

(c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Suncor's financial statements, or experience actively supervising one or more persons engaged in such activities;

(d) an understanding of internal controls and procedures for financial reporting; and

(e) an understanding of audit committee functions.

A person shall have acquired the attributes referred to in items (a) through (e) inclusive above through:

(a) education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar functions;

(b) experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

(c) experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

(d) other relevant experience.

Audit Committee Pre-Approval Policies for Non-Audit Services

Suncor's Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the company's auditors' independence and has a policy governing the provision of these services. A copy of the company's policy relating to Audit Committee approval of fees paid to the company's auditors, in compliance with the *Sarbanes-Oxley Act of 2002* and applicable Canadian securities laws, is attached as Schedule "B" to this AIF.

Fees Paid to Auditors

Fees paid or payable to the company's auditors, KPMG LLP (Calgary, Canada), in 2024 and 2023 are as follows:

($ thousands)	2024	2023
Audit fees [1]	10 842	11 923
Audit-related fees	331	615
All other fees	570	441
Total	11 743	12 979

(1) 2024 Audit Fees include charges related to the 2023 audit and enterprise resource planning transition.

Audit fees were paid, or are payable, for professional services rendered by the auditors for the audit of Suncor's annual financial statements, review of quarterly financial statements, or services provided in connection with statutory and regulatory filings or engagements. Audit-related fees were paid for professional services rendered by the auditors for the audits of employee benefit plans and certain special purpose audits not required by statute or regulation. All other fees primarily relate to advisory services around ESG, translation of documents into French and other miscellaneous services not reported as audit or audit-related. All services described beside the captions "audit fees", "audit-related-fees" and "all other fees" were approved by the Audit Committee.

Legal Proceedings and Regulatory Actions

There are no legal proceedings in respect of which Suncor is or was a party, or in respect of which any of the company's property is or was the subject during the year ended December 31, 2024, nor are there any such proceedings known by the company to be contemplated, that involve a claim for damages exceeding 10% of the company's current assets. In addition, there have not been any (a) penalties or sanctions imposed against the company by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2024, (b) any other penalties or sanctions imposed by a court or regulatory body against the company that would likely be considered important to a reasonable investor in making an investment decision, or (c) settlement agreements entered into by the company before a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2024.

Interests of Management and Others in Material Transactions

No director or executive officer, or any associate or affiliate of these persons has, or has had, any material interest, direct or indirect, in any transaction or any proposed transaction that has materially affected, or is reasonably expected to materially affect, Suncor within the three most recently completed financial years or during the current financial year.

Transfer Agent and Registrar

The transfer agent and registrar for Suncor's common shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta; Montreal, Quebec; Toronto, Ontario; and Vancouver, British Columbia; and Computershare Trust Company N.A. in Canton, Massachusetts; Jersey City, New Jersey; and Louisville, Kentucky.

Material Contracts

During the year ended December 31, 2024, Suncor did not enter into any contracts, nor are there any contracts still in effect, that are material to the company's business, other than contracts entered into in the ordinary course of business, which are not required to be filed by Section 12.2 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

Interests of Experts

Reserves contained in this AIF are based in part upon reports prepared by GLJ, Suncor's independent qualified reserves evaluator. As at the date hereof, none of the partners, employees or consultants of GLJ as a group, through registered or beneficial interests, direct or indirect, held or are entitled to receive more than 1% of any class of Suncor's outstanding securities, including the securities of the company's associates and affiliates.

The company's independent auditors are KPMG LLP, Chartered Professional Accountants (KPMG). KPMG has confirmed with respect to the company that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they are independent accountants with respect to the company under all relevant U.S. professional and regulatory standards.

Disclosure Pursuant to the Requirements of the NYSE

As a Canadian issuer listed on the NYSE, Suncor is not required to comply with most of the NYSE's governance rules and instead may comply with Canadian requirements. As a foreign private issuer, the company is only required to comply with four of the NYSE's governance rules. These rules provide that (i) Suncor must have an audit committee that satisfies the requirements of Rule 10A-3 under the Exchange Act; (ii) the chief executive officer of Suncor must promptly notify the NYSE in writing after an executive officer becomes aware of any material non-compliance with the applicable NYSE rules; (iii) Suncor must provide a brief description of any significant differences between the company's

corporate governance practices and those followed by U.S. companies listed under the NYSE; and (iv) Suncor must provide annual and, as required, written affirmations of compliance with applicable NYSE Corporate Governance Standards.

The company has disclosed in its 2025 management proxy circular, which is available on Suncor's website at www.suncor.com, significant areas in which the company does not comply with the NYSE Corporate Governance Standards. In certain instances, it is not required to obtain shareholder approval for material amendments to equity compensation plans under TSX requirements, while the NYSE requires shareholder approval of all equity compensation plans. Suncor, while in compliance with the independence requirements of applicable securities laws in Canada (specifically National Instrument 52-110 – *Audit Committees*) and the U.S. (specifically Rule 10A-3 of the Exchange Act), has not adopted, and is not required to adopt, the director independence standards contained in Section 303A.02 of the NYSE's Listed Company Manual, including with respect to its audit committee and compensation committee. The Board has not adopted, nor is it required to adopt, procedures to implement Section 303A.05(c)(iv) of the NYSE's Listed Company Manual in respect of compensation committee advisor independence. Except as described herein, the company is in compliance with the NYSE Corporate Governance Standards in all other significant respects.

Additional Information

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Suncor's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the company's most recent management proxy circular for the most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in Suncor's 2024 audited Consolidated Financial Statements and in the annual 2024 MD&A.

Further information about Suncor, filed with Canadian securities commissions and the U.S. Securities and Exchange Commission (SEC), including periodic quarterly and annual reports and the Form 40-F, is available online on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov. In addition, Suncor's Standards of Business Conduct Code is available online at www.suncor.com. Information contained in or otherwise accessible through the company's website does not form part of this AIF, and is not incorporated into the AIF by reference.

Advisory – Forward-Looking Statements and Non-GAAP Financial Measures

This AIF contains certain forward-looking statements and forward-looking information (collectively, forward-looking statements) within the meaning of applicable Canadian and U.S. securities laws and other information based on Suncor's current expectations, estimates, projections and assumptions that were made by the company in light of information available at the time the statement was made and consider Suncor's experience and its perception of historical trends, including expectations and assumptions concerning: the accuracy of reserves estimates; commodity prices and interest and foreign exchange rates; the performance of assets and equipment; capital efficiencies and cost-savings; applicable laws and government policies; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour, services and infrastructure; the satisfaction by third parties of their obligations to Suncor; the development and execution of projects; and the receipt, in a timely manner, of regulatory and third-party approvals. All statements and information that address expectations or projections about the future, and statements and information about Suncor's strategy for growth, expected and future expenditures or investment decisions, commodity prices, costs, schedules, production volumes, operating and financial results, future financing and capital activities, and the expected impact of future commitments are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects", "anticipates", "will", "estimates", "plans", "scheduled", "intends", "believes", "projects", "indicates", "could", "focus", "vision", "goal", "outlook", "proposed", "target", "objective", "continue", "should", "may", "potential", "future", "opportunity", "would", "forecast" and similar expressions.

Forward-looking statements in this AIF include references to:

Suncor's strategy, business plans and expectations about projects, the performance of assets, production volumes, and capital expenditures,

including:

- *That the new cogeneration facility will produce steam at a lower cost and is expected to lower the GHG emissions intensity associated with steam production at Oil Sands Base, and that excess electricity will be transmitted to the Alberta Power grid;*
- *That the coke drum replacement project is planned for completion in 2025 and will extend the life of the facility by an expected 30 years;*
- *That White Rose production will resume in 2025 upon completion of the SeaRose FPSO Asset Life Extension Project, and that the West White Rose Project will extend the life of the White Rose field and that production from the West White Rose Project will commence in 2026;*
- *Expectation that the ALE project will extend production life at Terra Nova by approximately 10 years;*
- *Expectations regarding the MLX-W and MLX-E programs, including that the MLX-E program will follow MLX-W development if economic conditions remain suitable, that the MLX-W program will sustain bitumen production levels at the Mildred Lake site after resource depletion at the Mildred North Mine and use existing mining and extraction facilities, and that MLX-W will achieve first oil in 2025;*
- *Expectations regarding Lease 934 development, including that Lease 934 will extend bitumen production at the Aurora North Mine;*
- *The expectation that AHS will be deployed in Millenium for overburden, and then at Syncrude in 2026 and at Fort Hills in 2028;*
- *The upgrading of bitumen production to SCO, including that approximately 90% of Firebag production is expected to be upgraded to SCO by 2037 and then 100% thereafter, and that approximately 29% of Fort Hills bitumen is expected to be upgraded to SCO.*
- *The estimated cost of Suncor's remaining exploration work program commitment in Libya;*
- *The expectation that the drilling of new well pairs and infill and sidetracked wells at Firebag and MacKay River will assist in maintaining production levels in future years;*

- *The expectation that the company will continue to improve and optimize the Petro-Canada ™ retail business in 2025;*
- *Expectations regarding the co-ownership agreements with North Atlantic, including that a number of sites will be rebranded to the Petro-Canada™ brand;*
- *Expectations that the rebranding of the Canadian Tire retail fuel network will continue in 2025.*
- *Expectation that ES-SAGD is expected to be ready for deployment in Suncor's In Situ projects by 2028, and expectations with respect to the performance of ES-SAGD and the EBRT process;*
- *Statements about Suncor's reserves, including reserves volumes, estimates of future net revenues, commodity price forecasts, exchange and interest rate expectations, and production estimates;*
- *Significant development activities and costs anticipated to occur or be incurred in 2025, including those identified under the Future Development Costs table in the Statement of Reserves Data and Other Oil and Gas Information section of this AIF; Suncor's belief that internally generated cash flows, existing and future credit facilities, and accessing capital markets will be sufficient to fund future development costs and that interest expense or other external funding costs on their own would not make development of any property uneconomic; plans for the development of reserves; and the estimated value of work commitments;*
- *Estimated abandonment and reclamations costs;*
- *Expectations about royalties and income taxes and their impact on Suncor;*
- *Anticipated effects of and responses to environmental laws and regulations, including climate change and GHG emissions laws and regulations, regulatory permits and Suncor's estimated compliance costs; and*
- *Expectations about changes to laws and the impact thereof.*

Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to Suncor. Suncor's actual results may differ materially from those expressed or implied by its forward-looking statements, so readers are cautioned not to place undue reliance on them.

The financial and operating performance of the company's reportable operating segments, specifically Oil Sands, Exploration and Production, and Refining and Marketing, may be affected by a number of factors.

Factors that affect Suncor's Oil Sands segment include, but are not limited to, volatility in the prices for crude oil and other production, and the related impacts of fluctuating light/heavy and sweet/sour crude oil differentials; changes in the demand for refinery feedstock and diesel fuel, including the possibility that refiners that process the company's proprietary production will be closed, experience equipment failure or other accidents; Suncor's ability to operate its Oil Sands facilities reliably in order to meet production targets; the output of newly commissioned facilities, the performance of which may be difficult to predict during initial operations; Suncor's dependence on pipeline capacity and other logistical constraints, which may affect the company's ability to distribute products to market and which may cause the company to delay or cancel planned growth projects in the event of insufficient takeaway capacity; Suncor's ability to finance Oil Sands economic investment and asset sustainability and maintenance capital expenditures; the availability of bitumen feedstock for upgrading operations, which can be negatively affected by poor ore grade quality, unplanned mine equipment and extraction plant maintenance, tailings storage, and in situ reservoir and equipment performance, or the unavailability of third-party bitumen; changes in operating costs, including the cost of labour, natural gas and other energy sources used in oil sands processes; and the company's ability to complete projects, including planned maintenance events, both on time and on budget, which could be impacted by competition from other projects (including other oil sands projects) for goods and services and demands on infrastructure in Alberta's Wood Buffalo region and the surrounding area (including housing, roads and schools).

Factors that affect Suncor's Exploration and Production segment include, but are not limited to, volatility in crude oil and natural gas prices; operational risks and uncertainties associated with oil and gas activities, including unexpected formations or pressures, premature declines of reservoirs, fires, blow-outs, equipment failures and other accidents, uncontrollable flows of crude oil, natural gas or well

fluids, and pollution and other environmental risks; adverse weather conditions, which could disrupt output from producing assets or impact drilling programs, resulting in increased costs and/or delays in bringing on new production; political, economic and socioeconomic risks associated with Suncor's foreign operations, including the unpredictability of operating in Libya due to ongoing political unrest; and market demand for mineral rights and producing properties, potentially leading to losses on disposition or increased property acquisition costs.

Factors that affect Suncor's Refining and Marketing segment include, but are not limited to, fluctuations in demand and supply for refined products that impact the company's margins; market competition, including potential new market entrants; the company's ability to reliably operate refining and marketing facilities to meet production or sales targets; and risks and uncertainties affecting construction or planned maintenance schedules, including the availability of labour and other impacts of competing projects drawing on the same resources during the same time period.

Additional risks, uncertainties and other factors that could influence the financial and operating performance of all of Suncor's operating segments and activities include, but are not limited to, changes in general economic, market and business conditions, such as commodity prices, interest rates and currency exchange rates (including as a result of demand and supply effects resulting from the actions of OPEC+); fluctuations in supply and demand for Suncor's products; the successful and timely implementation of capital projects, including growth projects and regulatory projects; risks associated with the development and execution of Suncor's projects and the commissioning and integration of new facilities; the possibility that completed maintenance activities may not improve operational performance or the output of related facilities; the risk that projects and initiatives intended to achieve cash flow growth and/or reductions in operating costs may not achieve the expected results in the time anticipated or at all; competitive actions of other companies, including increased competition from other oil and gas companies or from companies that provide alternative sources of energy; labour and material shortages; actions by government authorities, including the imposition or reassessment of, or changes to, taxes, fees, royalties, duties, tariffs, quotas and other government-imposed compliance costs and mandatory production curtailment orders and changes thereto; changes to laws and government policies that could impact the company's business, including environmental (including climate change), royalty and tax laws and policies; the ability and willingness of parties with whom Suncor has material relationships to perform their obligations to the company; the unavailability of, or outages to, third-party infrastructure that could cause disruptions to production or prevent the company from being able to transport its products; the occurrence of a protracted operational outage, a major safety or environmental incident, or unexpected events such as fires (including forest fires), equipment failures and other similar events affecting Suncor or other parties whose operations or assets directly or indirectly affect Suncor; the potential for security breaches of Suncor's information technology and infrastructure by malicious persons or entities, and the unavailability or failure of such systems to perform as anticipated as a result of such breaches; security threats and terrorist or activist activities; the risk that competing business objectives may exceed Suncor's capacity to adopt and implement change; risks and uncertainties associated with obtaining regulatory, third-party and stakeholder approvals for the company's operations, projects, initiatives, and exploration and development activities and the satisfaction of any conditions to approvals; the potential for disruptions to operations and construction projects as a result of Suncor's relationships with labour unions that represent employees at the company's facilities; the company's ability to find new oil and gas reserves that can be developed economically; the accuracy of Suncor's reserves and future production estimates; Suncor's ability to access capital markets at acceptable rates or to issue securities at acceptable prices; maintaining an optimal debt to cash flow ratio; the success of the company's risk management activities using derivatives and other financial instruments; the cost of compliance with current and future environmental laws, including climate change laws; risks relating to increased activism and public opposition to fossil fuels and oil sands; risks and uncertainties associated with closing a transaction for the purchase or sale of a business, asset or oil and gas property, including estimates of the final consideration to be paid or received; the ability of counterparties to comply with their obligations in a timely manner; risks associated with joint arrangements in which the company has an interest; risks associated with land claims and Indigenous consultation requirements; the risk that the company may be subject to litigation; the impact of technology and risks associated with developing and implementing new technologies; and the accuracy of cost estimates, some of which are provided at the conceptual or other preliminary stage of projects and prior to commencement or conception of the detailed engineering that is

needed to reduce the margin of error and increase the level of accuracy. The foregoing important factors are not exhaustive.

Many of these risk factors and other assumptions related to Suncor's forward-looking statements are discussed in further detail throughout this AIF and the company's annual 2024 MD&A including under the heading Risk Factors, and Form 40-F on file with Canadian securities commissions at www.sedarplus.ca and the SEC at www.sec.gov. Readers are also referred to the risk factors and assumptions described in other documents that Suncor files from time to time with securities regulatory authorities. Copies of these documents are available without charge from the company.

The forward-looking statements contained in this AIF are made as of the date of this AIF. Except as required by applicable securities laws, we assume no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing risks and assumptions affecting such forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures – Netback

Netback is a financial measure that is not prescribed by GAAP. Non-GAAP measures do not have any standardized meaning under GAAP and therefore are unlikely to be comparable to similar measures presented by other companies and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Additional information relating to netback, including disclosure of its composition, an explanation of how netback provides useful information to investors and the additional purposes, if any, for which management uses netback and a quantitative reconciliation of netback to the most directly comparable financial measure that is specified, defined and determined in accordance with GAAP, is contained in the Operating Metrics Reconciliation and the Operating Summary Information – Non-GAAP Financial Measures section within Suncor's Annual Report for the year ended December 31, 2024, and dated February 26, 2025.

Schedule “A”
Audit Committee Mandate

The Audit Committee

The by-laws of Suncor Energy Inc. (“Suncor”) provide that the Board of Directors (the “Board”) may establish Board committees to whom certain duties may be delegated by the Board. The Board has established, among others, the Audit Committee, and has approved this mandate, which sets out the objectives, functions and responsibilities of the Audit Committee (the “Committee”).

Objectives

The Committee assists the Board by:

- monitoring the effectiveness and integrity of the Corporation’s internal controls of Suncor’s business processes, including: financial and management reporting systems, internal control systems;
- monitoring and reviewing financial reports and other financial matters;
- selecting, monitoring and reviewing the independence and effectiveness of, and where appropriate replacing, subject to shareholder approval as required by law, external auditors, and ensuring that external auditors are ultimately accountable to the Board and to the shareholders of the Corporation;
- reviewing the effectiveness of the internal auditors, excluding the Operations Integrity Audit department, which is specifically within the mandate of the Environment, Health & Safety Committee (references throughout this mandate to “Internal Audit” shall not include the Operations Integrity Audit department); and
- approving on behalf of the Board certain financial matters as delegated by the Board, including the matters outlined in this mandate.

The Committee does not have decision-making authority, except where and to the extent that such authority is expressly delegated by the Board. The Committee conveys its findings and recommendations to the Board for consideration and, where required, decision by the Board.

Constitution

The Terms of Reference of Suncor’s Board set out requirements for the composition of Board committees and the qualifications for committee membership, and specify that the chair and membership of the committees are determined annually by the Board. As required by Suncor’s by-laws, unless otherwise determined by resolution of the Board, a majority of the members of a committee constitute a quorum for meetings of committees, and in all other respects, each committee determines its own rules of procedure.

Functions and Responsibilities

The Committee has the following functions and responsibilities:

Internal Controls

1. Inquire as to the adequacy of the Corporation's system of internal controls of Suncor’s business processes, and review the evaluation of internal controls by Internal Auditors, and the evaluation of financial and internal controls by external auditors.
2. Review the results of any internal audit of the Corporation’s Standards of Business Conduct-Compliance Program.

3. Establish procedures for the confidential submission by employees of complaints relating to any concerns with accounting, internal control, auditing or Standards of Business Conduct Code matters, and periodically review a summary of complaints and their related resolution.

4. Review the findings of any significant examination by regulatory agencies concerning the Corporation's financial matters.

5. Periodically review management's governance processes for information technology resources, to assess their effectiveness in addressing the integrity, the protection and the security of the Corporation's electronic information systems and records.

6. Review the management practices overseeing officers' expenses and perquisites.

External and Internal Auditors

7. Evaluate the performance of the external auditors and initiate and approve the engagement or termination of the external auditors, subject to shareholder approval as required by applicable law.

8. Review the audit scope and approach of the external auditors, and approve their terms of engagement and fees.

9. Review any relationships or services that may impact the objectivity and independence of the external auditor, including annual review of the auditor's written statement of all relationships between the auditor (including its affiliates) and the Corporation; review and approve all engagements for non-audit services to be provided by external auditors or their affiliates.

10. Review the external auditor's quality control procedures including any material issues raised by the most recent quality control review or peer review and any issues raised by a government authority or professional authority investigation of the external auditor, providing details on actions taken by the firm to address such issues.

11. Approve the appointment or termination of the Head of Internal Audit and Enterprise Risk, and approve annually the performance assessment and resulting compensation of the Head of Internal Audit and Enterprise Risk as provided by the Chief Financial Officer. Periodically review the performance and effectiveness of the Internal Audit function including conformance with The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and the Code of Ethics.

12. Approve the Internal Audit Department Charter, the annual Internal Audit schedule, as well as the Internal Audit budget and resource plan. Review the plans, activities, organizational structure, resource capacity and qualifications of the Internal Auditors, and monitor the department's independence.

13. Provide direct and unrestricted access by management, the Internal Auditors and the external auditors to the Board.

Financial Reporting and other Public Disclosure

14. Review the external auditor's management comment letter and management's responses thereto, and inquire as to any disagreements between management and external auditors or restrictions imposed by management on external auditors. Review any unadjusted differences brought to the attention of management by the external auditor and the resolution thereof.

15. Review with management and the external auditors the financial materials and other disclosure documents referred to in paragraph 16, including any significant financial reporting issues, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting including alternative treatments and their impacts.

16. Review and approve the Corporation's interim consolidated financial statements and accompanying management's discussion and analysis ("MD&A"). Review and make

recommendations to the Board on approval of the Corporation's annual audited financial statements and MD&A, Annual Information Form and Form 40-F. Review other material annual and quarterly disclosure documents or regulatory filings containing or accompanying audited or unaudited financial information.

17. Authorize any changes to the categories of documents and information requiring Committee review or approval prior to external disclosure, as set out in the Corporation's policy on external communication and disclosure of material information.

18. Review any change in the Corporation's accounting policies.

19. Review with legal counsel any legal matters having a significant impact on the financial reports.

Oil and Gas Reserves

20. Review with reasonable frequency Suncor's procedures for:

    (A) the disclosure, in accordance with applicable law, of information with respect to Suncor's oil and gas activities including procedures for complying with applicable disclosure requirements;

    (B) providing information to the qualified reserves evaluators ("Evaluators") engaged annually by Suncor to evaluate Suncor's reserves data for the purpose of public disclosure of such data in accordance with applicable law.

21. Annually approve the appointment and terms of engagement of the Evaluators, including the qualifications and independence of the Evaluators; review and approve any proposed change in the appointment of the Evaluators, and the reasons for such proposed change including whether there have been disputes between the Evaluators and management.

22. Annually review Suncor's reserves data and the report of the Evaluators thereon; annually review and make recommendations to the Board on the approval of (i) the content and filing by the Company of a statement of reserves data ("Statement") and the report thereon of management and the directors to be included in or filed with the Statement, and (ii) the filing of the report of the Evaluators to be included in or filed with the Statement, all in accordance with applicable law.

Risk Management

23. Periodically review the policies and practices of the Corporation respecting cash management, financial derivatives, financing, credit, insurance, taxation, commodities trading and related matters. Conduct periodic review and provide oversight on the specific Suncor Principal Risks which have been delegated to the Committee for oversight.

Pension Plans

24. Review the assets, financial performance, funding status and strategy of the Corporation's pension plans, and the Pension Governance Policy including the allocation of fiduciary roles and responsibilities.

Other Matters

25. Conduct any independent investigations into any matters which come under its scope of responsibilities.

26. Review any recommended appointees to the office of Chief Financial Officer.

27. Review and/or approve other financial matters delegated specifically to it by the Board.

Reporting to the Board

28. Report to the Board on the activities of the Committee with respect to the foregoing matters as required at each Board meeting and at any other time deemed appropriate by the Committee or upon request of the Board.

Approved by resolution of the Board of Directors on November 4, 2024

Schedule “B” – Suncor Energy Inc. Policy and Procedures for Pre-Approval of Audit and Non-Audit Services

Pursuant to the Sarbanes-Oxley Act of 2002 and Multilateral Instrument 52-110, the Securities and Exchange Commission and the Ontario Securities Commission respectively has adopted final rules relating to audit committees and auditor independence. These rules require the Audit Committee of Suncor Energy Inc. (“Suncor”) to be responsible for the appointment, compensation, retention and oversight of the work of its independent auditor. The Audit Committee must also pre-approve any audit and non-audit services performed by the independent auditor or such services must be entered into pursuant to pre-approval policies and procedures established by the Audit Committee pursuant to this policy.

I. Statement of Policy

The Audit Committee has adopted this Policy and Procedures for Pre-Approval of Audit and Non-Audit Services (the “Policy”), which sets forth the procedures and the conditions pursuant to which services proposed to be performed by the independent auditor will be preapproved. The procedures outlined in this Policy are applicable to all Audit, Audit-related, Tax Services and All Other Services provided by the independent auditor.

II. Responsibility

Responsibility for the implementation of this Policy rests with the Audit Committee. The Audit Committee delegates its responsibility for administration of this policy to management. The Audit Committee shall not delegate its responsibilities to pre-approve services performed by the independent auditor to management.

III. Definitions

For the purpose of these policies and procedures and any pre-approvals:

(a) “Audit services” include services that are a necessary part of the annual audit process and any activity that is a necessary procedure used by the auditor in reaching an opinion on the financial statements as is required under generally accepted auditing standards (“GAAS”), including technical reviews to reach audit judgment on accounting standards;

The term “audit services” is broader than those services strictly required to perform an audit pursuant to GAAS and include such services as:

(i) the issuance of comfort letters and consents in connections with offerings of securities;

(ii) the performance of domestic and foreign statutory audits;

(iii) Attest services required by statute or regulation;

(iv) Internal control reviews; and

(v) Assistance with and review of documents filed with the Canadian Securities administrators, the Securities and Exchange Commission and other regulators having jurisdiction over Suncor and its subsidiaries, and responding to comments from such regulators;

(b) “Audit-related services” are assurance (e.g., due diligence services) and related services traditionally performed by the external auditors and that are reasonably related to the performance of the audit or review of financial statements and not categorized under “audit fees” for disclosure purposes.

“Audit-related services” include:

(i) employee benefit plan audits, including audits of employee pension plans;

(ii) due diligence related to mergers and acquisitions;

(iii) consultations and audits in connection with acquisitions, including evaluating the accounting treatment for proposed transactions;

(iv) internal control reviews;

(v) attest services not required by statute or regulation; and

(vi) consultations regarding financial accounting and reporting standards.

Non-financial operational audits are **not** "audit-related" services.

(c) "Tax services" include, but are not limited to, services related to the preparation of corporate and/or personal tax filings, tax due diligence as it pertains to mergers, acquisitions and/or divestitures, and tax planning;

(d) "All other services" consist of any other work that is neither an Audit service, nor an Audit-related service nor a Tax service, the provision of which by the independent auditor is not expressly prohibited by Rule 201(c)(7) of Regulation S-X under the Securities and Exchange Act of 1934, as amended. (See Appendix A for a summary of the prohibited services.)

IV. General Policy

The following general policy applies to all services provided by the independent auditor.

- All services to be provided by the independent auditor will require specific pre-approval by the Audit Committee. The Audit Committee will not approve engaging the independent auditor for services which can reasonably be classified as "tax services" or "all other services" unless a compelling business case can be made for retaining the independent auditor instead of another service provider.
- The Audit Committee will not provide pre-approval for services to be provided in excess of twelve months from the date of the pre-approval, unless the Audit Committee specifically provides for a different period.
- The Audit Committee has delegated authority to pre-approve services with an estimated cost not exceeding $100,000 in accordance with this Policy to the Chairman of the Audit Committee. The delegate member of the Audit Committee must report any pre-approval decision to the Audit Committee at its next meeting.
- The Chairman of the Audit Committee may delegate his authority to pre-approve services to another sitting member of the Audit Committee provided that the recipient has also been delegated the authority to act as Chairman of the Audit Committee in the Chairman's absence. A resolution of the Audit Committee is required to evidence the Chairman's delegation of authority to another Audit Committee member under this policy.
- The Audit Committee will, from time to time, but no less than annually, review and pre-approve the services that may be provided by the independent auditor.
- The Audit Committee must establish pre-approval fee levels for services provided by the independent auditor on an annual basis. On at least a quarterly basis, the Audit Committee will be provided with a detailed summary of fees paid to the independent auditor and the nature of the services provided, and a forecast of fees and services that are expected to be provided during the remainder of the fiscal year.
- The Audit Committee will **not** approve engaging the independent auditor to provide any prohibited non-audit services as set forth in Appendix A.
- The Audit Committee shall evidence their pre-approval for services to be provided by the independent auditor as follows:

(a) In situations where the Chairman of the Audit Committee pre-approves work under his delegation of authority, the Chairman will evidence his pre-approval by signing and dating

the pre-approval request form, attached as Appendix B. If it is not practicable for the Chairman to complete the form and transmit it to the Company prior to engagement of the independent audit, the Chairman may provide verbal or email approval of the engagement, followed up by completion of the request form at the first practical opportunity.

(b) In all other situations, a resolution of the Audit Committee is required.

- All audit and non-audit services to be provided by the independent auditors shall be provided pursuant to an engagement letter that shall:

(a) be in writing and signed by the auditors;

(b) specify the particular services to be provided;

(c) specify the period in which the services will be performed;

(d) specify the estimated total fees to be paid, which shall not exceed the estimated total fees approved by the Audit Committee pursuant to these procedures, prior to application of the 10% overrun;

(e) include a confirmation by the auditors that the services are not within a category of services the provision of which would impair their independence under applicable law and Canadian and U.S. generally accepted accounting standards.

- The Audit Committee pre-approval permits an overrun of fees pertaining to a particular engagement of no greater than 10% of the estimate identified in the associated engagement letter. The intent of the overrun authorization is to ensure on an interim basis only, that services can continue pending a review of the fee estimate, and, if required, further Audit Committee approval of the overrun. If an overrun is expected to exceed the 10% threshold, as soon as the overrun is identified, the Audit Committee or its designate must be notified and an additional pre-approval obtained prior to the engagement continuing.

V. Responsibilities of External Auditors

To support the independence process, the independent auditors will:

(a) Confirm in each engagement letter that performance of the work will not impair independence;

(b) Satisfy the Audit Committee that they have in place comprehensive internal policies and processes to ensure adherence, world-wide, to independence requirements, including robust monitoring and communications;

(c) Provide communication and confirmation to the Audit Committee regarding independence on at least a quarterly basis;

(d) Maintain registration by the Canadian Public Accountability Board and the U.S. Public Company Accounting Oversight Board; and

(e) Review their partner rotation plan and advise the Audit Committee on an annual basis.

In addition, the external auditors will:

(f) Provide regular, detailed fee reporting including balances in the “Work in Progress” account;

(g) Monitor fees and notify the Audit Committee as soon as a potential overrun is identified.

VI. Disclosures

Suncor will, as required by applicable law, annually disclose its pre-approval policies and procedures, and will provide the required disclosure concerning the amounts of audit fees, audit-related fees, tax fees and all other fees paid to its outside auditors in its filings with the SEC.

Approved and Accepted April 28, 2004

Appendix A – Prohibited Non-Audit Services

An external auditor is not independent if, at any point during the audit and professional engagement period, the auditor provides the following non-audit services to an audit client.

Bookkeeping or other services related to the accounting records or financial statements of the audit client. Any service, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of Suncor's financial statements, including:

- Maintaining or preparing the audit client's accounting records;
- Preparing Suncor's financial statements that are filed with the SEC or that form the basis of financial statements filed with the SEC; or
- Preparing or originating source data underlying Suncor's financial statements.

Financial information systems design and implementation. Any service, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of Suncor's financial statements, including:

- Directly or indirectly operating, or supervising the operation of, Suncor's information systems or managing Suncor's local area network; or
- Designing or implementing a hardware or software system that aggregates source data underlying the financial statements or generates information that is significant to Suncor's financial statements or other financial information systems taken as a whole.

Appraisal or valuation services, fairness opinions or contribution-in-kind reports. Any appraisal service, valuation service or any service involving a fairness opinion or contribution-in-kind report for Suncor, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of Suncor's financial statements.

Actuarial services. Any actuarially-oriented advisory service involving the determination of amounts recorded in the financial statements and related accounts for Suncor other than assisting Suncor in understanding the methods, models, assumptions, and inputs used in computing an amount, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of Suncor's financial statements.

Internal audit outsourcing services. Any internal audit service that has been outsourced by Suncor that relates to Suncor's internal accounting controls, financial systems or financial statements, unless it is reasonable to conclude that the result of these services will not be subject to audit procedures during an audit of Suncor's financial statements.

Management functions. Acting, temporarily or permanently, as a director, officer, or employee of Suncor, or performing any decision-making, supervisory, or ongoing monitoring function for Suncor.

Human resources. Any of the following:

- Searching for or seeking out prospective candidates for managerial, executive, or director positions;
- Engaging in psychological testing, or other formal testing or evaluation programs;
- Undertaking reference checks of prospective candidates for an executive or director position;
- Acting as a negotiator on Suncor's behalf, such as determining position, status or title, compensation, fringe benefits, or other conditions of employment; or
- Recommending, or advising Suncor to hire a specific candidate for a specific job (except that an accounting firm may, upon request by Suncor, interview candidates and advise Suncor on the candidate's competence for financial accounting, administrative, or control positions).

Broker-dealer, investment adviser or investment banking services. Acting as a broker-dealer (registered or unregistered), promoter, or underwriter, on behalf of Suncor, making investment decisions on behalf of Suncor or otherwise having discretionary authority over Suncor's investments, executing a transaction to

buy or sell Suncor's investment, or having custody of Suncor's assets, such as taking temporary possession of securities purchased by Suncor.

Legal services. Providing any service to Suncor that, under circumstances in which the service is provided, could be provided only by someone licenced, admitted, or otherwise qualified to practice law in the jurisdiction in which the service is prohibited.

Expert services unrelated to the audit. Providing an expert opinion or other expert service for Suncor, or Suncor's legal representative, for the purpose of advocating Suncor's interest in litigation or in a regulatory or administrative proceeding or investigation. In any litigation or regulatory or administrative proceeding or investigation, an accountant's independence shall not be deemed to be impaired if the accountant provides factual accounts, including testimony, of work performed or explains the positions taken or conclusions reached during the performance of any service provided by the accountant for Suncor.

Appendix B – Pre-Approval Request Form

NATURE OF WORK	ESTIMATED FEES (Cdn$)
Total	

Date Signature

Schedule “C” – Form 51-101F2 Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor

To the board of directors of Suncor Energy Inc. (the “Company”):

1. We have evaluated the Company’s reserves data as at December 31, 2024. The reserves data are estimates of proved reserves and probable reserves and related future net revenue as at December 31, 2024, estimated using forecast prices and costs.

2. The reserves data are the responsibility of the Company’s management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

3. We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the “COGE Handbook”) maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter).

4. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

5. The following table shows the net present value of future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of 10 percent, included in the reserves data of the Company evaluated for the year ended December 31, 2024, and identifies the respective portions thereof that we have evaluated and reported on to the Company’s management and board of directors:

Independent Qualified Reserves Evaluator	Effective Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate, $ millions)			
			Audited	Evaluated	Reviewed	Total
GLJ Ltd.	December 31, 2024	Oil Sands In Situ, Canada	—	34 960	—	34 960
GLJ Ltd.	December 31, 2024	Oil Sands Mining, Canada	—	36 813	—	36 813
GLJ Ltd.	December 31, 2024	East Coast Canada, Newfoundland Offshore, Canada	—	7 503	—	7 503
			—	79 276	—	79 276

6. In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook, consistently applied. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

7. We have no responsibility to update our reports referred to in paragraph 5 for events and circumstances occurring after the effective date of our reports.

8. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

EXECUTED as to our report referred to above:

GLJ Ltd., Calgary, Alberta, Canada, February 26, 2025

“Tracy K. Bellingham”

Tracy K. Bellingham, P.Eng.
Executive Vice President & COO

Schedule “D” – Form 51-101F3 Report of Management and Directors on Reserves Data and Other Information

Management of Suncor Energy Inc. (the “Company”) are responsible for the preparation and disclosure of information with respect to the Company’s oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data.

Independent qualified reserves evaluators have evaluated the Company’s reserves data. The reports of the independent qualified reserves evaluators will be filed with securities regulatory authorities concurrently with this report.

The Audit Committee of the board of directors of the Company has:

(a) reviewed the Company’s procedures for providing information to the independent qualified reserves evaluators;

(b) met with the independent qualified reserves evaluators to determine whether any restrictions affected the ability of the independent qualified reserves evaluators to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluators.

The Audit Committee of the board of directors has reviewed the Company’s procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Audit Committee, approved:

(a) the content and filing with securities regulatory authorities of Form 51-101F1 containing reserves data and other oil and gas information;

(b) the filing of Form 51-101F2 which is the report of the independent qualified reserves evaluators on the reserves data; and

(c) the content and filing of this report.

Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

“*Richard M. Kruger*”

RICHARD M. KRUGER
President and Chief Executive Officer

“Kris P. Smith”

KRIS P. SMITH
Chief Financial Officer

“*Russell Girling*”

RUSSELL GIRLING
Chair of the Board of Directors

“*Patricia M. Bedient*”

PATRICIA M. BEDIENT
Chair of the Audit Committee

February 26, 2025



Suncor Energy Inc.
150 - 6 Avenue S.W., Calgary, Alberta, Canada T2P 3E3
T: 403-296-8000
Suncor.com

Exhibit 99-2

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Management's Statement of Responsibility for Financial Reporting

The management of Suncor Energy Inc. is responsible for the presentation and preparation of the accompanying consolidated financial statements of Suncor Energy Inc. and all related financial information contained in the Annual Report, including Management's Discussion and Analysis.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. They include certain amounts that are based on estimates and judgments.

In management's opinion, the consolidated financial statements have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies adopted by management. If alternate accounting methods exist, management has chosen those policies it deems the most appropriate in the circumstances. In discharging its responsibilities for the integrity and reliability of the financial statements, management maintains and relies upon a system of internal controls designed to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. These controls include quality standards in hiring and training of employees, formalized policies and procedures, a corporate code of conduct and associated compliance program designed to establish and monitor conflicts of interest, the integrity of accounting records and financial information, among others, and employee and management accountability for performance within appropriate and well-defined areas of responsibility.

The system of internal controls is further supported by the professional staff of an internal audit function who conduct periodic audits of the company's financial reporting.

The Audit Committee of the Board of Directors, currently composed of four independent directors, reviews the effectiveness of the company's financial reporting systems, management information systems, internal control systems and internal auditors. It recommends to the Board of Directors the external auditor to be appointed by the shareholders at each annual meeting and reviews the independence and effectiveness of their work. In addition, it reviews with management and the external auditor any significant financial reporting issues, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material for financial reporting purposes. The Audit Committee appoints the independent reserve consultants. The Audit Committee meets at least quarterly to review and approve interim financial statements prior to their release, as well as annually to review Suncor's annual financial statements and Management's Discussion and Analysis, Annual Information Form/Form 40-F, and annual reserves estimates, and recommend their approval to the Board of Directors. The internal auditors and the external auditor, KPMG LLP, have unrestricted access to the company, the Audit Committee and the Board of Directors.



Rich Kruger
President and Chief Executive Officer



Kris Smith
Chief Financial Officer

February 26, 2025

The following report is provided by management in respect of the company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the *U.S. Securities Exchange Act of 1934*):

Management's Report on Internal Control Over Financial Reporting

1. Management is responsible for establishing and maintaining adequate internal control over the company's financial reporting.

2. Management has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework (2013) in Internal Control – Integrated Framework to evaluate the effectiveness of the company's internal control over financial reporting.

3. Management has assessed the effectiveness of the company's internal control over financial reporting as at December 31, 2024, and has concluded that such internal control over financial reporting was effective as of that date. In addition, based on this assessment, management determined that there were no material weaknesses in internal control over financial reporting as at December 31, 2024. Because of inherent limitations, systems of internal control over financial reporting may not prevent or detect misstatements and even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

4. The effectiveness of the company's internal control over financial reporting as at December 31, 2024, has been audited by KPMG LLP, independent public accountant, as stated in their report which appears herein.



Rich Kruger
President and Chief Executive Officer



Kris Smith
Chief Financial Officer

February 26, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Suncor Energy Inc.

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Suncor Energy Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its financial performance and its cash flows for each of the years then ended, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of indicators of impairment related to Oil Sands and certain Exploration and Production property, plant and equipment.

As discussed in Note 3(h) to the consolidated financial statements, when circumstances indicate that a cash generating unit ("CGU") may be impaired, the Company compares the carrying amount of the CGU to its recoverable amount. The Company analyzes indicators of impairment quarterly, such as significant decreases in proved and probable reserves. The determination of proved and probable oil reserves includes assumptions related to forecasted production volumes, commodity prices, capital expenditures and operating costs (collectively, "reserve assumptions"). The estimation of reserve assumptions requires the expertise of independent qualified reserves evaluators. The Company engages independent qualified reserves evaluators to evaluate the Company's proved and probable oil reserves.

We identified the evaluation of the assessment of indicators of impairment related to the Oil Sands and certain Exploration and Production property, plant and equipment as a critical audit matter. A high degree of subjective auditor judgment was required to evaluate the reserve assumptions used by the Company in their assessment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to the Company's assessment of indicators of impairment, including controls related to the reserve assumptions. We evaluated the Company's reserve assumptions by comparing the current year externally evaluated proved and probable oil reserves to historical results. We compared the Company's current year actual production volumes, capital expenditures and operating costs to those respective assumptions used in the prior year externally evaluated proved oil reserves, and for certain reserve assumptions proved and probable oil reserves, to assess the Company's ability to accurately forecast. We evaluated the Company's future commodity price estimates by comparing to publicly available external price curves for the same benchmark pricing. We evaluated the competence, capabilities, and objectivity of the independent qualified reserves evaluators engaged by the Company, who evaluated the proved and probable oil reserves. We evaluated the methodology used by the independent qualified reserves evaluators to evaluate proved and probable oil reserves for compliance with regulatory standards.



Chartered Professional Accountants

We have served as the Company's auditor since 2019.

Calgary, Canada
February 26, 2025

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Consolidated Statements of Comprehensive Income

For the years ended December 31 ($ millions)	Notes	2024	2023
Revenues and Other Income			
Gross revenues	6	**54 881**	52 206
Less: royalties	6	**(4 192)**	(3 114)
Other income	7	**445**	1 654
		51 134	50 746
Expenses			
Purchases of crude oil and products		**19 115**	18 215
Operating, selling and general	8 and 26	**13 059**	13 383
Transportation and distribution		**1 842**	1 775
Depreciation, depletion, amortization and impairment	15 and 16	**6 954**	6 435
Exploration		**92**	74
Gain on disposal of assets	16	**(25)**	(992)
Financing expenses	9	**1 910**	1 267
		42 947	40 157
Earnings before Income Taxes		**8 187**	10 589
Income Tax Expense (Recovery)			
Current	10	**2 465**	1 734
Deferred	10 and 16	**(294)**	560
		2 171	2 294
Net Earnings		**6 016**	8 295
Other Comprehensive Income			
Items That May be Subsequently Reclassified to Earnings:			
Foreign currency translation adjustment		**153**	74
Items That Will Not be Reclassified to Earnings:			
Actuarial gain on employee retirement benefit plans, net of income taxes		**590**	128
Other Comprehensive Income		**743**	202
Total Comprehensive Income		**6 759**	8 497
Per Common Share (dollars)	11		
Net earnings – basic		**4.72**	6.34
Net earnings – diluted		**4.72**	6.33
Cash dividends		**2.22**	2.11

The accompanying notes are an integral part of the consolidated financial statements.

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Consolidated Balance Sheets

($ millions)	Notes	December 31 2024	December 31 2023
Assets			
Current assets			
Cash and cash equivalents	12	**3 484**	1 729
Accounts receivable		**5 245**	5 735
Inventories	14	**5 041**	5 365
Income taxes receivable		**518**	980
Total current assets		**14 288**	13 809
Property, plant and equipment, net	15 - 17	**68 512**	67 650
Exploration and evaluation	18	**1 742**	1 758
Other assets	19	**1 559**	1 710
Goodwill and other intangible assets	20	**3 503**	3 528
Deferred income taxes	10	**180**	84
Total assets		**89 784**	88 539
Liabilities and Shareholders' Equity			
Current liabilities			
Short-term debt	21	**-**	494
Current portion of long-term debt	21	**997**	-
Current portion of long-term lease liabilities	21	**599**	348
Accounts payable and accrued liabilities		**8 161**	7 731
Current portion of provisions	24	**958**	983
Income taxes payable		**32**	41
Total current liabilities		**10 747**	9 597
Long-term debt	21	**9 348**	11 087
Long-term lease liabilities	21	**3 745**	3 478
Other long-term liabilities	22	**1 502**	1 488
Provisions	24	**11 931**	11 610
Deferred income taxes	10 and 16	**7 997**	8 000
Equity		**44 514**	43 279
Total liabilities and shareholders' equity		**89 784**	88 539

The accompanying notes are an integral part of the consolidated financial statements.

Approved on behalf of the Board of Directors:



Rich Kruger
Director



Patricia M. Bedient
Director

February 26, 2025

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Consolidated Statements of Cash Flows

For the years ended December 31 ($ millions)	Notes	2024	2023
Operating Activities			
Net earnings		**6 016**	8 295
Adjustments for:			
Depreciation, depletion, amortization and impairment		**6 954**	6 435
Deferred income tax (recovery) expense	10 and 16	**(294)**	560
Accretion	9	**592**	532
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	9	**714**	(184)
Change in fair value of financial instruments and trading inventory		**(122)**	(5)
Bargain purchase gain and revaluations	7 and 16	**-**	(1 125)
Gain on disposal of assets	16	**(25)**	(992)
Loss on extinguishment of long-term debt	9 and 21	**170**	-
Share-based compensation	26	**(57)**	108
Settlement of decommissioning and restoration liabilities	24	**(488)**	(390)
Other		**386**	91
Decrease (increase) in non-cash working capital	13	**2 114**	(981)
Cash flow provided by operating activities		**15 960**	12 344
Investing Activities			
Capital and exploration expenditures		**(6 483)**	(5 828)
Capital expenditures on assets held for sale		**-**	(108)
Acquisitions, net of cash acquired	16	**-**	(2 394)
Proceeds from disposal of assets	16	**51**	1 882
Other investments		**(52)**	(83)
Decrease in non-cash working capital	13	**12**	20
Cash flow used in investing activities		**(6 472)**	(6 511)
Financing Activities			
Net decrease in short-term debt		**(503)**	(2 343)
Repayment of long-term debt	21	**(1 566)**	(5)
Issuance of long-term debt	21	**-**	1 500
Lease liability payments		**(471)**	(331)
Issuance of common shares under share option plans		**385**	187
Repurchase of common shares	25	**(2 908)**	(2 233)
Distributions relating to non-controlling interest		**(16)**	(16)
Dividends paid on common shares		**(2 803)**	(2 749)
Cash flow used in financing activities		**(7 882)**	(5 990)
Increase (Decrease) in Cash and Cash Equivalents		**1 606**	(157)
Effect of foreign exchange on cash and cash equivalents		**149**	(94)
Cash and cash equivalents at beginning of year		**1 729**	1 980
Cash and Cash Equivalents at End of Year		**3 484**	1 729
Supplementary Cash Flow Information			
Interest paid		**914**	887
Income taxes paid		**1 751**	2 604

The accompanying notes are an integral part of the consolidated financial statements.

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Consolidated Statements of Changes in Equity

($ millions)	Notes	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Retained Earnings	Total	Number of Common Shares (thousands)
At December 31, 2022		22 257	571	974	15 565	39 367	1 337 471
Net earnings		-	-	-	8 295	8 295	-
Foreign currency translation adjustment		-	-	74	-	74	-
Actuarial gain on employee retirement benefit plans, net of income taxes of $42	23	-	-	-	128	128	-
Total comprehensive income		-	-	74	8 423	8 497	-
Issued under share option plans		199	(18)	-	-	181	4 611
Repurchase of common shares for cancellation	25	(871)	-	-	(1 362)	(2 233)	(51 982)
Change in liability for share purchase commitment	25	76	-	-	124	200	-
Share-based compensation	26	-	16	-	-	16	-
Dividends paid on common shares		-	-	-	(2 749)	(2 749)	-
At December 31, 2023		21 661	569	1 048	20 001	43 279	1 290 100
Net earnings		**-**	**-**	**-**	**6 016**	**6 016**	**-**
Foreign currency translation adjustment		**-**	**-**	**153**	**-**	**153**	**-**
Actuarial gain on employee retirement benefit plans, net of income taxes of $186	23	**-**	**-**	**-**	**590**	**590**	**-**
Total comprehensive income		**-**	**-**	**153**	**6 606**	**6 759**	**-**
Issued under share option plans		**447**	**(62)**	**-**	**-**	**385**	**9 796**
Repurchase of common shares for cancellation[(1)]	25	**(943)**	**-**	**-**	**(2 013)**	**(2 956)**	**(55 564)**
Change in liability for share purchase commitment	25	**(44)**	**-**	**-**	**(119)**	**(163)**	**-**
Share-based compensation	26	**-**	**13**	**-**	**-**	**13**	**-**
Dividends paid on common shares		**-**	**-**	**-**	**(2 803)**	**(2 803)**	**-**
At December 31, 2024		**21 121**	**520**	**1 201**	**21 672**	**44 514**	**1 244 332**

(1) Includes $48 million of taxes on share repurchases for the year ended December 31, 2024.

The accompanying notes are an integral part of the consolidated financial statements.

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Notes to the Consolidated Financial Statements

1. Reporting Entity and Description of the Business

Suncor Energy is Canada's leading integrated energy company. Suncor's operations include oil sands development, production and upgrading; offshore oil production; petroleum refining in Canada and the U.S.; and the company's Petro-Canada™ retail and wholesale distribution networks (including Canada's Electric Highway™, a coast-to-coast network of fast-charging EV stations). Suncor is developing petroleum resources while advancing the transition to a lower-emissions future through investments in lower emissions intensity power, renewable feedstock fuels and projects targeting emissions intensity. Suncor also conducts energy trading activities focused primarily on the marketing and trading of crude oil, natural gas, byproducts, refined products and power. Suncor's common shares (symbol: SU) are listed on the Toronto Stock Exchange (TSX) and New York Stock Exchange (NYSE).

The address of the company's registered office is 150 – 6th Avenue S.W., Calgary, Alberta, Canada, T2P 3E3.

2. Basis of Preparation

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Suncor's accounting policies are based on IFRS issued and outstanding for all periods presented in these consolidated financial statements. These consolidated financial statements were approved by the Board of Directors on February 26, 2025.

(b) Basis of Measurement

The consolidated financial statements are prepared on a historical cost basis except as detailed in the accounting policies disclosed in note 3. The accounting policies described in note 3 have been applied consistently to all periods presented in these consolidated financial statements.

(c) Functional Currency and Presentation Currency

These consolidated financial statements are presented in Canadian dollars, which is the company's functional currency.

(d) Use of Estimates, Assumptions and Judgments

The timely preparation of financial statements requires that management make estimates and assumptions and use judgment. Accordingly, actual results may differ from estimated amounts as future confirming events occur. Significant estimates and judgments used in the preparation of the consolidated financial statements are described in note 4.

3. Summary of Material Accounting Policies

(a) Joint Arrangements

The classification of joint arrangements considers the contractual rights and obligations of each investor and whether the legal structure of the joint arrangement gives the entity direct rights to the assets and obligations for the liabilities.

(b) Foreign Currency Translation

Functional currencies of the company's individual entities are the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the appropriate functional currency at foreign exchange rates that approximate those on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the appropriate functional currency at foreign exchange rates as at the balance sheet date. Foreign

exchange differences arising on translation are recognized in net earnings. Non-monetary assets that are measured in a foreign currency at historical cost are translated using the exchange rate at the date of the transaction.

In preparing the company's consolidated financial statements, the financial statements of each entity are translated into Canadian dollars. The assets and liabilities of foreign operations are translated into Canadian dollars at exchange rates as at the balance sheet date. Revenues and expenses of foreign operations are translated into Canadian dollars using foreign exchange rates that approximate those on the date of the underlying transaction. Foreign exchange differences are recognized in other comprehensive income.

If the company or any of its entities disposes of its entire interest in a foreign operation, or loses control, joint control or significant influence over a foreign operation, the accumulated foreign currency translation gains or losses related to the foreign operation are recognized in net earnings.

(c) Revenues

Revenue from the sale of crude oil, natural gas, natural gas liquids, purchased products, refined petroleum products and power represent the company's contractual arrangements with customers. Revenue is recorded when control passes to the customer, in accordance with specified contract terms. All operating revenue is earned at a point in time and is based on the consideration that the company expects to receive for the transfer of the goods to the customer. Revenues are usually collected in the month following delivery except retail gasoline, diesel and ancillary products, which are due upon delivery and, accordingly, the company does not adjust consideration for the effects of a financing component.

(d) Inventories

Inventories of crude oil and refined products, other than inventories held for trading purposes, are valued at the lower of cost, using the first-in, first-out method, and net realizable value. Cost of inventory consists of purchase costs, direct production costs, direct overhead and depreciation, depletion and amortization. Materials and supplies are valued at the lower of average cost and net realizable value.

Inventories held for trading purposes are carried at fair value less costs to sell and any changes in fair value are recognized in Other Income within the respective reporting segment to which the trading activity relates.

(e) Exploration and Evaluation Assets

The costs to acquire non-producing oil and gas properties or licences to explore, drill exploratory wells and the costs to evaluate the commercial potential of underlying resources, including related borrowing costs, are initially capitalized as Exploration and Evaluation assets. Exploration and Evaluation assets are not subject to depreciation.

Exploration and Evaluation assets are subject to technical, commercial and management review to confirm the continued intent to develop and extract the underlying resources. If an area or exploration well is no longer considered commercially viable, the related capitalized costs are expensed.

When management determines with reasonable certainty that an Exploration and Evaluation asset will be developed, as evidenced by the classification of proved or probable reserves and the appropriate internal and external approvals, the asset is first tested for impairment, after which any carrying value, net of impairment losses, is transferred to Property, Plant and Equipment.

Certain exploration costs, including geological, geophysical and seismic expenditures and delineation on oil sands properties, are charged to Exploration expense as incurred.

(f) Property, Plant and Equipment

The costs to acquire and to develop oil and gas properties, including completing geological and geophysical surveys and drilling development wells, and the costs to construct and install development infrastructure, such as well platforms, well pairs, subsea structures and an estimate of asset retirement costs, are capitalized as oil and gas properties within Property, Plant and Equipment.

The costs to construct, install and commission, or acquire, oil and gas production equipment, including oil sands upgraders, extraction plants, mine equipment, processing and power generation facilities, utility plants, refining, and marketing assets, are capitalized as plant and equipment within Property, Plant and Equipment.

Stripping activity required to access oil sands mining resources incurred in the initial development phase is capitalized as part of the construction cost of the mine. Stripping costs incurred in the production phase are charged to expense as they normally relate to production for the current period.

The costs of planned major inspection, overhaul and turnaround activities that maintain Property, Plant and Equipment and benefit future years of operations are capitalized. Recurring planned maintenance activities performed on shorter intervals are expensed as operating costs. Replacements outside of a major inspection, overhaul or turnaround are capitalized when it is probable that future economic benefits will be realized by the company and the associated carrying amount of the replaced component is derecognized.

Borrowing costs relating to assets that take over one year to construct are capitalized as part of the asset. Capitalization of borrowing costs ceases when the asset is in the location and condition necessary for its intended use, and is suspended when construction of an asset is ceased for extended periods.

(g) Depreciation, Depletion and Amortization

Once Exploration and Evaluation are transferred to oil and gas properties within Property, Plant and Equipment and commercial production commences, these costs are depleted on a unit-of-production basis over proved developed reserves, with the exception of costs associated with oil sands mines, which are depreciated on a straight-line basis over the life of the mine, and property acquisition costs, which are depleted over proved reserves.

Capital expenditures are not depreciated or depleted until assets are substantially complete and ready for their intended use.

Costs to develop oil and gas properties other than certain oil sands mining assets, including costs of dedicated infrastructure, such as well pads and wellhead equipment, are depleted on a unit-of-production basis over proved developed reserves. A portion of these costs may not be depleted if they relate to undeveloped reserves. Costs related to offshore facilities are depleted over proved and probable reserves. Costs to develop and construct oil sands mines are depreciated on a straight-line basis over the life of the mine.

Major components of Property, Plant and Equipment are depreciated on a straight line basis over their expected useful lives.

Oil sands upgraders, extraction plants and mine facilities	10 to 40 years
Oil sands mine equipment	5 to 15 years
Oil sands in situ processing facilities	30 to 40 years
Power generation and utility plants	20 to 40 years
Refineries and other processing plants	20 to 40 years
Marketing and other distribution assets	10 to 40 years

The costs of major inspection, overhaul and turnaround activities that are capitalized are depreciated on a straight line basis over the period to the next scheduled activity, which varies from two to five years.

Depreciation, depletion and amortization rates are reviewed annually or when events or conditions occur that impact capitalized costs, reserves or estimated service lives.

Right-of-use assets within Property, Plant and Equipment are depreciated on a straight-line basis over the shorter of the estimated useful life of the right-of-use asset or the lease term.

(h) Impairment of Assets

Non-Financial Assets

Property, Plant and Equipment and Exploration and Evaluation assets are reviewed quarterly to assess whether there is any indication of impairment. Goodwill is tested for impairment annually. Exploration and Evaluation assets are also tested for impairment immediately prior to being transferred to Property, Plant and Equipment.

If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated as the higher of the fair value less costs of disposal and value-in-use. In determining fair value less costs of disposal, recent market transactions are considered, if available. In the absence of such transactions, an appropriate valuation model is used. Value-in-use is assessed using the present value of the expected future cash flows of the relevant asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the asset is tested as part of a cash generating unit (CGU), which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. An impairment loss is the amount by which the carrying amount of the individual asset or CGU exceeds its recoverable amount.

Impairments may be reversed for all CGUs and individual assets, other than goodwill, if there has been a change in the estimates and judgments used to determine the asset's recoverable amount since the last impairment loss was recognized. If such indication exists, the carrying amount of the CGU or asset is increased to its revised recoverable amount, which cannot exceed the carrying amount that would have been determined, net of depletion, depreciation and amortization, had no impairment been recognized.

Impairments and impairment reversals are recognized within Depreciation, Depletion, Amortization and Impairment.

Financial Assets

At each reporting date, the company assesses the expected credit losses associated with its financial assets measured at amortized cost. Expected credit losses are measured as the difference between the cash flows that are due to the company and the cash flows that the company expects to receive, discounted at the effective interest rate determined at initial recognition. For trade accounts receivables, the company applies the simplified approach permitted by IFRS 9 *Financial Instruments*, which requires lifetime expected credit losses to be recognized from initial recognition of the receivables. To measure expected credit losses, accounts receivables are grouped based on the number of days the receivables have been outstanding and the internal credit assessments of the customers. Credit risk for longer term receivables is assessed based on an external credit rating of the counterparty.

(i) Provisions

Provisions are recognized for decommissioning and restoration obligations associated with the company's Exploration and Evaluation assets and Property, Plant and Equipment. Provisions for decommissioning and restoration obligations are measured at the present value of management's best estimate of the future cash flows required to settle the present obligation, using the credit-adjusted risk-free interest rate. The value of the obligation is added to the carrying amount of the associated asset and amortized over the useful life of the asset. The provision is accreted over time through Financing Expense with actual expenditures charged against the accumulated obligation. Changes in the future cash flow estimates resulting from revisions to the estimated timing or amount of undiscounted cash flows are recognized as a change in the decommissioning and restoration provision and related asset.

(j) Income Taxes

The company follows the liability method of accounting for income taxes whereby deferred income taxes are recorded for the effect of differences between the accounting and income tax basis of an asset or liability. Deferred income tax assets and liabilities are measured using enacted or substantively enacted income tax rates as at the balance sheet date that are anticipated to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. Changes to these balances are recognized in net earnings or in other comprehensive income in the period they occur. Investment tax credits are recorded as a reduction to the related expenditures.

The company recognizes the impact of a tax filing position when it is probable, based on the technical merits, that the position will be sustained upon audit. If it is determined a tax filing position is not considered probable, the company assesses the possible outcomes and their associated probabilities and records a tax provision based on the best estimate of the amount of tax payable.

(k) Pensions and Other Post Retirement Benefits

The company sponsors defined benefit pension plans, defined contribution pension plans and other post-retirement benefits.

The cost of pension benefits earned by employees in the defined contribution pension plan is expensed as incurred. The cost of defined benefit pension plans and other post-retirement benefits are actuarially determined using the projected unit credit method based on present pay levels and management's best estimates of demographic and financial assumptions.

The net liability or asset recognized on the balance sheet is the present value of the defined benefit obligations less the fair value of plan assets. The value of plan assets is limited to the total of unrecognized past service cost and the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan ("effect of the asset ceiling"). Any surplus is immediately recognized in other comprehensive income. In addition, a minimum liability is recognized when the statutory minimum funding requirement for past service exceeds the economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Pension benefits earned during the current year are recorded in Operating, Selling and General expense. Interest costs on the net unfunded obligation are recorded in Financing Expense. Any actuarial gains or losses related to the plan assets and the defined benefit obligation, as well as the change in the asset ceiling and any minimum liability, are recognized immediately through other comprehensive income and transferred directly to retained earnings.

(l) Emissions Obligations and Rights

Emissions rights and credits that are purchased or generated from blending activities are measured at the lower of historical cost or net realizable value. Credits received by way of government grants are recorded at a nominal amount.

Emissions obligations are measured at the best estimate of the expenditure required to settle the obligation at the reporting date and are expensed in Purchases or Operating, Selling and General expense. To the extent there are excess credits, the liability is measured at the weighted average carrying cost of the credits held, when the company is in a net liability position, the net liability is generally recorded at market value, which is the best estimate of the expenditure required to settle the shortfall obligation.

Emission rights and obligations are presented net in other assets or liabilities and are derecognized upon settling the liability with the respective regulator.

(m) Leases

The company has elected not to recognize right-of-use assets and lease liabilities for leases with a term of twelve months or less. The lease payments are recognized as an expense when incurred over the lease term. The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments include fixed payments, as well as variable payments that are based on an index or rate.

The lease liability is remeasured when there is a change in future lease payments arising from a change in lease term, index or rate, or the company's estimate of the amount expected to be payable under a residual value guarantee, or if the company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company has lease contracts that include storage tanks, pipelines, railway cars, vessels, buildings, land, and mobile equipment. The company has accounted for each lease component and any non-lease components as a single lease component for crude oil storage tanks. Right-of-use assets are presented within Property, Plant & Equipment.

4. Significant and Other Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect reported assets, liabilities, revenues, expenses, gains, losses and disclosures of contingencies. These estimates and judgments are subject to change based on experience and new information.

Tariffs

In 2025, the government of the United States of America announced tariffs on certain goods effective March 4, 2025 and has indicated their intention to add further tariffs including a 10% tariff on Canadian energy imports. The Canadian government announced that it would respond with tariffs on certain goods imported from the U.S., in addition to other measures. The company will continue to assess the impacts of such tariffs and measures as the situation develops. The impact of potential tariffs on the company's financial results cannot be quantified at this time.

Climate Change

Climate change, global energy demand, and the transition to a low-emissions economy were considered in preparing these consolidated financial statements, primarily in estimating commodity prices used in asset valuation and reserves analysis. These estimates may have significant impacts on the company's assets and liabilities discussed below and on similar assets and liabilities that may be recognized in the future. As part of its ongoing business planning, Suncor estimates future costs associated with GHG emissions in its operations and in the evaluation of future projects. Changes in market and regulatory conditions and assumptions, as well as climate change, and the evolving worldwide demand for energy and global advancement of alternative sources of energy that are not sourced from fossil fuels, can materially impact the estimation of net reserves, asset valuation and reclamation timing and requirements. The timing and pace at which global energy markets transition from carbon-based sources to alternative energy is highly uncertain.

Oil and Gas Reserves

The company's estimate of oil and gas reserves is considered in the measurement of depletion, depreciation, impairment, decommissioning and restoration obligations and business combinations. The estimation of reserves is an inherently complex process and involves professional judgment. All reserves have been evaluated at December 31, 2024, by independent qualified reserves evaluators. Oil and gas reserves estimates are based on a range of geological, technical and economic factors, including projected future rates of production, projected future commodity prices, engineering data, and the timing and amount of future expenditures, all of which are subject to uncertainty. Estimates reflect market and regulatory conditions existing at December 31, 2024, which could differ significantly from other points in time throughout the year, or future periods.

Exploration and Evaluation Costs

Certain exploration and evaluation costs are initially capitalized with the intent to establish commercially viable reserves. The company is required to make judgments about future events and circumstances and applies estimates to assess the economic viability of extracting the underlying resources. The costs are subject to technical, commercial and management review to confirm the continued intent to develop the project. The level of drilling success or changes to project economics, resource quantities, expected production techniques, production costs and required capital expenditures are important judgments when making this determination. Management uses judgment to determine when these costs are reclassified to Property, Plant and Equipment based on several factors, including the existence of reserves, appropriate approvals from regulatory bodies, joint arrangement partners and the company's internal project approval process.

Determination of Cash Generating Units (CGUs)

A CGU is the lowest grouping of integrated assets that generates identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The allocation of assets into CGUs requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, similar exposure to market risks, shared infrastructure and the way in which management monitors the operations.

Asset Impairment and Reversals

Management applies judgment in assessing the existence of impairment and impairment reversal indicators based on various internal and external factors, such as significant increases or decreases in forecasted production volumes, commodity prices, capital expenditures and operating costs.

The recoverable amount of CGUs and individual assets is determined based on the higher of fair value less costs of disposal or value-in-use calculations. The key estimates the company applies to determine the recoverable amount normally include estimated future commodity prices, discount rates, expected production volumes, future operating and development costs, income taxes and refining margins. In determining the recoverable amount, management may also be required to make judgments regarding the likelihood of occurrence of a future event. Changes to these estimates and judgments will affect the recoverable amounts of CGUs and individual assets and may then require a material adjustment to their related carrying value.

Decommissioning and Restoration Costs

The company recognizes liabilities for the future decommissioning and restoration of Exploration and Evaluation assets and Property, Plant and Equipment based on estimated future decommissioning and restoration costs. Management applies judgment in assessing the future regulatory requirements, the existence and extent as well as the expected method of reclamation of the company's decommissioning and restoration obligations at the end of each reporting period. Management also uses judgment to determine whether the nature of the activities performed is related to decommissioning and restoration activities or normal operating activities.

Actual costs are uncertain, and estimates may vary as a result of changes to relevant laws and regulations related to the use of certain technologies, the emergence of new technology, operating experience, prices and closure plans. The estimated timing of future decommissioning and restoration may change due to certain factors, including reserves life. Changes to estimates related to future expected costs, discount rates, inflation assumptions and timing may have a material impact on the amounts presented.

Employee Future Benefits

The company provides benefits to employees, including pensions and other post-retirement benefits. The cost of defined benefit pension plans and other post-retirement benefits received by employees is estimated based on actuarial valuation methods that require professional judgment. Estimates typically used in determining these amounts include, as applicable, rates of employee turnover, future claim costs, discount rates, future salary and benefit levels, the return on plan assets, mortality rates and future medical costs. Changes to these estimates may have a material impact on the amounts presented.

Income Taxes

Management evaluates tax positions, annually or when circumstances require, which involves judgment and could be subject to differing interpretations of applicable tax legislation. The company recognizes a tax provision when a payment to tax authorities is considered probable. However, the results of audits and reassessments and changes in the interpretations of standards may result in changes to those positions and, potentially, a material increase or decrease in the company's assets, liabilities and net earnings.

5. New IFRS Standards

(a) Adoption of New IFRS Standards

The standards, amendments and interpretations that are adopted up to the date of authorization of the company's consolidated financial statements, and that may have an impact on the disclosures and financial position of the company, are disclosed below.

The company adopted the IASB 's Non-current Liabilities with Covenants (Amendments to IAS 1) on January 1, 2024. The amendments improved the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. There was no material impact to the consolidated financial statements as a result of the initial application.

The company adopted the IASB's Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) on January 1, 2024. The amendments add subsequent measurement requirements for sale and leaseback transactions. There was no impact to the consolidated financial statements as a result of the initial application.

(b) Recently Announced Accounting Pronouncements

The standards, amendments and interpretations that are issued, but not yet effective up to the date of authorization of the company's consolidated financial statements, and that may have an impact on the disclosures and financial position of the company, are disclosed below. The company intends to adopt these standards, amendments and interpretations when they become effective.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements. The new standard will establish a revised structure for the consolidated statements of comprehensive income and improve comparability across entities and reporting periods. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The standard will be applied retrospectively, with certain transition provisions. The company is currently evaluating the impact of adopting IFRS 18 on the consolidated financial statements.

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled using an electronic payment system. The amendments are effective January 1, 2026, with early adoption permitted. The company is currently evaluating the impact of these amendments on the consolidated financial statements.

6. Segmented Information

The company's operating segments are reported based on the nature of their products and services and management responsibility as follows:

- Oil Sands includes the company's operations in Northern Alberta to explore, develop and produce bitumen, synthetic crude oil and related products from mining and in situ operations. This segment includes Oil Sands operations (Base Mine and In Situ) and Fort Hills and the company's joint interest in Syncrude. In 2023, the company completed two separate acquisitions of additional working interests in the Fort Hills mining and extraction operation, increasing its ownership from 54.11% to 100% (see note 16).

- Exploration and Production (E&P) includes offshore activity in East Coast Canada, with interests in the Terra Nova, White Rose, Hibernia and Hebron oilfields. International onshore assets include the company's working interests in Libya. Suncor completed the divestments of its United Kingdom (U.K.) portfolio in 2023 (see note 16).

- Refining and Marketing includes the refining of crude oil products, and the distribution, marketing and transportation of refined and petrochemical products, and other purchased products through the retail and wholesale networks located in Canada and the United States (U.S.). The segment also includes trading of crude oil, refined products, natural gas and power.

The company reports energy trading and risk management activities in each respective segment.

The company also reports activities not directly attributable to an operating segment under Corporate and Eliminations. This segment previously included renewable energy assets, which were sold in the first quarter of 2023 (see note 16). Corporate activities include Suncor's debt and borrowing costs and expenses not allocated to the company's businesses.

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For the years ended December 31 ($ millions)	Oil Sands 2024	Oil Sands 2023	Exploration and Production 2024	Exploration and Production 2023	Refining and Marketing 2024	Refining and Marketing 2023	Corporate and Eliminations 2024	Corporate and Eliminations 2023	Total 2024	Total 2023
Revenues and Other Income										
Gross revenues	**20 818**	18 569	**2 798**	2 689	**31 266**	30 959	**(1)**	(11)	**54 881**	52 206
Intersegment revenues	**8 442**	7 466	**-**	-	**75**	109	**(8 517)**	(7 575)	**-**	-
Less: Royalties	**(3 645)**	(2 623)	**(547)**	(491)	**-**	-	**-**	-	**(4 192)**	(3 114)
Operating revenues, net of royalties	**25 615**	23 412	**2 251**	2 198	**31 341**	31 068	**(8 518)**	(7 586)	**50 689**	49 092
Other income (loss)	**176**	1 469	**16**	10	**255**	224	**(2)**	(49)	**445**	1 654
	25 791	24 881	**2 267**	2 208	**31 596**	31 292	**(8 520)**	(7 635)	**51 134**	50 746
Expenses										
Purchases of crude oil and products	**2 559**	1 935	**-**	-	**24 915**	23 867	**(8 359)**	(7 587)	**19 115**	18 215
Operating, selling and general	**9 428**	9 329	**524**	475	**2 466**	2 558	**641**	1 021	**13 059**	13 383
Transportation and distribution	**1 225**	1 213	**89**	76	**566**	521	**(38)**	(35)	**1 842**	1 775
Depreciation, depletion, amortization and impairment	**5 134**	4 902	**707**	483	**996**	934	**117**	116	**6 954**	6 435
Exploration	**86**	60	**6**	14	**-**	-	**-**	-	**92**	74
Gain on disposal of assets	**(15)**	(39)	**-**	(600)	**(8)**	(28)	**(2)**	(325)	**(25)**	(992)
Financing expenses	**767**	670	**74**	69	**65**	57	**1 004**	471	**1 910**	1 267
	19 184	18 070	**1 400**	517	**29 000**	27 909	**(6 637)**	(6 339)	**42 947**	40 157
Earnings (Loss) before Income Taxes	**6 607**	6 811	**867**	1 691	**2 596**	3 383	**(1 883)**	(1 296)	**8 187**	10 589
Income Tax Expense (Recovery)										
Current	**-**	-	**-**	-	**-**	-	**-**	-	**2 465**	1 734
Deferred	**-**	-	**-**	-	**-**	-	**-**	**-**	**(294)**	560
	-	-	**-**	-	**-**	-	**-**	-	**2 171**	2 294
Net Earnings	**-**	-	**-**	-	**-**	-	**-**	-	**6 016**	8 295
Capital and Exploration Expenditures(1)	**4 340**	4 096	**907**	668	**1 190**	1 002	**46**	62	**6 483**	5 828

(1) Excludes capital expenditures related to assets previously held for sale of $108 million for the year ended December 31, 2023.

Disaggregation of Revenue from Contracts with Customers and Intersegment Revenue

The company's revenues are from the following major commodities and geographical regions:

For the years ended December 31 ($ millions)	2024 North America	2024 International	2024 Total	2023 North America	2023 International	2023 Total
Oil Sands						
Synthetic crude oil and diesel	**19 336**	**-**	**19 336**	18 817	-	18 817
Bitumen	**9 924**	**-**	**9 924**	7 218	-	7 218
	29 260	**-**	**29 260**	26 035	-	26 035
Exploration and Production						
Crude oil and natural gas liquids	**2 127**	**671**	**2 798**	1 689	994	2 683
Natural gas	**-**	**-**	**-**	-	6	6
	2 127	**671**	**2 798**	1 689	1 000	2 689
Refining and Marketing						
Gasoline	**13 357**	**-**	**13 357**	13 106	-	13 106
Distillate	**15 181**	**-**	**15 181**	15 283	-	15 283
Other	**2 803**	**-**	**2 803**	2 679	-	2 679
	31 341	**-**	**31 341**	31 068	-	31 068
Corporate and Eliminations						
	(8 518)	**-**	**(8 518)**	(7 586)	-	(7 586)
Total Gross Revenue from Contracts with Customers	**54 210**	**671**	**54 881**	51 206	1 000	52 206

Geographical Information

Operating revenues, net of royalties and assets are attributed based on the geographic location of the assets.

Operating Revenues, net of Royalties

($ millions)	2024	2023
Canada[1]	**42 639**	41 938
United States	**7 650**	6 447
Other foreign[1]	**400**	707
	50 689	49 092

(1) Prior period amounts of operating revenues, net of royalties, have been reclassified to conform to the current year presentation. For the year ended December 31, 2023, $10 million was reclassified from Other foreign to Canada. This reclassification had no effect on the operating revenues, net of royalties.

Non-Current Assets[2]

($ millions)	December 31 2024	December 31 2023
Canada	**72 820**	71 438
United States	**2 344**	2 624
Other foreign	**152**	584
	75 316	74 646

(2) Excludes deferred income tax assets.

7. Other Income

Other income consists of the following:

($ millions)	2024	2023
Energy trading and risk management	**236**	307
Investment and interest income [1][2]	**107**	41
Bargain purchase gain and revaluations [3]	**-**	1 125
Insurance proceeds and other [1][4]	**102**	181
	445	1 654

(1) Prior period amounts have been reclassified to align with current period presentation of Insurance proceeds and other. For 2023, $53 million was reclassified from Investment and interest income to Insurance proceeds and other. This reclassification had no effect on net earnings and was within the Oil Sands segment.

(2) 2024 and 2023 includes $212 million and $158 million, respectively, of impairment on equity investments, both within the Corporate segment.

(3) 2023 includes a $1.1 billion bargain purchase gain and revaluation (note 16), within the Oil Sands segment.

(4) 2024 includes $84 million of insurance proceeds for the extreme weather damage at the company's Commerce City refinery, within the Refining and Marketing segment. 2023 includes a provision reversal related to a third-party byproduct processor arrangement, within the Oil Sands segment.

8. Operating, Selling and General Expense

Operating, Selling and General expense consists of the following:

($ millions)	2024	2023
Employee and contract service costs	**8 821**	8 458
Materials and equipment	**2 244**	2 518
Commodities	**1 578**	1 739
Travel, marketing and other [1]	**416**	668
	13 059	13 383

(1) The company recorded a $275 million restructuring charge in the second quarter of 2023 that has been reported under travel, marketing and other.

9. Financing Expenses

Financing expenses consist of the following:

($ millions)	2024	2023
Interest on debt	**684**	783
Interest on lease liabilities	**256**	198
Capitalized interest at 5.8% (2023 – 5.9%)	**(317)**	(255)
Interest expense	**623**	726
Interest on partnership liability	**47**	49
Interest on pension and other post-retirement benefits	**24**	11
Accretion	**592**	532
Foreign exchange loss (gain) on U.S. dollar denominated debt	**714**	(184)
Operational foreign exchange and other	**(260)**	133
Loss on extinguishment of long-term debt	**170**	-
	1 910	1 267

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10. Income Taxes

Income Tax Expense (Recovery)

($ millions)	2024	2023
Current:		
Current year	**2 581**	1 782
Adjustments in respect of current income tax of prior years	**(116)**	(48)
Deferred:		
Origination and reversal of temporary differences	**(477)**	542
Adjustments in respect of deferred income tax of prior years	**128**	96
Changes in tax rates and legislation	**26**	(60)
Movement in unrecognized deferred income tax assets	**29**	(18)
Total income tax expense	**2 171**	2 294

Reconciliation of Effective Tax Rate

The provision for income taxes reflects an effective tax rate that differs from the statutory tax rate. A reconciliation of the difference is as follows:

($ millions)	2024	2023
Earnings before income tax	**8 187**	10 589
Canadian statutory tax rate	**23.85%**	23.99%
Statutory tax	**1 953**	2 540
Add (deduct) the tax effect of:		
Non-taxable component of capital (gains) losses	**116**	(10)
Share-based compensation and other permanent items	**29**	14
Assessments and adjustments	**(123)**	63
Impact of income tax rates and legislative changes	**27**	(74)
Non-taxable component of acquisitions and dispositions (1)	**-**	(461)
Foreign tax rate differential	**146**	234
Movement in unrecognized deferred income tax assets	**29**	(18)
Other	**(6)**	6
Total income tax expense	**2 171**	2 294
Effective tax rate	**26.5%**	21.7%

(1) The year ended December 31, 2023 includes a non-taxable gain on the U.K. disposition and a bargain purchase gain on the TotalEnergies Canada acquisition (note 16).

Deferred Income Tax Balances

The significant components of the company's deferred income tax (assets) liabilities and deferred income tax expense (recovery) are comprised of the following:

	Deferred Income Tax Expense (Recovery)		Deferred Income Tax Liability (Asset)	
($ millions)	**2024**	2023	**December 31 2024**	December 31 2023
Property, plant and equipment	**(53)**	(423)	**11 043**	10 996
Decommissioning and restoration provision	**(23)**	(25)	**(2 766)**	(2 644)
Employee retirement benefit plans	**(72)**	(23)	**(163)**	(278)
Tax loss carry-forwards[1]	**(104)**	867	**(114)**	(11)
Other	**(42)**	164	**(183)**	(147)
Net deferred income tax (recovery) / expense and liability	**(294)**	560	**7 817**	7 916

(1) In the year ended December 31, 2023, the company used tax losses arising from the acquisition of TotalEnergies Canada (note 16).

Change in Deferred Income Tax Balances

($ millions)	**2024**	2023
Net deferred income tax liability, beginning of year	**7 916**	8 364
Recognized in deferred income tax (recovery) / expense	**(294)**	560
Recognized in other comprehensive income	**186**	42
Foreign exchange, acquisition, disposition and other	**9**	(1 050)
Net deferred income tax liability, end of year	**7 817**	7 916

Deferred Tax in Shareholders' Equity

($ millions)	**2024**	2023
Deferred Tax in Other Comprehensive Income		
Actuarial gain on employment retirement benefit plans	**186**	42
Total income tax expense reported in equity	**186**	42

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit is probable based on estimated future earnings. Suncor has not recognized a $119 million (2023 – $101 million) deferred income tax asset on $1.0 billion (2023 – $845 million) of capital losses related to unrealized foreign exchange on U.S. dollar denominated debt, which can only be utilized against future capital gains.

No deferred tax liability has been recognized at December 31, 2024, on unremitted net earnings of foreign subsidiaries, as the company is able to control the timing and amount of distributions and is not expected to incur any taxes associated with future distributions.

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11. Earnings per Common Share

($ millions)	2024	2023
Net earnings	**6 016**	8 295
(millions of common shares)		
Weighted average number of common shares	**1 274**	1 308
Dilutive securities:		
Effect of share options	**2**	2
Weighted average number of diluted common shares	**1 276**	1 310
(dollars per common share)		
Basic earnings per share	**4.72**	6.34
Diluted earnings per share	**4.72**	6.33

12. Cash and Cash Equivalents

($ millions)	December 31 2024	December 31 2023
Cash	**3 141**	1 717
Cash equivalents	**343**	12
	3 484	1 729

13. Supplemental Cash Flow Information

The (increase) decrease in non-cash working capital is comprised of:

($ millions)	2024	2023
Accounts receivable	**1 330**	526
Inventories	**423**	(153)
Accounts payable and accrued liabilities	**51**	(415)
Current portion of provisions	**(132)**	339
Income taxes payable (net)	**454**	(1 258)
	2 126	(961)
Relating to:		
Operating activities	**2 114**	(981)
Investing activities	**12**	20
	2 126	(961)

Reconciliation of movements of liabilities to cash flows arising from financing activities:

($ millions)	Short-Term Debt	Current Portion of Long-Term Lease Liabilities	Long-Term Lease Liabilities	Current Portion of Long-Term Debt	Long-Term Debt	Partnership Liability	Dividends Payable
At December 31, 2022	2 807	317	2 695	-	9 800	413	-
Changes from financing cash flows:							
Net issuance of commercial paper	(2 343)	-	-	-	1 500	-	-
Debt issuance costs	-	-	-	-	(8)	-	-
Repayment of long-term debt	-	-	-	-	(5)	-	-
Realized foreign exchange losses	38	-	-	-	5	-	-
Dividends paid on common shares	-	-	-	-	-	-	(2 749)
Lease liability payments	-	(331)	-	-	-	-	-
Distributions to non-controlling interest	-	-	-	-	-	(16)	-
Other	-	-	-	-	(3)	1	-
Non-cash changes:							
Dividends declared on common shares	-	-	-	-	-	-	2 749
Unrealized foreign exchange gains	(8)	(3)	(14)	-	(202)	-	-
Lease derecognition	-	-	(682)	-	-	-	-
Reclassification of lease obligations	-	365	(365)	-	-	-	-
New lease liabilities	-	-	1 844	-	-	-	-
At December 31, 2023	494	348	3 478	-	11 087	398	-
Changes from financing cash flows:							
Net issuance of commercial paper	**(503)**	**-**	**-**	**-**	**-**	**-**	**-**
Repayment of long-term debt	**-**	**-**	**-**	**-**	**(1 566)**	**-**	**-**
Loss on extinguishment of long-term debt	**-**	**-**	**-**	**-**	**170**	**-**	**-**
Realized foreign exchange losses	**7**	**-**	**-**	**-**	**289**	**-**	**-**
Dividends paid on common shares	**-**	**-**	**-**	**-**	**-**	**-**	**(2 803)**
Lease liability payments	**-**	**(471)**	**-**	**-**	**-**	**-**	**-**
Distributions to non-controlling interest	**-**	**-**	**-**	**-**	**-**	**(16)**	**-**
Other	**-**	**-**	**-**	**-**	**2**	**-**	**-**
Non-cash changes:							
Dividends declared on common shares	**-**	**-**	**-**	**-**	**-**	**-**	**2 803**
Unrealized foreign exchange losses	**2**	**4**	**49**	**-**	**363**	**-**	**-**
Reclassification of long-term debt	**-**	**-**	**-**	**997**	**(997)**	**-**	**-**
Lease derecognition	**-**	**-**	**(27)**	**-**	**-**	**-**	**-**
Reclassification of lease obligations	**-**	**718**	**(718)**	**-**	**-**	**-**	**-**
New lease liabilities	**-**	**-**	**963**	**-**	**-**	**-**	**-**
At December 31, 2024	**-**	**599**	**3 745**	**997**	**9 348**	**382**	**-**

14. Inventories

($ millions)	December 31 2024	December 31 2023
Crude oil(1)	**2 015**	2 127
Refined products	**1 984**	2 244
Materials, supplies and merchandise	**1 042**	994
	5 041	5 365

(1) Includes $336 million of inventories held for trading purposes (2023 – $113 million), which are measured at fair value less costs to sell based on Level 1 and Level 2 fair value inputs.

During 2024, purchased product inventories of $19.1 billion (2023 - $18.2 billion) were recorded as an expense.

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15. Property, Plant and Equipment

($ millions)	Oil and Gas Properties	Plant and Equipment	Total
Cost			
At December 31, 2022	38 775	88 434	127 209
Additions	591	5 477	6 068
Acquisition (note 16)(1)	1 793	6 076	7 869
Transfers	958	(958)	-
Changes in decommissioning and restoration	1 346	94	1 440
Disposals and derecognition	(8)	(1 850)	(1 858)
Foreign exchange adjustments	(128)	(87)	(215)
Divestitures (note 16)(1)	(2 226)	(12 705)	(14 931)
At December 31, 2023	41 101	84 481	125 582
Additions	**864**	**6 612**	**7 476**
Transfers	**(10)**	**10**	**-**
Changes in decommissioning and restoration	**107**	**109**	**216**
Disposals and derecognition	**(10)**	**(363)**	**(373)**
Foreign exchange adjustments	**344**	**342**	**686**
At December 31, 2024	**42 396**	**91 191**	**133 587**
Accumulated provision			
At December 31, 2022	(21 715)	(42 840)	(64 555)
Depreciation, depletion, amortization and impairment	(1 686)	(4 352)	(6 038)
Transfers	(1 090)	1 090	-
Disposals and derecognition	4	1 611	1 615
Foreign exchange adjustments	132	23	155
Divestitures (note 16)(1)	1 044	9 847	10 891
At December 31, 2023	(23 311)	(34 621)	(57 932)
Depreciation, depletion, amortization and impairment	**(2 015)**	**(4 875)**	**(6 890)**
Disposals and derecognition	**8**	**239**	**247**
Foreign exchange adjustments	**(318)**	**(182)**	**(500)**
At December 31, 2024	**(25 636)**	**(39 439)**	**(65 075)**
Net property, plant and equipment			
December 31, 2023	17 790	49 860	67 650
December 31, 2024	**16 760**	**51 752**	**68 512**

(1) In connection with both the 2023 Teck acquisition (note 16) and the 2023 TotalEnergies Canada acquisition (note 16), Suncor was deemed to have divested of its pre-existing interest in Fort Hills, presented as divestments, and re-acquired it at fair value. As such, acquisitions include 100% of the fair value of property, plant and equipment related to the TotalEnergies Canada acquisition, including the reevaluations of the existing working interest and the remaining capacity on a regional pipeline.

	December 31, 2024			December 31, 2023		
($ millions)	**Cost**	**Accumulated Provision**	**Net Book Value**	Cost	Accumulated Provision	Net Book Value
Oil Sands	**94 509**	**(42 601)**	**51 908**	89 230	(37 629)	51 601
Exploration and Production	**18 424**	**(12 771)**	**5 653**	17 364	(11 750)	5 614
Refining and Marketing	**19 524**	**(9 136)**	**10 388**	17 923	(8 038)	9 885
Corporate and Eliminations	**1 130**	**(567)**	**563**	1 065	(515)	550
	133 587	**(65 075)**	**68 512**	125 582	(57 932)	67 650

At December 31, 2024, the balance of assets under construction and not subject to depreciation or depletion was $ 7.8 billion (December 31, 2023 – $7.9 billion).

16. Asset Transactions

No indicators of impairment or reversals of impairment were identified at December 31, 2024 or at December 31, 2023.

Asset Transactions in 2023

Oil Sands

Fort Hills:

On February 2, 2023, Suncor completed the acquisition of an additional 14.65% working interest in Fort Hills from Teck Resources Limited (Teck) for $712 million, bringing the company's working interest in Fort Hills to 68.76%. The acquisition was accounted for as a business combination using the acquisition method. The fair values of accounts receivables and accounts payable approximate their carrying values due to the short-term maturity of the instruments. The fair value of materials and supplies inventory approximates book value due to short-term turnover rates. The fair values of property, plant and equipment and the decommissioning provision were determined using an expected future cash flow approach (Level 3 fair value inputs – note 27). Key assumptions used in the calculations were discount rates, forecasted production volumes, commodity prices (including foreign exchange rates), operating costs and capital costs ("forecasted cash flow assumptions").

On November 20, 2023, Suncor completed the acquisition of TotalEnergies EP Canada Ltd. (TotalEnergies Canada), which held the remaining 31.23% working interest in Fort Hills, for a purchase price of $1.468 billion before working capital, closing adjustments and other closing costs, making Suncor the sole owner of Fort Hills. The effective date of the transaction was April 1, 2023. The determination of fair value of the purchase price was based on management's best estimate as of the closing date.

($ millions)	Teck	TotalEnergies Canada
Cash	3	150
Accounts receivable	35	521
Inventory	37	180
Property, plant and equipment	1 149	2 361
Other assets	3	-
Deferred income tax	-	1 084
Total assets acquired	**1 227**	**4 296**
Accounts payable and other liabilities	(102)	(527)
Lease liabilities	(284)	(347)
Decommissioning provision	(83)	(392)
Deferred income taxes	(46)	-
Total liabilities assumed	**(515)**	**(1 266)**
Net assets acquired	**712**	**3 030**

The Total Energies Canada acquisition was accounted for as a step business combination using the acquisition method pursuant to IFRS 3. Under the acquisition method, assets and liabilities are recorded at their fair values on the date of acquisition. In addition, when an acquirer achieves control in stages, the previously held interest is re-measured to fair value at the acquisition date with a gain or loss recognized in net earnings.

The fair values of accounts receivables and accounts payable approximate their carrying values due to the short-term maturity of the instruments. The fair value of inventory was determined using market prices and rates from available pricing sources. The fair values of property, plant and equipment and the decommissioning provision were determined using an expected future cash flow approach (Level 3 fair value inputs – note 27). Key assumptions used in the calculations were discount rates, forecasted production volumes, commodity prices (including foreign exchange rates), operating costs and capital costs ("forecasted cash flow assumptions"). The deferred income tax asset recognized as a result of the acquisition of TotalEnergies Canada involves numerous assumptions made by management and the interpretation of the tax laws applicable to the circumstances surrounding the historical tax positions taken by, and acquisition of, TotalEnergies Canada.

The previously held interest in Fort Hills was re-measured to fair value at the acquisition date. The acquisition date fair value of the previously held interest was estimated to be $3.887 billion and the net carrying value of the Fort Hills assets was $3.904 billion. The company recognized a non-cash revaluation loss of its existing interest of $17 million in other income in the consolidated statements of comprehensive income.

($ millions)	
Total consideration[1]	1 832
Net assets acquired	(3 030)
Bargain purchase gain	**(1 198)**
Revaluation loss on existing interest	17
Fair value of pre-existing relationship	56
Bargain purchase gain and revaluations (note 7)	**(1 125)**

(1) Total consideration includes working capital as at April 1, 2023.

Exploration and Production

Sale of United Kingdom Operations:

During the second quarter of 2023, the company completed the sale of its U.K. operations, including its interests in Buzzard and Rosebank located in the U.K. sector of the North Sea, for gross proceeds of $1.1 billion, before closing adjustments and other closing costs, resulting in an after-tax gain on sale of $607 million ($607 million before-tax), including $25 million in foreign exchange gains recognized as a result of the disposal.

Corporate

Sale of Wind and Solar Assets:

During the first quarter of 2023, the company completed the sale of its wind and solar assets (Forty Mile, Adelaide, Magrath and Chin Chute) for gross proceeds of $730 million, before closing adjustments and other closing costs, resulting in an after-tax gain on sale of approximately $260 million ($302 million before-tax).

17. Right-of-Use Assets and Leases

Right-of-use (ROU) assets within Property, Plant and Equipment:

($ millions)	December 31 2024	December 31 2023
Property, plant and equipment, net – excluding ROU assets	**64 334**	63 982
ROU assets	**4 178**	3 668
	68 512	67 650

The following table presents the ROU assets by asset class:

($ millions)	Plant and Equipment
Cost	
At December 31, 2022	4 248
Additions and adjustments	423
Acquisition[1] (note 16)	1 425
Disposals[2]	(176)
Divestitures[1] (note 16)	(707)
Foreign exchange	(7)
At December 31, 2023	5 206
Additions and adjustments	**963**
Disposals[2]	**(54)**
Foreign exchange	**28**
At December 31, 2024	**6 143**
Accumulated provision	
At December 31, 2022	(1 372)
Depreciation	(358)
Disposals[2]	94
Divestitures[1] (note 16)	96
Foreign exchange	2
At December 31, 2023	(1 538)
Depreciation	**(444)**
Disposals[2]	**32**
Foreign exchange	**(15)**
At December 31, 2024	**(1 965)**
Net ROU assets	
At December 31, 2023	3 668
At December 31, 2024	**4 178**

(1) In connection with both the 2023 Teck acquisition (note 16) and the 2023 TotalEnergies Canada step acquisition (note 16), Suncor was deemed to have divested of its pre-existing interest in Fort Hills, presented as divestments, and re-acquired it at fair value. As such, acquisitions include 100% of the fair value of ROU assets related to the TotalEnergies Canada acquisition, including the reevaluations of the existing working interest and the remaining capacity on a regional pipeline.

(2) Disposals primarily relate to early lease terminations.

Other lease-related items recognized in the Consolidated Statements of Comprehensive Income:

There were no leases with residual value guarantees. For the year ended December 31, 2024, total cash outflow for leases, excluding short-term lease expense and variable lease expense, was $727 million (2023 – $529 million).

18. Exploration and Evaluation Assets

($ millions)	December 31 2024	December 31 2023
Beginning of year	**1 758**	1 995
Acquisitions and additions	**-**	3
Disposals and derecognition	**(16)**	(240)
End of year	**1 742**	1 758

In 2023, the company derecognized $240 million on its Meadow Creek development properties in the Oil Sands segment.

19. Other Assets

($ millions)	December 31 2024	December 31 2023
Investments	**413**	490
Prepaids	**171**	661
Pension (note 23)	**617**	207
Other	**358**	352
	1 559	1 710

Prepaids represent long-term accounts receivable related to deposits paid on account that are unlikely to be settled within one year.

Other includes long-term accounts receivable related to Notices of Reassessments that have been received from the Canada Revenue Agency and are unlikely to be settled within one year.

20. Goodwill and Other Intangible Assets

($ millions)	Oil Sands Goodwill	Refining and Marketing Goodwill	Other Intangibles	Total
At December 31, 2022	2 752	140	694	3 586
Additions	-	-	22	22
Amortization	-	-	(80)	(80)
At December 31, 2023	2 752	140	636	3 528
Additions	**-**	**-**	**55**	**55**
Amortization	**-**	**-**	**(80)**	**(80)**
At December 31, 2024	**2 752**	**140**	**611**	**3 503**

The company performed a goodwill impairment test at December 31, 2024 on its Oil Sands and Refining and Marketing segments. Recoverable amounts were based on fair value less costs of disposal calculated using the present value of the segment's expected future cash flows.

Cash flow forecasts are based on past experience, historical trends, third-party evaluations of the company's reserves and resources to estimate production profiles and volumes, and estimates of operating costs, maintenance and capital expenditures. These estimates are validated against the estimates approved through the company's annual reserves evaluation process and determine the duration of the underlying cash flows used in the discounted cash flow test. Projected cash flows reflect current market assessments of key assumptions, including climate change, long-term forecasts of commodity prices, inflation rates, foreign exchange rates and discount rates (Level 3 fair value inputs note 27).

Future cash flow estimates are discounted using after-tax risk-adjusted discount rates. The after-tax discount rate applied to cash flow projections was an average of 7.8% (2023 – 7.8%). The company based its cash flow projections on a West Texas Intermediate price of US$72.42/bbl in 2025, US$72.83/bbl in 2026, US$73.22/bbl in 2027 and escalating at an average of 2%

thereafter, adjusted for applicable quality and location differentials. The forecast cash flow period ranged from 50 years to 55 years. As a result of this analysis, management did not identify any impairment of goodwill within the Oil Sands operating segment.

The company also performed a goodwill impairment test for the Refining and Marketing CGUs. The recoverable amounts are based on fair value less costs of disposal calculated using the present value of the CGUs' expected future cash flows, based primarily on historical results adjusted for current production plans and business environment forecasts. As a result of this analysis, management did not identify any impairment of goodwill within the Refining and Marketing segment.

21. Debt and Credit Facilities

Debt and credit facilities are comprised of the following:

Short-Term Debt

($ millions)	**December 31 2024**	December 31 2023
Commercial paper[1]	**-**	494

(1) Commercial paper is supported by a revolving credit facility with a syndicate of lenders. The company is authorized to issue commercial paper to a maximum of $5.0 billion having a term not to exceed 365 days. The weighted average interest rate as at December 31, 2024 was nil (December 31, 2023 – 5.57%).

Long-Term Debt

($ millions)	December 31 2024	December 31 2023
Fixed-term debt[2][3]		
5.60% Series 9 Medium Term Notes, due 2025	**999**	1 000
5.40% Series 10 Medium Term Notes, due 2026	**499**	500
3.00% Series 5 Medium Term Notes, due 2026	**96**	115
7.875% Debentures, due 2026 (US $275)	**401**	369
8.20% Notes, due 2027 (US $43)	**62**	57
7.00% Debentures, due 2028 (US $250)	**362**	333
3.10% Series 6 Medium Term Notes, due 2029	**65**	79
5.00% Series 7 Medium Term Notes, due 2030	**154**	154
7.15% Notes, due 2032 (US $500)	**720**	659
5.35% Notes, due 2033 (US $91)	**123**	153
5.95% Notes, due 2034 (US $500)	**719**	659
5.95% Notes, due 2035 (US $178)	**247**	262
5.39% Series 4 Medium Term Notes, due 2037	**279**	279
6.50% Notes, due 2038 (US $476)	**683**	1 516
6.80% Notes, due 2038 (US $621)	**905**	1 204
6.85% Notes, due 2039 (US $750)	**1 077**	988
6.00% Notes, due 2042 (US $32)	**46**	42
4.34% Series 5 Medium Term Notes, due 2046	**300**	300
4.00% Notes, due 2047 (US $750)	**1 076**	987
3.95% Series 8 Medium Term Notes, due 2051	**494**	493
3.75% Notes, due 2051 (US $750)	**1 076**	980
Total unsecured long-term debt	**10 383**	11 129
Lease liabilities[4]	**4 344**	3 826
Deferred financing costs	**(38)**	(42)
	14 689	14 913
Current portion of long-term debt and lease liabilities		
Long-term debt	**(997)**	-
Lease liabilities	**(599)**	(348)
	(1 596)	(348)
Total long-term lease liabilities	**3 745**	3 478
Total long-term debt	**9 348**	11 087

(2) The value of debt includes the unamortized balance of premiums or discounts.

(3) Certain securities are redeemable at the option of the company.

(4) Interest rates range from 1.2% to 13.4% and maturity dates range from 2025 to 2064.

In the fourth quarter of 2024, the company extended the maturity of its syndicated credit facilities from June 2026 to October 2027 and October 2028.

In the fourth quarter of 2024, the company executed a debt tender offer pursuant to which it repaid $1.1 billion CAD equivalent aggregate principal amount of debt above par plus accrued and unpaid interest of $24 million. As a result of the extinguishment, the company incurred charges of $168 million related to accelerated amortization of debt issuance fees. This resulted in a total loss on extinguishment of long-term debt of $144 million ($111 million after tax). The general terms of the notes that were extinguished are as follows:

- 3.00% Series 5 Medium Term Notes, due 2026, with a principal amount of $115 million (partial repayment of $20 million);

- 3.10% Series 6 Medium Term Notes, due 2029, with a principal amount of $79 million (partial repayment of $13 million);
- 5.35% Notes, due 2033, with a principal amount of US $118 million (partial repayment of US $28 million);
- 5.95% Notes, due 2035, with a principal amount of US $199 million (partial repayment of US $22 million);
- 6.50% Notes, due 2038, with a principal amount of US $954 million (partial repayment of US $479 million); and
- 6.80% Notes, due 2038, with a principal amount of US $881 million (partial repayment of US $260 million).

In the third quarter of 2024, the company completed two partial redemptions, resulting in a debt extinguishment loss of $26 million ($23 million after tax). The general terms of the notes that were extinguished are as follows:

- 6.50% Notes, due 2038, with a principal amount of US $1.15 billion (partial repayment of US $196 million); and
- 6.80% Notes, due 2038, with a principal amount of US $900.0 million (partial repayment of US $19 million).

In the fourth quarter of 2023, the company issued $ 1.5 billion in aggregate principal of senior unsecured notes, consisting of $ 1.0 billion of Series 9 Medium Term Notes, maturing on November 17, 2025, having a coupon of 5.60% and $500 million of Series 10 Medium Term Notes, maturing on November 17, 2026, having a coupon of 5.40%. Debt issuance costs were $8 million and were netted against the carrying amount of the debt and amortized using the effective interest method.

In the second quarter of 2023, the company extended the maturity of its syndicated credit facilities from June 2024 and June 2025 to June 2026, and reduced the size of its $3.0 billion tranche by $200 million, to $2.8 billion.

Scheduled Debt Repayments

Scheduled principal repayments for lease liabilities, short-term debt and long-term debt are as follows:

($ millions)	Repayment
2025	**1 596**
2026	**1 535**
2027	**498**
2028	**708**
2029	**319**
Thereafter	**10 033**
	14 689

Credit Facilities

A summary of available and unutilized credit facilities is as follows:

($ millions)	2024
Fully revolving and expiring in 2028	**2 810**
Fully revolving and expiring in 2027	**2 665**
Can be terminated at any time at the option of the lenders	**1 120**
Total credit facilities	**6 595**
Credit facilities supporting standby letters of credit	**(811)**
Total unutilized credit facilities (1)	**5 784**

(1) Available credit facilities for liquidity purposes at December 31, 2024 increased to $5.475 billion, compared to $4.957 billion at December 31, 2023.

22. Other Long-Term Liabilities

($ millions)	December 31 2024	December 31 2023
Pensions and other post-retirement benefits (note 23)	**508**	598
Share-based compensation plans (note 26)	**334**	339
Partnership liability (note 27) (1)	**382**	398
Deferred revenue	**8**	13
Libya Exploration and Production Sharing Agreement (EPSA) signature bonus (2)	**-**	83
Emissions obligations	**202**	21
Unrealized losses on energy trading	**25**	10
Other	**43**	26
	1 502	1 488

(1) The company paid $63 million in 2024 (2023 – $65 million) in distributions to the partners of the East Tank Farm Development, of which $47 million (2023 – $49 million) was allocated to interest expense and $16 million (2023 – $16 million) to the principal.

(2) At December 31, 2024, the carrying amount of the Libya EPSA's signature bonus is classified as a current liability.

23. Pensions and Other Post-Retirement Benefits

The company's defined benefit pension plans provide pension benefits at retirement based on years of service and final average earnings (if applicable). These obligations are met through funded registered retirement plans and through unregistered supplementary pensions that are funded through retirement compensation arrangements, and/or paid directly to recipients. The company's contributions to the funded plans are deposited with independent trustees who act as custodians of the plans' assets, as well as the disbursing agents of the benefits to recipients. Plan assets are managed by a pension committee on behalf of beneficiaries. The committee retains independent managers and advisors.

Asset-liability matching studies are performed by a third-party consultant to set the asset mix by quantifying the risk-and-return characteristics of possible asset mix strategies. Investment and contribution policies are integrated within this study, and areas of focus include asset mix as well as interest rate sensitivity.

Funding of the registered retirement plans complies with applicable regulations that require actuarial valuations of the pension funds at least once every three years in Canada, and every year in the United States and Germany. The most recent valuations for the registered Canadian plans were performed as at December 31, 2023. The company uses a measurement date of December 31 to value the plan assets and remeasure the accrued benefit obligation for accounting purposes. In 2023, the U.K. defined benefit plan was sold concurrently with the sale of the U.K. operations (see note 16).

The company's other post-retirement benefits programs are unfunded and include certain health care and life insurance benefits provided to retired employees and eligible surviving dependents.

The company reports its share of Syncrude's defined benefit and defined contribution pension plans and Syncrude's other post-retirement benefits plan.

The company also provides a number of defined contribution plans, including a U.S. 401(k) savings plan, that provide for an annual contribution of 5% to 11.5% of each participating employee's pensionable earnings.

Defined Benefit Obligations and Funded Status

($ millions)	Pension Benefits 2024	2023	Other Post-Retirement Benefits 2024	2023
Change in benefit obligation				
Benefit obligation at beginning of year	**6 607**	6 155	**559**	519
Current service costs	**183**	165	**13**	12
Plan participants' contributions	**77**	17	**-**	-
Benefits paid	**(382)**	(345)	**(33)**	(30)
Interest costs	**307**	305	**25**	26
Obligations disposed (note 16)	**-**	(122)	**-**	-
Foreign exchange	**12**	-	**1**	-
Settlements	**4**	9	**-**	-
Termination benefits	**-**	6		
Actuarial remeasurement:				
Experience loss (gain) arising on plan liabilities	**17**	6	**(18)**	3
Actuarial gain arising from changes in demographic assumptions	**(10)**	-	**11**	-
Actuarial gain arising from changes in financial assumptions	**(57)**	411	**(4)**	29
Benefit obligation at end of year	**6 758**	6 607	**554**	559
Change in plan assets				
Fair value of plan assets at beginning of year	**6 738**	6 471	**-**	-
Employer contributions	**(90)**	(27)	**-**	-
Plan participants' contributions	**77**	17	**-**	-
Benefits paid	**(370)**	(327)	**-**	-
Assets disposed (note 16)	**-**	(153)	**-**	-
Foreign exchange	**11**	1	**-**	-
Settlements	**3**	9	**-**	-
Administrative costs	**(7)**	(6)	**-**	-
Income on plan assets	**308**	320	**-**	-
Actuarial remeasurement:				
Return on plan assets greater / (less) than discount rate	**715**	433	**-**	-
Fair value of plan assets at end of year	**7 385**	6 738	**-**	-
Change in Irrecoverable Surplus				
Irrecoverable surplus at beginning of year	**-**	187	**-**	-
Interest on irrecoverable surplus	**-**	10	**-**	-
Change in irrecoverable surplus during the year	**-**	(197)	**-**	-
Irrecoverable surplus at end of year	**-**	**-**	**-**	-
Net surplus / (unfunded obligation) at end of year	**627**	131	**(554)**	(559)

The defined benefit asset (liability) is included as follows in the Consolidated Balance Sheet:

($ millions)	December 31 2024	December 31 2023
Amounts charged to		
Other assets (note 19)	**617**	207
Accounts payable and accrued liabilities	**(36)**	(37)
Other long-term liabilities (note 22)	**(508)**	(598)
	73	(428)

In 2023, the company entered into another contribution holiday for both the defined benefit plans and defined contribution plans, with the company anticipating to resume cash contributions in late 2026.

Of the total net surplus as at December 31, 2024, 98% relates to Canadian pension plans and other post-retirement benefits obligation (December 31, 2023 – 91%). The weighted average duration of the defined benefit obligation under the Canadian pension plans and other post-retirement plans is 13.8 years (2023 – 15.7 years).

($ millions)	Pension Benefits 2024	2023	Other Post-Retirement Benefits 2024	2023
Analysis of amount charged to earnings:				
Current service costs	**183**	165	**13**	12
Interest (income) costs	**(1)**	(15)	**25**	26
Defined benefit plans expense	**182**	150	**38**	38
Defined contribution plans expense	**8**	56	**-**	-
Total benefit plans expense charged to earnings	**190**	206	**38**	38

Components of defined benefit costs recognized in Other Comprehensive Income:

($ millions)	Pension Benefits 2024	2023	Other Post-Retirement Benefits 2024	2023
Actuarial loss (gain) arising from changes in experience	**17**	6	**(18)**	3
Actuarial (gain) loss arising from changes in financial assumptions	**(57)**	411	**11**	29
Actuarial gain arising from changes in demographic assumptions	**(10)**	-	**(4)**	-
Benefit Obligation loss (gain)	**(50)**	417	**(11)**	32
Return on plan assets (greater) / less than discount rate (excluding amounts included in net interest expense)	**(715)**	(433)	**-**	-
OCI disposed through divestiture	**-**	11	**-**	-
Effect of the asset ceiling	**-**	(197)	**-**	-
Plan assets (gain) / loss	**(715)**	(619)	**-**	-
Actuarial (gain) loss recognized in other comprehensive income	**(765)**	(202)	**(11)**	32

Actuarial Assumptions

The cost of the defined benefit pension plans and other post-retirement benefits received by employees is actuarially determined using the projected unit credit method of valuation that includes employee service to date and present pay levels, as well as the projection of salaries and service to retirement.

The significant weighted average actuarial assumptions were as follows:

(%)	Pension Benefits December 31 2024	Pension Benefits December 31 2023	Other Post-Retirement Benefits December 31 2024	Other Post-Retirement Benefits December 31 2023
Discount rate	**4.60**	4.60	**4.60**	4.60
Rate of compensation increase	**3.00**	3.00	**3.00**	3.00

The discount rate assumption is based on the interest rate on high-quality bonds with maturity terms equivalent to the benefit obligations.

The defined benefit obligation reflects the best estimate of the mortality of plan participants both during and after their employment. The mortality assumption is based on a standard mortality table adjusted for actual experience over the past five years.

In order to measure the expected cost of other post-retirement benefits, it was assumed that the health care costs would increase annually by 5%.

Assumed discount rates and health care cost trend rates may have a significant effect on the amounts reported for pensions and other post-retirement benefits obligations for the company's Canadian plans. A change in these assumptions would have the following effects:

($ millions)	Pension Benefits Increase	Pension Benefits Decrease
1% change in discount rate		
Effect on the aggregate service and interest costs	(14)	17
Effect on the benefit obligations	(773)	971

($ millions)	Other Post-Retirement Benefits Increase	Other Post-Retirement Benefits Decrease
1% change in discount rate		
Effect on the benefit obligations	(58)	70
1% change in health care cost		
Effect on the aggregate service and interest costs	1	(1)
Effect on the benefit obligations	21	(19)

Plan Assets and Investment Objectives

The company's long-term investment objective is to secure the defined pension benefits while managing the variability and level of its contributions. The portfolio is rebalanced periodically, as required, to the plans' target asset allocation as prescribed in the Statement of Investment Policies and Procedures approved by the Board of Directors. Plan assets are restricted to those permitted by legislation, where applicable. Investments are made through pooled, mutual, segregated or exchange traded funds.

The company's weighted average pension plan asset allocations, based on market values as at December 31, are as follows:

(%)	2024	2023
Equities	**50**	53
Fixed income	**28**	22
Real assets	**20**	25
Private debt and equity	**2**	-
Total	**100**	100

Equity securities do not include any direct investments in Suncor shares. The fair value of equity and fixed income securities is based on the trading price of the underlying fund. The fair value of real estate investments is based on independent third-party appraisals.

24. Provisions

($ millions)	Decommissioning and Restoration(1)	Royalties	Other(2)	Total
At December 31, 2022	9 901	182	281	10 364
Liabilities incurred	212	134	327	673
Acquisitions (note 16)(3)	1 242	-	-	1 242
Change in discount rate	515	-	-	515
Changes in estimates	688	-	(123)	565
Liabilities settled	(390)	(26)	(113)	(529)
Accretion	532	-	-	532
Asset disposals	(17)	-	-	(17)
Divestments (note 16)(3)	(757)	-	-	(757)
Foreign exchange	5	-	-	5
At December 31, 2023	11 931	290	372	12 593
Less: current portion	(430)	(290)	(263)	(983)
	11 501	-	109	11 610
At December 31, 2023	11 931	290	372	12 593
Liabilities incurred	**339**	**78**	**88**	**505**
Change in discount rate	**871**	**-**	**-**	**871**
Changes in estimates	**(1 007)**	**1**	**32**	**(974)**
Liabilities settled	**(488)**	**(89)**	**(174)**	**(751)**
Accretion	**592**	**-**	**-**	**592**
Foreign exchange	**33**	**-**	**20**	**53**
At December 31, 2024	**12 271**	**280**	**338**	**12 889**
Less: current portion	**(436)**	**(280)**	**(242)**	**(958)**
	11 835	**-**	**96**	**11 931**

(1) Decommissioning and restoration provisions are associated with the retirement of Property, Plant and Equipment and Exploration and Evaluation assets. The total undiscounted and uninflated amount of estimated future cash flows required to settle the obligations at December 31, 2024 was approximately $21.5 billion (December 31, 2023 – $23.5 billion). A weighted average credit-adjusted risk-free interest rate of 4.80% was used to discount the provision recognized at December 31, 2024 (December 31, 2023 – 5.20%). The credit-adjusted risk-free interest rate used reflects the expected time frame of the provisions. Payments to settle the decommissioning and restoration provisions occur on an ongoing basis and will continue over the lives of the operating assets, which can exceed 50 years.

(2) During 2024, liabilities incurred include an $80 million provision related to an equity investment and liabilities settled include restructuring related payments. As at December 31, 2024, other provisions also includes other legal, insurance, and environmental provisions.

(3) In connection with the 2023 TotalEnergies Canada acquisition (note 16), Suncor was deemed to have divested of its pre-existing interest in Fort Hills, presented as divestments, and re-acquired it at fair value. As such, acquisitions include 100% of the fair value of the decommissioning and restoration provision related to the TotalEnergies Canada acquisition, including the reevaluations of the existing working interest and the remaining capacity on a regional pipeline.

Sensitivities

Changes to the discount rate would have the following impact on Decommissioning and Restoration liabilities:

As at December 31	**2024**	2023
1% Increase	**(1 856)**	(1 799)
1% Decrease	**2 437**	2 390

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25. Share Capital

Authorized

Common Shares

The company is authorized to issue an unlimited number of common shares without nominal or par value.

Preferred Shares

The company is authorized to issue an unlimited number of senior and junior preferred shares in series, without nominal or par value.

Share Repurchase Programs

(thousands of common shares)	Commencement Date	Expiry	Maximum Shares for Repurchase	Maximum Shares for Repurchase (%)	Number of Shares Repurchased
2022 Normal Course Issuer Bid	February 8, 2022	February 7, 2023	71 650	5	26 232
Amended 2022 Normal Course Issuer Bid	May 11, 2022	February 7, 2023	143 500	10	91 912
2023 Normal Course Issuer Bid	February 17, 2023	February 16, 2024	132 900	10	47 107
2024 Normal Course Issuer Bid	February 26, 2024	February 25, 2025	128 700	10	52 116
2025 Normal Course Issuer Bid (1)	March 3, 2025	March 2, 2026	123 800	10	-

(1) Subsequent to the fourth quarter of 2024, Suncor renewed its NCIB (the 2025 NCIB).

The following table summarizes the share repurchase activities during the year:

($ millions, except as noted)	**2024**	2023
Share repurchase activities (thousands of common shares)		
Shares repurchased	**55 564**	51 982
Amounts charged to		
Share capital	**943**	871
Retained earnings (1)	**2 013**	1 362
Share repurchase cost	**2 956**	2 233
Average repurchase cost per share	**52.33**	42.96

(1) Includes $48 million of taxes on share repurchases for the year ended December 31, 2024.

A share buyback tax was substantively enacted during the second quarter of 2024, with an effective date of January 1, 2024, and the company has applied this tax on its share repurchase activities.

Under an automatic repurchase plan agreement with an independent broker, the company has recorded the following liability for share repurchases that may take place during its internal blackout period:

($ millions)	**December 31 2024**	December 31 2023
Amounts charged to		
Share capital	**104**	60
Retained earnings	**209**	90
Liability for share purchase commitment	**313**	150

Dividends Declared

During 2024, the company declared dividends of $ 2.22 (2023 - $2.11). On November 12, 2024, the company's Board of Directors approved and increased a quarterly dividend of $0.57 per common share.

26. Share-Based Compensation

Share-Based Compensation Expense

Included in the Consolidated Statements of Comprehensive Income within Operating, Selling and General expense are the following share-based compensation amounts:

($ millions)	2024	2023
Equity-settled plans	**13**	16
Cash-settled plans	**497**	413
Total share-based compensation expense	**510**	429

Liability Recognized for Share-Based Compensation

Included in the Consolidated Balance Sheets within accounts payable and accrued liabilities and other long-term liabilities are the following fair value amounts for the company's cash-settled plans:

($ millions)	December 31 2024	December 31 2023
Current liability	**487**	549
Long-term liability (note 22)	**334**	339
Total Liability	**821**	888

The intrinsic value of the vested awards at December 31, 2024 was $ 497 million (December 31, 2023 – $630 million).

Stock Option Plans

Suncor grants stock option awards as a form of retention and incentive compensation.

Stock options granted by the company provide the holder with the right to purchase common shares at the market price on the grant date, subject to fulfilling vesting terms. Options granted have a seven-year life, vest annually over a three-year period and are accounted for as equity-settled awards.

The weighted average fair value of options granted during the period and the weighted average assumptions used in their determination are noted below:

	2024	2023
Annual dividend per share (dollars)	**2.22**	2.11
Risk-free interest rate	**3.57%**	3.66%
Expected life	**4.4 years**	4.5 years
Expected volatility	**45%**	45%
Weighted average fair value per option (dollars)	**13.09**	12.70
Suncor's average share price	**51.23**	42.91

The expected life is based on historical stock option exercise data and current expectations. The expected volatility considers the historical volatility in the price of Suncor's common shares over a period similar to the life of the options, and is indicative of future trends.

The following table presents a summary of the activity related to Suncor's stock option plans:

	2024		2023	
	Number (thousands)	**Weighted Average Exercise Price ($)**	Number (thousands)	Weighted Average Exercise Price ($)
Outstanding, beginning of year	**17 036**	**39.32**	21 068	38.55
Granted	**1 195**	**45.91**	1 610	44.56
Exercised as options for common shares	**(9 796)**	**39.33**	(4 611)	37.11
Forfeited/expired	**(300)**	**43.78**	(1 031)	41.77
Outstanding, end of year	**8 135**	**40.11**	17 036	39.32
Exercisable, end of year	**5 966**	**38.66**	14 300	39.61

For the options outstanding at December 31, 2024, the exercise price ranges and weighted average remaining contractual lives are shown below:

	Outstanding			Exercisable	
Exercise Prices ($)	Number (thousands)	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price ($)	Number (thousands)	Weighted Average Exercise Price ($)
22.63-37.36	**1 792**	3	30.52	**1 508**	29.34
37.37-39.16	**1 905**	2	39.05	**1 751**	39.06
39.17-43.52	**2 201**	1	42.93	**2 180**	42.95
43.53-45.74	**1 030**	5	45.50	**443**	45.51
45.75-56.27	**1 207**	6	46.25	**84**	50.03
Total	**8 135**	3	40.11	**5 966**	38.66

Common shares authorized for issuance by the Board of Directors that remain available for the granting of future options:

(thousands)	2024	2023
	26 430	27 322

Share Unit Plans

Suncor grants share units as a form of retention and incentive compensation. Share unit plans are accounted for as cash-settled awards.

(a) Performance Share Units (PSUs)

A PSU is a time-vested award entitling employees to receive varying degrees of cash (0%–200% of the company's share price at time of vesting) contingent upon Suncor's total shareholder return (stock price appreciation and dividend income) relative to a peer group of companies. PSUs vest approximately three years after the grant date.

(b) Restricted Share Units (RSUs)

A RSU is a time-vested award entitling employees to receive cash calculated based on an average of the company's share price leading up to vesting. RSUs vest approximately three years after the grant date.

(c) Deferred Share Units (DSUs)

A DSU is redeemable for cash or a common share for a period of time after a unitholder ceases employment or Board membership. The DSU Plan is limited to executives and members of the Board of Directors. Members of the Board of Directors receive an annual grant of DSUs as part of their compensation and may elect to receive their fees in cash only or in

increments of 50% or 100% allocated to DSUs. Executives may elect to receive their annual incentive bonus in cash only or in increments of 25%, 50%, 75% or 100% allocated to DSUs.

The following table presents a summary of the activity related to Suncor's share unit plans:

(thousands)	PSU	RSU	DSU
Outstanding, December 31, 2022	2 209	28 262	1 331
Granted	814	9 006	299
Redeemed for cash	(436)	(7 582)	(461)
Forfeited/expired	(273)	(3 156)	-
Outstanding, December 31, 2023	2 314	26 530	1 169
Granted	**616**	**6 379**	**138**
Redeemed for cash	**(824)**	**(12 570)**	**(418)**
Forfeited/expired	**(210)**	**(870)**	**-**
Outstanding, December 31, 2024	**1 896**	**19 469**	**889**

Stock Appreciation Rights (SARs)

A SAR entitles the holder to receive a cash payment equal to the difference between the stated exercise price and the market price of the company's common shares on the date the SAR is exercised, and is accounted for as a cash-settled award.

SARs have a seven-year life and vest annually over a three-year period.

	2024		2023	
	Number (thousands)	**Weighted Average Exercise Price ($)**	Number (thousands)	Weighted Average Exercise Price ($)
Outstanding, beginning of year	**176**	**41.48**	287	39.95
Granted	**22**	**46.06**	20	42.96
Exercised	**(113)**	**41.67**	(128)	38.17
Forfeited/expired	**-**	**—**	(3)	45.57
Outstanding, end of year	**85**	**42.38**	176	41.48
Exercisable, end of year	**51**	**40.99**	156	41.48

27. Financial Instruments and Risk Management

The company's financial instruments consist of cash and cash equivalents, accounts receivable, derivative contracts, substantially all accounts payable and accrued liabilities, debt, and certain portions of other assets and other long-term liabilities.

Non-Derivative Financial Instruments

The fair values of cash and cash equivalents, accounts receivable, short-term debt, and accounts payable and accrued liabilities approximate their carrying values due to the short-term maturities of those instruments.

The company's long-term debt and long-term financial liabilities are recorded at amortized cost using the effective interest method. At December 31, 2024, the carrying value of fixed-term debt accounted for under amortized cost was $10.3 billion (December 31, 2023 – $11.1 billion) and the fair value at December 31, 2024 was $ 10.1 billion (December 31, 2023 – $ 11.1 billion). The estimated fair value of long-term debt is based on pricing sourced from market data, which is considered a Level 2 fair value input.

Suncor entered into a partnership with Fort McKay First Nation (FMFN) and Mikisew Cree First Nation (MCFN) in 2018 where FMFN and MCFN acquired a combined 49% partnership interest in the East Tank Farm Development. The partnership liability

is recorded at amortized cost using the effective interest method. At December 31, 2024, the carrying value of the Partnership liability accounted for under amortized cost was $398 million (December 31, 2023 – $413 million).

Derivative Financial Instruments

(a) Non-Designated Derivative Financial Instruments

The company uses derivative financial instruments, such as physical and financial contracts, to manage certain exposures to fluctuations in interest rates, commodity prices and foreign currency exchange rates, as part of its overall risk management program, as well as for trading purposes.

The changes in the fair value of non-designated derivatives are as follows:

($ millions)	2024	2023
Fair value outstanding, beginning of year	**(20)**	(65)
Changes in fair value recognized in earnings during the year (note 7)	**114**	25
Cash settlements - (received) paid during the year	**(12)**	20
Fair value outstanding, end of year	**82**	(20)

(b) Fair Value Hierarchy

To estimate the fair value of derivatives, the company uses quoted market prices when available, or third-party models and valuation methodologies that utilize observable market data. In addition to market information, the company incorporates transaction-specific details that market participants would utilize in a fair value measurement, including the impact of non-performance risk. However, these fair value estimates may not necessarily be indicative of the amounts that could be realized or settled in a current market transaction. The company characterizes inputs used in determining fair value using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The three levels of the fair value hierarchy are as follows:

- Level 1 consists of instruments with a fair value determined by an unadjusted quoted price in an active market for identical assets or liabilities. An active market is characterized by readily and regularly available quoted prices where the prices are representative of actual and regularly occurring market transactions to assure liquidity.

- Level 2 consists of instruments with a fair value that is determined by quoted prices in an inactive market, prices with observable inputs, or prices with insignificant non-observable inputs. The fair value of these positions is determined using observable inputs from exchanges, pricing services, third-party independent broker quotes, and published transportation tolls. The observable inputs may be adjusted using certain methods, which include extrapolation over the quoted price term and quotes for comparable assets and liabilities.

- Level 3 consists of instruments with a fair value that is determined by prices with significant unobservable inputs. As at December 31, 2024, the company does not have any derivative instruments measured at fair value Level 3.

In forming estimates, the company utilizes the most observable inputs available for valuation purposes. If a fair value measurement reflects inputs of different levels within the hierarchy, the measurement is categorized based upon the lowest level of input that is significant to the fair value measurement.

The following table presents the company's derivative financial instrument assets and liabilities measured at fair value for each hierarchy level as at December 31, 2024 and 2023.

($ millions)	Level 1	Level 2	Level 3	Total Fair Value
Accounts receivable	41	24	-	65
Accounts payable	(51)	(34)	-	(85)
Balance at December 31, 2023	(10)	(10)	-	(20)
Accounts receivable	**70**	**83**	**-**	**153**
Accounts payable	**(43)**	**(28)**	**-**	**(71)**
Balance at December 31, 2024	**27**	**55**	**-**	**82**

During the year ended December 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Offsetting Financial Assets and Liabilities

The company enters into arrangements that allow for offsetting of derivative financial instruments and accounts receivable (payable), which are presented on a net basis on the balance sheet, as shown in the table below as at December 31, 2024 and 2023.

Financial Assets

($ millions)	Gross Assets	Gross Liabilities Offset	Net Amounts Presented
Fair value of derivative assets	7 098	(7 033)	65
Accounts receivable	9 971	(6 897)	3 074
Balance at December 31, 2023	17 069	(13 930)	3 139
Fair value of derivative assets	**5 222**	**(5 069)**	**153**
Accounts receivable	**7 621**	**(4 632)**	**2 989**
Balance at December 31, 2024	**12 843**	**(9 701)**	**3 142**

Financial Liabilities

($ millions)	Gross Liabilities	Gross Assets Offset	Net Amounts Presented
Fair value of derivative liabilities	(7 118)	7 033	(85)
Accounts payable	(8 966)	6 897	(2 069)
Balance at December 31, 2023	(16 084)	13 930	(2 154)
Fair value of derivative liabilities	**(5 140)**	**5 069**	**(71)**
Accounts payable	**(7 210)**	**4 632**	**(2 578)**
Balance at December 31, 2024	**(12 350)**	**9 701**	**(2 649)**

Risk Management

The company is exposed to a number of different risks arising from financial instruments. These risk factors include market risks, comprising commodity price risk, foreign currency risk and interest rate risk, as well as liquidity risk and credit risk.

The company maintains a formal governance process to manage its financial risks. The company's Commodity Risk Management Committee (CRMC) is charged with the oversight of the company's trading and credit risk management activities. These activities are intended to manage risk associated with open price exposure of specific volumes in transit or storage, enhance the company's operations, and enhance profitability through informed market calls, market diversification, economies of scale, improved transportation access, and leverage of assets, both physical and contractual. The CRMC, acting under the authority of the company's Board of Directors, meets regularly to monitor limits on risk exposures, review policy compliance and validate risk-related methodologies and procedures.

1) Market Risk

Market risk is the risk or uncertainty arising from market price movements and their impact on the future performance of the business. The market price movements that could adversely affect the value of the company's financial assets, liabilities and expected future cash flows include commodity price risk, foreign currency exchange risk and interest rate risk.

(a) Commodity Price Risk

Suncor's financial performance is closely linked to crude oil and refined product prices (including pricing differentials for various product types) and, to a lesser extent, natural gas and electricity prices. The company may reduce its exposure to commodity price risk through a number of strategies. These strategies include entering into derivative contracts to limit exposure to changes in crude oil and refined product prices during transportation and natural gas prices.

An increase or decrease of US$ 10/bbl of crude oil as at December 31, 2024, would increase or decrease pre-tax earnings for the company's outstanding derivative financial instruments by approximately $316 million (2023 – $45 million increase or decrease).

(b) Foreign Currency Exchange Risk

The company is exposed to foreign currency exchange risk on revenues, capital expenditures or financial instruments that are denominated in a currency other than the company's functional currency (Canadian dollars).

To manage the company's exposure to foreign exchange rate volatility, the company may periodically enter into foreign exchange rate derivative contracts to fix the foreign exchange rate. As at December 31, 2024, the company had no outstanding foreign exchange derivative contracts.

As crude oil is priced in U.S. dollars, fluctuations in US$/Cdn$ exchange rates may have a significant impact on revenues. This exposure is partially offset through the issuance of U.S. dollar denominated debt. A $0.01 strengthening in the Cdn$ relative to the US$ exchange rate as at December 31, 2024, would increase pre-tax earnings related to the company's U.S. dollar denominated long-term debt and commercial paper by approximately $105 million (2023 – $111 million).

(c) Interest Rate Risk

The company is exposed to interest rate risk as changes in interest rates may affect future cash flows and the fair values of its financial instruments. The primary exposure is related to its revolving-term debt of commercial paper and future debt issuances.

The company's net earnings are sensitive to changes in interest rates on the floating rate portion of the company's debt, which are offset by cash balances. To the extent interest expense is not capitalized, if interest rates applicable to floating rate instruments increased by 1%, it is estimated that the company's pre-tax earnings would increase by approximately $ 35 million primarily due an increase in cash balances and the reduction in short-term debt (2023 – approximately $12 million increase). This assumes that the amount and mix of fixed and floating rate debt remains unchanged from December 31, 2024. The proportion of floating interest rate exposure at December 31, 2024 was nil of total debt outstanding (2023 – 3.2%).

2) Liquidity Risk

Liquidity risk is the risk that Suncor will not be able to meet its financial obligations when due. The company mitigates this risk by forecasting spending requirements as well as cash flow from operating activities, and maintaining sufficient cash, credit facilities, and debt shelf prospectuses to meet these requirements. Suncor's cash and cash equivalents and total credit facilities at December 31, 2024 were $3.5 billion and $6.6 billion, respectively. Of Suncor's $ 6.6 billion in total credit facilities, $ 5.8 billion were unutilized at December 31, 2024. In addition, Suncor has unused capacity under the Board of Directors authority of US$5.0 billion to issue debt. The ability of the company to raise additional capital utilizing these shelf prospectuses is dependent on market conditions. The company believes it has sufficient funding through the use of these facilities and access to capital markets to meet its future capital requirements.

Surplus cash is invested into a range of short-dated money market securities. Investments are only permitted in high credit quality government or corporate securities. Diversification of these investments is managed through counterparty credit limits.

The following table shows the timing of cash outflows related to trade and other payables and debt.

	December 31, 2023			
($ millions)	Trade and Other Payables(1)	Gross Derivative Liabilities(2)	Debt(3)	Lease Liabilities
Within one year	7 646	6 586	1 132	561
2 to 3 years	53	532	3 184	991
4 to 5 years	1	-	1 425	846
Over 5 years	-	-	14 175	4 038
	7 700	7 118	19 916	6 436

	December 31, 2024			
($ millions)	**Trade and Other Payables(1)**	**Gross Derivative Liabilities(2)**	**Debt(3)**	**Lease Liabilities**
Within one year	**8 090**	**4 084**	**1 587**	**852**
2 to 3 years	**-**	**1 056**	**2 037**	**1 404**
4 to 5 years	**-**	**-**	**1 330**	**943**
Over 5 years	**-**	**-**	**12 425**	**3 674**
	8 090	**5 140**	**17 379**	**6 873**

(1) Trade and other payables exclude net derivative liabilities of $71 million (2023 – $85 million).

(2) Gross derivative liabilities of $5.140 billion (2023 – $7.118 billion) are offset by gross derivative assets of $5.069 billion (2023 – $7.033 billion), resulting in a net amount of $71 million (2023 – $85 million).

(3) Debt includes short-term debt, long-term debt and interest payments on fixed-term debt.

3) Credit Risk

Credit risk is the risk that a customer or counterparty will fail to perform an obligation or fail to pay amounts due, causing a financial loss. The company's credit policy is designed to ensure there is a standard credit practice throughout the company to measure and monitor credit risk. The policy outlines delegation of authority, the due diligence process required to approve a new customer or counterparty and the maximum amount of credit exposure per single entity. Before transactions begin with a new customer or counterparty, its creditworthiness is assessed, and a credit rating and a maximum credit limit are assigned. The assessment process is outlined in the credit policy and considers both quantitative and qualitative factors. The company constantly monitors the exposure to any single customer or counterparty along with the financial position of the customer or counterparty. If it is deemed that a customer or counterparty has become materially weaker, the company will work to reduce the credit exposure and lower the assigned credit limit. Regular reports are generated to monitor credit risk and the Credit Committee meets quarterly to ensure compliance with the credit policy and review the exposures.

A substantial portion of the company's accounts receivable are with customers in the oil and gas industry and are subject to normal industry credit risk. At December 31, 2024, substantially all of the company's trade receivables were current.

The company may be exposed to certain losses in the event that counterparties to derivative financial instruments are unable to meet the terms of the contracts. The company's exposure is limited to those counterparties holding derivative contracts owing to the company at the reporting date. At December 31, 2024, the company's net exposure was $153 million (December 31, 2023 – $65 million).

28. Capital Structure Financial Policies

The company's primary capital management strategy is to maintain a conservative balance sheet, which supports a solid investment grade credit rating profile. This objective affords the company the financial flexibility and access to the capital it requires to execute on its growth objectives.

The company's capital is primarily monitored by reviewing the ratios of net debt and lease liabilities to adjusted funds from operations(2) and total debt and lease liabilities to total debt and lease liabilities plus shareholders' equity.

Net debt and lease liabilities to adjusted funds from operations (2) is calculated as short-term debt plus total long-term debt less cash and cash equivalents, divided by adjusted funds from operations for the year then ended.

Total debt and lease liabilities to total debt and lease liabilities plus shareholders' equity is calculated as short-term debt plus total long-term debt divided by short-term debt plus total long-term debt plus shareholders' equity. This financial covenant under the company's various banking and debt agreements shall not be greater than 65%.

The company's financial covenant is reviewed regularly, and controls are in place to maintain compliance with the covenant. The company complied with financial covenants for the years ended December 31, 2024 and 2023. The company's financial measures, as set out in the following schedule, were unchanged from 2023. The company believes that achieving its capital target helps to provide the company with access to capital at a reasonable cost by maintaining solid investment grade credit ratings. Total debt and lease liabilities to total debt and lease liabilities plus shareholders' equity was 24.8% at December 31, 2024 and decreased primarily due to lower debt levels. The company operates in a fluctuating business environment and ratios may periodically fall outside of management's targets. The company addresses these fluctuations by capital expenditure reductions and sales of non-core assets to ensure net debt achieves management's targets.

($ millions)	Capital Measure Target	**December 31 2024**	December 31 2023
Components of ratios			
Short-term debt		**-**	494
Current portion of long-term debt		**997**	-
Long-term debt		**9 348**	11 087
Total debt(1)		**10 345**	11 581
Current portion of long-term lease liabilities		**599**	348
Long-term lease liabilities		**3 745**	3 478
Total debt and lease liabilities (1)		**14 689**	15 407
Less: Cash and cash equivalents		**3 484**	1 729
Net debt and lease liabilities (1)		**11 205**	13 678
Net debt(1)		**6 861**	9 852
Shareholders' equity		**44 514**	43 279
Total capitalization (total debt and lease liabilities plus shareholders' equity)		**59 203**	58 686
Adjusted funds from operations (2)		**13 846**	13 325
Net debt and lease liabilities to adjusted funds from operations	<3.0 times	**0.8**	1.0
Total debt and lease liabilities to total debt and lease liabilities plus shareholders' equity	20% - 35%	**24.8%**	26.3%

(1) Total debt, total debt and lease liabilities, net debt and lease liabilities and net debt are non-GAAP financial measures. In 2024, the company revised the definition of net debt and total debt to exclude lease liabilities to better align with how management and industry monitor capital structure. This change had no impact on the company's financial measures disclosed above.

(2) Adjusted funds from operations is calculated as cash flow from operating activities before changes in non-cash working capital, and is a non-GAAP financial measure.

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29. Joint Arrangements

Joint Operations

The company's material joint operations as at December 31 are set out below:

Material Joint Operations	Principal Activity	Country of Incorporation and Principal Place of Business	**Ownership % 2024**	Ownership % 2023
Oil Sands				
Operated by Suncor:				
Syncrude	Oil sands development	Canada	**58.74**	58.74
Exploration and Production				
Operated by Suncor:				
Terra Nova	Oil and gas production	Canada	**48.00**	48.00
Non-operated:				
Hibernia and the Hibernia South Extension Unit	Oil and gas production	Canada	**19.48-20.00**	19.48-20.00
Hebron	Oil and gas production	Canada	**21.03**	21.03
White Rose and the White Rose Extensions	Oil and gas production	Canada	**38.625-40.00**	38.625-40.00

Joint Ventures and Associates

The company does not have any joint ventures or associates that are considered individually material. Summarized aggregate financial information of the joint ventures and associates, which are all included in the company's Refining and Marketing operations and Corporate segment, are shown below:

	Joint ventures		Associates	
($ millions)	**2024**	2023	**2024**	2023
Net earnings (loss)	**55**	27	**6**	(1)
Total comprehensive earnings (loss)	**55**	27	**6**	(1)
Carrying amount as at December 31	**138**	149	**65**	60

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30. Subsidiaries

Material wholly owned subsidiaries, either directly or indirectly, by the company as at December 31, 2024 are shown below:

Material Subsidiaries	Principal Activity
Canadian Operations	
Suncor Energy Oil Sands Limited Partnership	This partnership holds most of the company's Oil Sands operations assets.
Suncor Energy Products Partnership	This partnership holds substantially all of the company's Canadian refining and marketing assets.
Suncor Energy Marketing Inc.	This subsidiary markets production from the upstream Canadian businesses. It also administers Suncor's energy trading activities and power business, markets certain third-party products, procures crude oil feedstock and natural gas for its downstream business, and procures and markets natural gas liquids (NGLs) and liquefied petroleum gas (LPG) for its downstream business.
Canadian Oil Sands Partnership #1 (1)	This partnership holds the 58.74% ownership in the Syncrude joint operation.
Fort Hills Energy Limited Partnership	This partnership holds the company's Fort Hills operations assets.
U.S. Operations	
Suncor Energy (U.S.A.) Marketing Inc.	A subsidiary that procures, markets and trades crude oil, in addition to procuring crude oil feedstock for the company's refining operations.
Suncor Energy (U.S.A.) Inc.	A subsidiary through which the company's U.S. refining and marketing operations are conducted.

(1) On January 1, 2024, Suncor Energy Ventures Partnership contributed its ownership interests to Canadian Oil Sands Partnership #1 and Suncor Energy Ventures Corporation amalgamated with Suncor Energy Inc.

The table does not include wholly owned subsidiaries that are immediate holding companies of the operating subsidiaries. For certain foreign operations of the company, there are restrictions on the sale or transfer of production licences, which would require approval of the applicable foreign government.

31. Related Party Disclosures

Related Party Transactions

The company enters into transactions with related parties in the normal course of business, which includes purchases of feedstock, distribution of refined products, and the sale of refined products and byproducts. These transactions are with joint ventures and associated entities in the company's Refining and Marketing operations, including pipeline, refined product and petrochemical companies. A summary of the significant related party transactions as at and for the years ended December 31, 2024 and 2023 are as follows:

($ millions)	2024	2023
Sales[1]	**1 504**	1 356
Purchases	**130**	139
Accounts receivable	**41**	108
Accounts payable and accrued liabilities	**-**	3

(1) Includes sales to Petroles Cadeko Inc. of $823 million (2023 - $585 million) and Parachem Chemicals Inc. of $4 million (2023 – $400 million).

Compensation of Key Management Personnel

Compensation of the company's Board of Directors and members of the Executive Leadership Team for the years ended December 31 is as follows:

($ millions)	2024	2023
Salaries and other short-term benefits	**12**	10
Pension and other post-retirement benefits	**2**	3
Share based compensation[1]	**63**	46
	77	59

(1) The increase in share based compensation in 2024 is due to the increase in the company's share price.

32. Commitments, Contingencies and Guarantees

(a) Commitments

Future payments under the company's commitments, including service arrangements for pipeline transportation agreements and for other property and equipment, are as follows:

	Payment Due by Period						
($ millions)	2025	2026	2027	2028	2029	Thereafter	**Total**
Commitments							
Product transportation and storage	1 736	1 499	1 471	1 439	1 331	10 989	**18 465**
Energy services	116	146	88	37	22	23	**432**
Exploration work commitments	53	1	-	-	-	517	**571**
Other	302	197	133	42	43	176	**893**
	2 207	1 843	1 692	1 518	1 396	11 705	**20 361**

In addition to the commitments in the above table, the company has other obligations for goods and services and raw materials entered into in the normal course of business, which may terminate on short notice. Such obligations include commodity purchase obligations which are transacted at market prices.

(b) Contingencies

Legal and Environmental Contingent Liabilities and Assets

The company is defendant and plaintiff in a number of legal actions that arise in the normal course of business. The company believes that any liabilities or assets that might arise pertaining to such matters would not have a material effect on its consolidated financial position.

The company may also have environmental contingent liabilities, beyond decommissioning and restoration liabilities (recognized in note 24), which are reviewed individually and are reflected in the company's consolidated financial statements if material and more likely than not to be incurred. These contingent environmental liabilities primarily relate to the mitigation of contamination at sites where the company has had operations. For any unrecognized environmental contingencies, the company believes that any liabilities that might arise pertaining to such matters would not have a material effect on its consolidated financial position.

Costs attributable to these commitments and contingencies are expected to be incurred over an extended period of time and to be funded from the company's cash flow from operating activities. Although the ultimate impact of these matters on net earnings cannot be determined at this time, the impact is not expected to be material.

(c) Guarantees

At December 31, 2024, the company has provided loan guarantees to certain retail licensees and wholesale marketers. Suncor's maximum potential amount payable under these loan guarantees is $125 million.

The company has also agreed to indemnify holders of all notes and debentures and the company's credit facility lenders (see note 21) for added costs relating to withholding taxes. Similar indemnity terms apply to certain facility and equipment leases. There is no limit to the maximum amount payable under these indemnification agreements. The company is unable to determine the maximum potential amount payable as government regulations and legislation are subject to change without notice. Under these agreements, the company has the option to redeem or terminate these contracts if additional costs are incurred.

The company also has guaranteed its working-interest share of certain joint operation undertakings related to transportation services agreements entered into with third parties. The guaranteed amount is limited to the company's share in the joint arrangement. As at December 31, 2024, the probability is remote that these guarantee commitments will impact the company.

Exhibit 99-3

Management's Discussion and Analysis

February 26, 2025

MD&A – Table of Contents

2	Consolidated Financial and Operating Summary
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This Management's Discussion and Analysis (MD&A) should be read in conjunction with Suncor's December 31, 2024 audited Consolidated Financial Statements and the accompanying notes. Additional information about Suncor filed with Canadian securities regulatory authorities and the United States Securities and Exchange Commission (SEC), including quarterly and annual reports and Suncor's Annual Information Form dated February 26, 2025 (the 2024 AIF), which is also filed with the SEC under cover of Form 40-F, is available online at www.sedarplus.ca, www.sec.gov and on our website at www.suncor.com. Information contained in or otherwise accessible through our website, even if referred to in this MD&A, does not constitute part of this MD&A and is not incorporated by reference into this MD&A.

References to "we", "our", "Suncor" or "the company" means Suncor Energy Inc., its subsidiaries, partnerships and joint arrangements, unless otherwise specified or the context otherwise requires. For a list of abbreviations that may be used in this MD&A, refer to the Advisories – Common Abbreviations section of this MD&A.

Basis of Presentation

Unless otherwise noted, all financial information contained herein has been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

All financial information is reported in Canadian dollars, unless otherwise noted. Production volumes are presented on a working-interest basis, before royalties, except for production volumes from the company's Libya operations, which are presented on an economic basis.

References to Oil Sands operations exclude Suncor's interests in Fort Hills and Syncrude.

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1. Consolidated Financial and Operating Summary

Financial Summary

Year ended December 31 ($ millions, except per share amounts)	2024	2023	2022
Gross revenues	**54 881**	52 206	62 907
Royalties	**(4 192)**	(3 114)	(4 571)
Operating revenues, net of royalties	**50 689**	49 092	58 336
Net earnings	**6 016**	8 295	9 077
Per common share – basic (dollars)	**4.72**	6.34	6.54
Per common share – diluted (dollars)	**4.72**	6.33	6.53
Adjusted operating earnings(1)	**6 884**	6 677	11 566
Per common share(1)(2)	**5.40**	5.10	8.34
Adjusted funds from operations(1)	**13 846**	13 325	18 101
Per common share(1)(2)	**10.87**	10.19	13.05
Cash flow provided by operating activities	**15 960**	12 344	15 680
Per common share(2)	**12.53**	9.44	11.30
Dividends paid on common shares	**2 803**	2 749	2 596
Per common share(2)	**2.22**	2.11	1.88
Share repurchases	**2 908**	2 233	5 135
Per common share(2)	**2.28**	1.71	3.70
Weighted average number of common shares in millions – basic	**1 274**	1 308	1 387
Weighted average number of common shares in millions – diluted	**1 276**	1 310	1 390
Capital expenditures(3)(4)	**6 166**	5 573	4 819
Asset sustainment and maintenance	**3 185**	3 543	3 315
Economic investment	**2 981**	2 030	1 504
Free funds flow(1)	**7 363**	7 497	13 114
Returns to shareholders(5)	**5 711**	4 982	7 731
Balance sheet (at December 31)			
Total assets	**89 784**	88 539	84 618
Net debt(1)(6)	**6 861**	9 852	10 627
Total long-term liabilities(7)	**34 523**	35 663	32 382

(1) Non-GAAP financial measures or contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) Presented on a basic per share basis.
(3) Excludes capitalized interest of $317 million in 2024, $255 million in 2023 and $168 million in 2022.
(4) Excludes capital expenditures related to assets previously held for sale of nil in 2024, $108 million in 2023 and $133 million in 2022.
(5) Includes dividends paid on common shares and repurchases of common shares.
(6) Beginning in 2024, the company revised the definition of net debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change
(7) Includes long-term debt, long-term lease liabilities, other long-term liabilities, provisions and deferred income taxes.

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Operating Summary

Year ended December 31	2024	2023	2022
Production volumes			
Oil Sands – Upgraded – net SCO and diesel (mbbls/d)	**516.1**	487.0	480.0
Oil Sands – Non-upgraded bitumen (mbbls/d)	**257.7**	202.6	185.2
Total Oil Sands production volumes (mbbls/d)	**773.8**	689.6	665.2
Exploration and Production (mboe/d)	**53.8**	56.1	78.0
Total upstream production (mboe/d)	**827.6**	745.7	743.2
Average price realizations[1][2] ($/boe)			
Upgraded – net SCO and diesel	**97.91**	99.40	118.88
Non-upgraded bitumen	**72.65**	67.97	84.63
Weighted average crude	**89.41**	90.27	109.57
Exploration and Production Canada	**107.38**	107.62	128.07
Exploration and Production International[3]	**—**	109.00	126.61
Refinery crude oil processed (mbbls/d)	**465.0**	420.7	433.2
Refinery utilization[4] (%)			
Eastern North America	**96**	96	93
Western North America	**103**	85	93
Average	**100**	90	93
Refining and marketing gross margin - FIFO [1] ($/bbl)	**36.40**	45.00	55.85
Refining and marketing gross margin - LIFO [1] ($/bbl)	**37.00**	47.00	54.45

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) Net of transportation costs, but before royalties.
(3) Exploration and Production (E&P) International price realizations exclude Libya for all periods presented.
(4) Refinery utilization is the amount of crude oil and natural gas liquids processed by crude distillation units, expressed as a percentage of the nameplate capacity of these units.

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Segment Summary

Year ended December 31 ($ millions)	2024	2023	2022
Earnings (loss) before income taxes			
Oil Sands	**6 607**	6 811	5 633
Exploration and Production	**867**	1 691	3 221
Refining and Marketing	**2 596**	3 383	5 694
Corporate and Eliminations	**(1 883)**	(1 296)	(2 232)
Income tax expense	**(2 171)**	(2 294)	(3 239)
Net earnings	**6 016**	8 295	9 077
Adjusted operating earnings (loss) [1]			
Oil Sands	**6 505**	5 967	9 042
Exploration and Production	**867**	1 084	2 494
Refining and Marketing	**2 600**	3 367	5 687
Corporate and Eliminations	**(813)**	(1 349)	(1 503)
Income tax expense included in adjusted operating earnings	**(2 275)**	(2 392)	(4 154)
Total	**6 884**	6 677	11 566
Adjusted funds from (used in) operations [1]			
Oil Sands	**11 842**	10 725	13 831
Exploration and Production	**1 610**	1 612	3 178
Refining and Marketing	**3 538**	4 268	6 561
Corporate and Eliminations	**(679)**	(1 546)	(1 240)
Current income tax expense	**(2 465)**	(1 734)	(4 229)
Total	**13 846**	13 325	18 101
Change in non-cash working capital	**2 114**	(981)	(2 421)
Cash flow provided by operating activities	**15 960**	12 344	15 680

(1) Non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

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2. Suncor Overview

Suncor Energy is Canada's leading integrated energy company. Suncor's operations include oil sands development, production and upgrading; offshore oil production; petroleum refining in Canada and the U.S.; and the company's Petro-Canada™ retail and wholesale distribution networks (including Canada's Electric Highway™, a coast-to-coast network of fast-charging EV stations). Suncor is developing petroleum resources while advancing the transition to a lower-emissions future through investments in lower emissions intensity power, renewable feedstock fuels and projects targeting emissions intensity. Suncor also conducts energy trading activities focused primarily on the marketing and trading of crude oil, natural gas, byproducts, refined products and power. Suncor's common shares (symbol: SU) are listed on the Toronto Stock Exchange (TSX) and the New York Stock Exchange (NYSE).

For a description of Suncor's business segments, refer to the Segment Results and Analysis section of this MD&A.

Suncor's Strategy

Suncor aims to be Canada's leading energy provider, respected for its people, performance, sustainability and relationships that together create value-added contributions to society, communities, customers and shareholders. Suncor is well positioned to execute on its strategy through the company's competitive advantages that include its unparalleled, integrated upstream and downstream asset base and business model, underpinned by its large-scale, long-life oil sands resources.

Key components of Suncor's strategy include the following:

- **Deliver industry-leading performance in safety, operational excellence and reliability:** Suncor is focused on driving industry-leading safe and reliable performance through operational excellence and aligning its asset base with its competencies and competitive advantages to maximize value.
- **Achieve a cost structure that provides financial resiliency in a less than $45 US WTI business environment:** Suncor is focused on driving down costs, increasing product margins and growing production while maintaining its commitment to capital discipline.
- **Leverage integration to maximize value from upstream production to downstream customers:** From the ground to the gas station, Suncor seeks to maximize profit along each step of the value chain through its unparalleled asset integration. This includes Suncor's unique, regionally integrated industrial asset complex of Oil Sands assets and structurally advantaged downstream assets.
- **Decarbonize base business and capture new opportunities to reduce greenhouse gas (GHG) emissions:** The company is taking tangible actions to decarbonize its existing hydrocarbon business, while investing in other areas aligned with its core competencies, including investments in lower-carbon intensity power production through cogeneration and renewable fuels.
- **Grow free cash flow per share and deliver industry-leading financial returns to investors:** The execution of Suncor's strategy and key priorities is expected to continue to grow free funds flow per share and enable the company to deliver industry-leading shareholder returns.

2024 Highlights

Strong overall employee and contractor safety performance.

- Delivered strong safety performance, with recordable events down by 16% and lost-time events down 30% compared to 2023.
- Achieved best-ever process safety, ranking within the top quartile in the industry in North America.

Generated adjusted funds from operations(1) of $13.8 billion, the second highest in the company's history.

- Generated $13.846 billion in adjusted funds from operations, (1) or $10.87 per common share, compared to $13.325 billion, or $10.19 per common share, in the prior year. Cash flow provided by operating activities, which includes changes in non-cash working capital, was $15.960 billion, or $12.53 per common share, in 2024, compared to $12.344 billion, or $9.44 per common share, in the prior year.

- Generated annual adjusted operating earnings[1] of $6.884 billion in 2024, or $5.40 per common share, compared to $6.677 billion, or $5.10 per common share, in the prior year. Net earnings were $6.016 billion in 2024, or $4.72 per common share, compared to $8.295 billion, or $6.34 per common share in the prior year.

Returned $5.7 billion to shareholders in 2024, which included a quarterly dividend increase of approximately 5% in the fourth quarter.

- Returned $5.7 billion of value to shareholders in 2024, through $2.9 billion in share repurchases and $2.8 billion of dividends paid. In 2024, the company repurchased 55.6 million common shares at an average price of $52.33 per common share, or 4.3% of its outstanding shares as at December 31, 2023.
- Suncor increased its dividend per share by approximately 5% to $0.57 per common share in the fourth quarter of 2024.

The company moved to 100% return of excess funds to shareholders via share repurchases.

- Suncor achieved its net debt[1] target of $8 billion in the third quarter of 2024, nine months ahead of the initial projection made in its May 21, 2024, investor day.

Record production achieved in the upstream, where the company leveraged regional physical integration to maximize value.

- Delivered record upstream production of 827,600 bbls/d in 2024, compared to 745,700 bbls/d in 2023.
- The company leveraged its regional physical integration and strong reliability to maximize upgrader throughput, resulting in record synthetic crude oil (SCO) production of 516,100 bbls/d and upgrader utilization[2] of 98% in 2024, compared to 487,000 bbls/d and 92% in 2023.
- Achieved record non-upgraded bitumen production of 257,700 bbls/d compared to 202,600 bbls/d in 2023, driven by record production at Firebag and Fort Hills.

Record production in refining and marketing, with the company delivering improved reliability while continuing to optimize its product sales network.

- Delivered record refinery crude throughput of 465,000 bbls/d and refinery utilization of 100% in 2024, compared to 420,700 bbls/d and 90% in 2023.
- Record refined product sales of 600,400 bbls/d, including four consecutive quarters of record sales in 2024.
- Completed the re-branding of 19 Canadian Tire Corporation retail fuel sites to the Petro-Canada ™ brand.

Began operating a new cogeneration facility.

- The company began operating an 800 MW cogeneration facility to replace the coke-fired boilers at Oil Sands Base Plant, which provides the steam generation required for extraction and upgrading activities at a lower cost. The cogeneration facility also generates lower-carbon-intensive power for Alberta's power grid.

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) Upgrader utilization is calculated using gross upgraded production, inclusive of internally consumed products and inter-asset transfers, and gross upgrader nameplate capacities, on an average basis of Oil Sands Base and Syncrude.

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3. Financial Information

Net Earnings and Adjusted Operating Earnings

Consolidated Adjusted Operating Earnings Reconciliation (1)

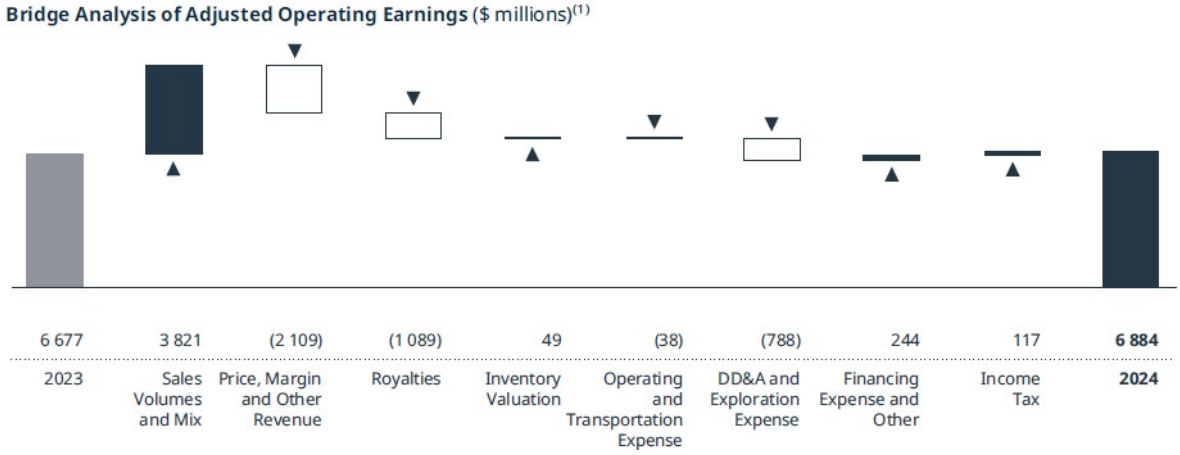
Year ended December 31 ($ millions)	2024	2023	2022
Net earnings	**6 016**	8 295	9 077
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**714**	(184)	729
Unrealized (gain) loss on risk management activities	**(98)**	12	5
Loss on early repayment of long-term debt	**144**	—	—
Asset impairment and derecognition (2)	**212**	411	2 752
(Gain) loss on significant disposals and acquisitions (3)	**—**	(2 034)	65
Restructuring charge	**—**	275	—
Recognition of insurance proceeds (4)	**—**	—	(147)
Income tax recovery on adjusted operating earnings adjustments	**(104)**	(98)	(915)
Adjusted operating earnings (1)	**6 884**	6 677	11 566

(1) Non-GAAP financial measure. All reconciling items are presented on a before-tax basis and adjusted for income taxes in the income tax (recovery) expense on adjusted operating earnings adjustments line. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) In 2022, a non-cash impairment of $3.397 billion against Suncor's share of the Fort Hills assets in the Oil Sands segment. Also in 2022, a non-cash impairment reversal of $715 million on its share of the White Rose assets in the Exploration and Production (E&P) segment and a non-cash impairment of $70 million against its share of assets in Norway in the E&P segment.
(3) In 2022, a $65 million foreign exchange loss related to the sale of the company's share of its assets in Norway in the E&P segment.
(4) In 2022, the company recognized $147 million of property damage insurance proceeds in other income related to the company's assets in Libya in the E&P segment.

Suncor's net earnings in 2024 were $6.016 billion, compared to $8.295 billion in 2023. Net earnings were impacted by the same factors that influenced adjusted operating earnings discussed below. Other items affecting net earnings in 2024 and 2023 included:

- An unrealized foreign exchange loss on the revaluation of U.S. dollar denominated debt of $714 million recorded in financing expenses in the Corporate and Eliminations segment in 2024, compared to a gain of $184 million in 2023.
- An unrealized gain on risk management activities of $98 million recorded in other income in 2024, compared to a loss of $12 million in 2023.
- In 2024, the company recorded a loss on extinguishment of long-term debt of $144 million in the Corporate and Eliminations segment as a result of the early repayment of a series of its outstanding notes.
- Suncor impaired equity investments in the Corporate and Eliminations segment of $212 million in 2024 and $158 million in 2023.
- In 2023, the company recorded derecognition charges of $253 million on its Meadow Creek development properties in the Oil Sands segment.
- In 2023, Suncor recorded a gain of $607 million on the sale of its U.K. E&P portfolio and a gain of $302 million on the sale of its wind and solar assets in the Corporate and Eliminations segment. Also in 2023, the company recorded a non-cash gain of $1.125 billion in the Oil Sands segment as a result of acquiring the remaining working interest in Fort Hills, via the purchase of TotalEnergies EP Canada Ltd. (TotalEnergies Canada).
- In 2023, the company recorded a restructuring charge of $275 million in operating, selling and general (OS&G) expenses in the Corporate and Eliminations segment related to the company's workforce reductions.
- An income tax recovery related to the items noted above of $104 million in 2024, compared to a recovery of $98 million in 2023.

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(1) For an explanation of this bridge analysis, see the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Suncor's consolidated adjusted operating earnings were $6.884 billion in 2024, compared to $6.677 billion in the prior year. The increase in adjusted operating earnings in 2024 was primarily due to increased sales volumes in Oil Sands and E&P and increased production in Refining and Marketing (R&M), partially offset by lower benchmark crack spreads and lower SCO realizations, increased royalties due to higher heavy crude price realizations and increased depreciation, depletion and amortization (DD&A) expense.

Adjusted Funds from Operations and Cash Flow Provided by Operating Activities

Adjusted funds from operations increased to $13.846 billion in 2024, compared to $13.325 billion in 2023, and were primarily influenced by the same factors impacting adjusted operating earnings in 2024 compared to 2023, excluding DD&A expenses. The increase was partially offset by a larger tax benefit relating to the acquisition of TotalEnergies Canada in the prior year compared to the current year.

Cash flow provided by operating activities, which includes changes in non-cash working capital, was $15.960 billion in 2024, compared to $12.344 billion in 2023. In addition to the factors discussed above, cash flow provided by operating activities was impacted by a source of cash associated with the company's working capital balances in 2024, compared to a use of cash in 2023. Working capital is subject to fluctuations based on commodity prices, the timing of transactions and seasonal factors. The source of cash in 2024 was primarily due to an increase in accounts payable and accrued liabilities, which includes the timing impact of commodity tax payable, a decrease in accounts receivable balances, in line with the decrease in benchmark commodity prices in 2024, and a draw on inventory due to increased sales volumes.

Results for 2023 Compared with 2022

Suncor's consolidated adjusted operating earnings were $6.677 billion in 2023, compared to $11.566 billion in the prior year. The decrease in adjusted operating earnings in 2023 was primarily due to decreased crude oil and refined product price realizations compared to the prior year, reflecting a weaker business environment in 2023, and decreased sales volumes in E&P in 2023 due to international asset divestments, partially offset by lower incomes taxes and royalties, and increased sales volumes in Oil Sands. Adjusted operating earnings were also unfavourably impacted by a weakening in benchmark pricing in 2023 compared to a strengthening in 2022, resulting in a first-in, first-out (FIFO) inventory valuation loss, partially offset by a realization of intersegment profit in 2023, compared to a FIFO inventory valuation gain, partially offset by a deferral of intersegment profit in 2022.

Adjusted funds from operations were $13.325 billion in 2023, compared to $18.101 billion in 2022, and were primarily influenced by the same factors impacting adjusted operating earnings.

Cash flow provided by operating activities, which includes changes in non-cash working capital, was $12.344 billion in 2023, compared to $15.680 billion in 2022. In addition to the factors discussed above, cash flow provided by operating activities was impacted by a significant decrease in the use of working capital in the current year compared to the prior year. The use of cash in 2023 was primarily due to significantly lower net income taxes payable, and a decrease in accounts payable and accrued liabilities, partially offset by a decrease in accounts receivable balances related to the decrease in commodity prices in 2023.

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Business Environment

Commodity prices, refining crack spreads and foreign exchange rates are important factors that affect the results of Suncor's operations.

Average for the year ended December 31	2024	2023	2022
WTI crude oil at Cushing (US$/bbl)	**75.70**	77.60	94.25
Dated Brent Crude (US$/bbl)	**80.75**	82.60	101.20
Dated Brent/Maya crude oil FOB price differential (US$/bbl)	**12.95**	14.19	15.50
MSW at Edmonton (Cdn$/bbl)	**97.60**	100.45	120.10
WCS at Hardisty (US$/bbl)	**61.00**	59.00	75.95
WCS-WTI light/heavy differential (US$/bbl)	**(14.70)**	(18.60)	(18.30)
SYN-WTI (differential) premium (US$/bbl)	**(0.60)**	2.00	4.45
Condensate at Edmonton (US$/bbl)	**72.95**	76.60	93.75
Natural gas (Alberta spot) at AECO (Cdn$/GJ)	**1.35**	2.50	5.10
Alberta Power Pool Price (Cdn$/MWh)	**62.80**	133.65	162.45
New York Harbor 2-1-1 crack (1) (US$/bbl)	**22.90**	34.40	47.00
Chicago 2-1-1 crack (1) (US$/bbl)	**17.95**	26.15	38.10
Portland 2-1-1 crack (1) (US$/bbl)	**24.35**	40.00	51.35
Gulf Coast 2-1-1 crack (1) (US$/bbl)	**21.45**	32.20	40.40
U.S. Renewable Volume Obligation (US$/bbl)	**3.75**	7.00	7.75
Suncor custom 5-2-2-1 index (2) (US$/bbl)	**28.20**	36.60	45.30
Exchange rate (average) (US$/Cdn$)	**0.73**	0.74	0.77
Exchange rate (end of period) (US$/Cdn$)	**0.69**	0.76	0.74

(1) 2-1-1 crack spreads are indicators of the refining margin generated by converting two barrels of WTI into one barrel of gasoline and one barrel of diesel. The crack spreads presented here generally approximate the regions into which the company sells refined products through retail and wholesale channels.

(2) Suncor has developed an indicative 5-2-2-1 index based on publicly available pricing data to more accurately reflect the company's realized refining and marketing gross margin.

Suncor's sweet SCO price realizations are influenced primarily by the price of WTI at Cushing and by the supply and demand for sweet SCO from Western Canada. Sweet SCO price realizations in 2024 reflected a decrease in WTI at Cushing, which averaged US$75.70/bbl, compared to US$77.60/bbl in the prior year, and also reflected declining SYN-WTI premiums.

Suncor also produces sour SCO, the price of which is influenced by various crude benchmarks, including, but not limited to, MSW at Edmonton and WCS at Hardisty. Prices for MSW at Edmonton decreased to $97.60/bbl in 2024 compared to $100.45/bbl in 2023, and prices for WCS at Hardisty increased to US$61.00/bbl in 2024, from US$59.00/bbl in 2023.

Saleable bitumen is blended with diluent or SCO to facilitate delivery through pipeline systems. Net bitumen price realizations are therefore influenced by both prices for Canadian heavy crude oil (WCS at Hardisty is a common reference), prices for diluent (condensate at Edmonton) and SCO.

Suncor's price realizations for production from E&P Canada and E&P International assets are influenced primarily by the price for Brent crude, which decreased to US$80.75/bbl in 2024, compared to US$82.60/bbl in 2023.

Suncor's margins are primarily influenced by 2-1-1 benchmark crack spreads, which are industry indicators approximating the gross margin on a barrel of crude oil that is refined to produce gasoline and distillates at a specific location. Market crack spreads are based on quoted near-month contracts for WTI and spot prices for gasoline and diesel, and do not necessarily reflect the margins at a specific refinery. Suncor's realized refining and marketing gross margins are influenced by crude mix, actual crude oil feedstock costs, refinery configuration, product mix and realized market prices unique to Suncor's refining and marketing business. In addition, U.S. regulatory renewable blending obligations influence the benchmark cracks, which may increase their volatility. The cost of regulatory compliance is not deducted in calculating the benchmark cracks.

Suncor has developed an indicative 5-2-2-1 index based on publicly available pricing data to reflect the company's refining and marketing gross margin more accurately. This custom index is a single value representing a notional five barrels of crude oil of varying grades refined to produce two barrels each of gasoline and distillate and one barrel of secondary product to approximate Suncor's unique set of refinery configurations, overall crude slate and product mix, location, quality and grade differentials, and the benefits of its marketing margins. The custom index is calculated by taking the product value of refined products less the crude value of refinery feedstock excluding the impact of FIFO inventory accounting methodology. The product value incorporates the New York Harbor 2-1-1 crack, Chicago 2-1-1 crack, WTI benchmarks and a seasonal factor. The seasonal factor applies an incremental US$6.50/bbl in the first and fourth quarters and US$5.00/bbl in the second and third quarters. The crude value incorporates the SYN, WCS and WTI benchmarks.

Crack spreads are based on current crude feedstock prices, whereas actual earnings are accounted for on a FIFO basis in accordance with IFRS where a delay exists between the time that feedstock is purchased to when it is processed and when products are sold to a third party. A FIFO loss normally reflects a declining price environment for crude oil and finished products, whereas FIFO gains reflect an increasing price environment for crude oil and finished products. The company's realized refining and marketing gross margins are also presented on a last-in, first-out (LIFO) basis, which is consistent with how industry benchmarks and the Suncor 5-2-2-1 index are calculated and with how management evaluates performance.

In 2024, 2-1-1 benchmark crack spreads decreased compared to 2023 and the Suncor 5-2-2-1 index was US$28.20/bbl in 2024 compared to US$36.60/bbl in 2023, reflecting the decrease in benchmark crack spreads.

The cost of natural gas used in Suncor's Oil Sands and Refining operations is primarily referenced to Alberta spot prices at AECO. The average AECO benchmark decreased to $1.35/GJ in 2024, from $2.50/GJ in the prior year.

Excess electricity produced at Suncor's Oil Sands assets is sold to the Alberta Electric System Operator, with the proceeds netted against the applicable cash operating cost per barrel metric. The Alberta power pool price decreased to an average of $62.80/MWh in 2024 from $133.65/MWh in the prior year.

The majority of Suncor's revenues from the sale of commodities are based on prices that are determined by or referenced to U.S. dollar benchmark prices, while the majority of Suncor's expenditures are realized in Canadian dollars, therefore a decrease in the value of the Canadian dollar relative to the U.S. dollar will increase revenues. In 2024, the Canadian dollar weakened in relation to the U.S. dollar as the average exchange rate decreased to US$0.73 per one Canadian dollar from US$0.74 per one Canadian dollar in 2023. Suncor also has assets and liabilities, including approximately 55% of the company's debt, that are denominated in U.S. dollars and translated to Suncor's reporting currency (Canadian dollars) at each balance sheet date.

Economic Sensitivities(1)(2)

The following table illustrates the estimated effects that changes in certain factors would have had on 2024 net earnings and adjusted funds from operations(3) if the listed changes had occurred.

(Estimated change, in $ millions)	Impact on 2024 Net Earnings	Impact on 2024 Adjusted Funds from Operations (3)
Crude oil +US$1.00/bbl	200	200
Natural gas +Cdn$1.00/GJ(4)	(240)	(240)
2-1-1 crack spreads +US$1.00/bbl	150	150
Foreign exchange +$0.01 US$/Cdn$ related to operating activities (5)	(230)	(230)
Foreign exchange on U.S. dollar denominated debt +$0.01 US$/Cdn$	105	—

(1) Each line item in this table shows the effects of a change in that variable only, with other variables being held consistent.
(2) Changes for a variable imply that all such similar variables are impacted, such that Suncor's average price realizations increase uniformly. For instance, "Crude oil +US$1.00/bbl" implies that price realizations influenced by WTI, Brent, SCO, WCS, par crude at Edmonton and condensate all increase by US$1.00/bbl.
(3) Non-GAAP financial measure. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(4) The company's exposure to natural gas costs is partially mitigated by revenue from power sales, which is not included in the above sensitivity.
(5) Excludes the foreign exchange impact on U.S. dollar denominated debt.

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4. Segment Results and Analysis

Oil Sands

Suncor's Oil Sands segment produces bitumen from mining and in situ operations in northern Alberta. Bitumen is either upgraded into SCO or blended with diluent for refinery feedstock or direct sale to market. The segment includes the marketing, supply, transportation and risk management of crude oil, power and byproducts.

The Oil Sands segment includes:

- **Oil Sands operations** refer to Suncor's owned and operated mining, extraction, upgrading, in situ and related logistics, blending and storage assets. Oil Sands operations consist of: **Oil Sands Base** operations, which include the Millennium and North Steepbank mines, integrated upgrading facilities Upgrader 1 and Upgrader 2, and the associated infrastructure for these assets, as well as interests in future mining development opportunities; and **In Situ** operations, which include oil sands bitumen production from Firebag and MacKay River and supporting infrastructure, as well as development opportunities that may support future in situ production.

- **Fort Hills** includes Suncor's wholly owned and operated Fort Hills mining and extraction operation, and the East Tank Farm Development, which Suncor operates and holds a 51% interest. In 2023, Suncor completed two separate acquisitions of additional working interests in the Fort Hills mining and extraction operation, increasing its ownership from 54.11% to 100%.

- **Syncrude** refers to Suncor's 58.74% operated working interest in Syncrude's two producing oil sands mines, Mildred Lake and Aurora North, and integrated upgrading facilities. Syncrude also includes development opportunities that may support future production.

Exploration and Production

Suncor's E&P segment consists of offshore operations off the East Coast of Canada, and onshore assets in Libya and Syria. This segment also includes the marketing and risk management of crude oil.

- **E&P Canada** operations include Suncor's 48% working interest in Terra Nova, which Suncor operates, and non-operated interests in the White Rose assets (40% in the base project and 38.6% in the extensions), Hibernia (20% in the base project and 19.485% in the Hibernia Southern Extension Unit) and Hebron (21.034%). In addition, the company holds interests in several exploration licences and significant discovery licences offshore Newfoundland and Labrador.

- **E&P International** operations include Suncor's working interests in the exploration and development of oilfields in the Sirte Basin in Libya, pursuant to exploration and production sharing agreements. Suncor also owns, pursuant to a production sharing contract, an interest in the Ebla gas development in Syria, which has been suspended indefinitely since 2011 due to political unrest in the country. E&P International previously included Suncor's U.K. portfolio and Norway assets, which were divested in 2023 and 2022, respectively.

Refining and Marketing

Suncor's R&M segment consists of two primary operations, discussed below. This segment also includes the trading of crude oil, refined products, natural gas and power.

- **Refining and Supply** operations refine crude oil and intermediate feedstock into a wide range of petroleum and petrochemical products. Refining and Supply consists of: **Eastern North America** operations, which include a 137 mbbls/d refinery located in Montreal, Quebec, and an 85 mbbls/d refinery located in Sarnia, Ontario; and **Western North America** operations, which include a 146 mbbls/d refinery located in Edmonton, Alberta, and a 98 mbbls/d refinery in Commerce City, Colorado. Other Refining and Supply assets include product pipelines and terminals throughout Canada and the U.S., and the St. Clair ethanol plant in Ontario.

- **Marketing** operations sell refined petroleum products to retail customers primarily through a combination of company-owned Petro-Canada™ locations, branded dealers in Canada and company-owned locations in the U.S. marketed under other international brands. This includes Canada's Electric Highway™, a coast-to-coast network of

fast-charging electric vehicle stations. The company's marketing operations also sells refined petroleum products through a nationwide commercial road transportation network in Canada, and to other commercial and industrial customers, including other retail sellers, in Canada and the U.S.

Corporate and Eliminations

The Corporate and Eliminations segment includes activities not directly attributable to any other operating segment. This segment previously included Suncor's renewable energy assets, which were sold in the first quarter of 2023.

- **Corporate** activities include Suncor's debt and borrowing costs, expenses not allocated to the company's businesses, and investments in certain clean technologies.
- Intersegment revenues and expenses are removed from consolidated results in **Eliminations**. Intersegment activity includes the sale of product between the company's segments, primarily relating to crude refining feedstock sold from Oil Sands to R&M.

Oil Sands

Strategy and Investment Updates

- Suncor remains focused on reducing its cost structure, while increasing production, reliability and efficiency.
  - The company plans to continue deploying new 400 tonne ultra-class, Autonomous Haulage System (AHS) capable haul trucks that will displace smaller, less efficient and more expensive third-party trucks.
  - Suncor continues to progress the phased implementation of AHS at its mines to lower costs, and improve productivity and safety performance. AHS has been deployed at Oil Sands Base mine for ore delivery, with plans to deploy in overburden next, and is expected to be deployed at Syncrude in 2026 and Fort Hills in 2028.
  - Suncor expects to continue to improve fleet productivity through use of the Mine Connect Digital Tool which was implemented in 2024 and provides access to real-time equipment performance data. The tool allows teams to rapidly identify and execute performance opportunities and leverage learnings between locations.
  - The company will continue to leverage is integrated regional asset complex, which was further expanded in 2024 to allow increased transfers of Fort Hills bitumen to Oil Sands Base, maximizing upgrader utilization and generating incremental value.
  - Suncor plans to continue its company-wide initiative to further improve turnarounds through the optimization of work scope and sequence and efficient execution, which is expected to reduce overall turnaround costs and durations while increasing reliability.
- The company is progressing the Upgrader 1 coke drum replacement project, which is expected to be in service in late 2025, and is anticipated to extend the life of Upgrader 1 by approximately 30 years in addition to reducing future operating and capital cost requirements.
- Syncrude is progressing the Mildred Lake West Extension (MLX-W) project, which is expected to sustain bitumen production levels at the Mildred Lake site after resource depletion at the Mildred North Mine using existing mining and extraction facilities. First oil from MLX-W is expected in 2025.
- In 2025, the company will be in the third year of its three-year mine improvement plan at Fort Hills, and work continues on opening two sections in the North Pit, which are expected to begin delivering ore in 2026.

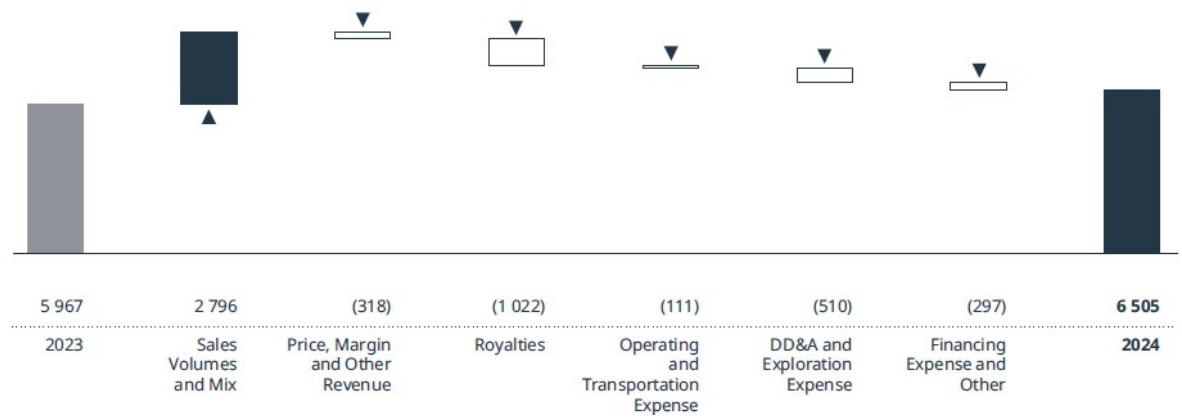
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Financial Highlights

Year ended December 31 ($ millions)	2024	2023	2022
Operating revenues	**29 260**	26 035	30 431
Less: Royalties	**(3 645)**	(2 623)	(3 963)
Operating revenues, net of royalties	**25 615**	23 412	26 468
Earnings before income taxes	**6 607**	6 811	5 633
Adjusted for:			
Unrealized (gain) loss on risk management activities	**(102)**	28	12
Gain on significant acquisition[1]	**—**	(1 125)	—
Derecognition and asset impairment[2][3]	**—**	253	3 397
Adjusted operating earnings[4]	**6 505**	5 967	9 042
Adjusted funds from operations[4]	**11 842**	10 725	13 831
Free funds flow[4]	**7 502**	6 629	10 291

(1) In 2023, a non-cash gain of $1.125 billion as a result of the acquisition of the remaining working interest in Fort Hills, via the purchase of TotalEnergies Canada.
(2) In 2023, derecognition charges of $253 million on the company's Meadow Creek development properties.
(3) In 2022, a non-cash impairment of $3.397 billion against the company's share of the Fort Hills assets.
(4) Non GAAP financial measures. See the Advisories – Non GAAP and Other Financial Measures section of this MD&A.

Bridge Analysis of Adjusted Operating Earnings ($ millions)[1]



(1) For an explanation of this bridge analysis, see the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

The Oil Sands segment had adjusted operating earnings of $6.505 billion in 2024, compared to $5.967 billion in 2023. The increase was primarily due to increased sales volumes, partially offset by increased royalties due to higher heavy crude price realizations, lower SCO price realizations and increased DD&A expense.

Oil Sands earnings before income taxes were $6.607 billion in 2024, compared to $6.811 billion in 2023. In addition to the factors impacting adjusted operating earnings, earnings before income taxes in 2023 included a non-cash gain of $1.125 billion as a result of the acquisition of TotalEnergies Canada, and non-cash derecognition charges of $253 million on the company's Meadow Creek development properties. Additionally, 2024 was impacted by an unrealized gain on risk management activities, compared to a loss in the 2023.

Adjusted funds from operations for the Oil Sands segment were $11.842 billion in 2024, compared to $10.725 billion in 2023, and were influenced by the same factors that impacted adjusted operating earnings, excluding DD&A expenses.

Production Volumes[1]

Year ended December 31 (mbbls/d)	2024	2023	2022
Oil Sands bitumen			
Upgrader bitumen throughput	**649.3**	617.2	605.3
Non-upgraded bitumen production	**257.7**	202.6	185.2
Total Oil Sands bitumen production	**907.0**	819.8	790.5
Upgraded – net SCO and diesel			
Oil Sands operations[1]	**345.8**	314.9	314.6
Syncrude[1]	**198.4**	190.9	179.1
Inter-asset transfers and consumption[2][3]	**(28.1)**	(18.8)	(13.7)
Upgraded – net SCO and diesel production	**516.1**	487.0	480.0
Non-upgraded bitumen			
Oil Sands operations	**141.8**	123.4	101.1
Fort Hills	**168.0**	106.4	85.1
Syncrude	**1.1**	1.7	5.7
Inter-asset transfers[4]	**(53.2)**	(28.9)	(6.7)
Non-upgraded bitumen production	**257.7**	202.6	185.2
Oil Sands production volumes to market			
Upgraded – net SCO and diesel	**516.1**	487.0	480.0
Non-upgraded bitumen	**257.7**	202.6	185.2
Total Oil Sands production volumes	**773.8**	689.6	665.2

(1) Oil Sands Base upgrader yields are approximately 80% of bitumen throughput and Syncrude upgrader yield is approximately 85% of bitumen throughput. Upgrader utilization rates are calculated using total upgraded production, inclusive of internally consumed products and inter-asset transfers.
(2) Both Oil Sands operations and Syncrude produce diesel and other products, which are internally consumed in operations. In 2024, Oil Sands operations production volumes included 14,200 bbls/d of internally consumed products, of which 8,300 bbls/d was consumed at Oil Sands operations, 5,100 bbls/d was consumed at Fort Hills and 800 bbls/d was consumed at Syncrude. Syncrude production volumes included 2,800 bbls/d of internally consumed products.
(3) In 2024, upgraded inter-asset transfers consist of 11,100 bbls/d of sour SCO that was transferred from Oil Sands operations to Syncrude.
(4) In 2024, non-upgraded inter-asset transfers consist of 41,600 bbls/d of bitumen that was transferred from Fort Hills to Oil Sands Base, 10,500 bbls/d of bitumen that was transferred from Firebag to Syncrude and 1,100 bbls/d of bitumen that was transferred from Syncrude to Oil Sands operations.

Total Oil Sands bitumen production increased in 2024 compared to 2023, primarily due to the company's increased working interest in Fort Hills, strong mining performance and record Firebag bitumen production.

The company's net SCO production was a record 516,100 bbls/d in 2024, compared to 487,000 bbls/d in 2023. During 2024, the company achieved record upgrader utilization at both Oil Sands Base of 99% and Syncrude of 97%, compared to 90% and 93%, respectively in 2023. Record SCO production and upgrader utilization was primarily due to high reliability, fewer planned maintenance activities in 2024 compared to 2023 and the company leveraging its regional physical integration to maximize SCO production through record internal transfers.

Non-upgraded bitumen production increased to 257,700 bbls/d in 2024, compared to 202,600 bbls/d in 2023. The increase was primarily due to the acquisition of additional Fort Hills working interest and record production at Firebag, partially offset by increased internal transfers due to higher upgrader availability in 2024 compared to 2023.

Sales Volumes

Year ended December 31 (mbbls/d)	2024	2023	2022
Upgraded – net SCO and diesel	**513.2**	486.6	482.6
Non-upgraded bitumen	**260.8**	199.4	180.7
Total	**774.0**	686.0	663.3

SCO and diesel sales volumes increased to 513,200 bbls/d in 2024, compared to 486,600 bbls/d in 2023, consistent with the increase in production, partially offset by a larger build of inventory in 2024 compared to 2023.

Non-upgraded bitumen sales volumes increased to 260,800 bbls/d in 2024, from 199,400 bbls/d in 2023, primarily due to the increase in production and a draw of inventory in 2024 compared to a build in 2023.

Price Realizations(1)

Year ended December 31 Net of transportation costs, but before royalties ($/bbl)	2024	2023	2022
Upgraded – net SCO and diesel	**97.91**	99.40	118.88
Non-upgraded bitumen	**72.65**	67.97	84.63
Weighted average	**89.41**	90.27	109.57
Weighted average crude, relative to WTI	**(14.28)**	(14.44)	(13.02)

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Oil Sands price realizations decreased slightly in 2024 compared to 2023, primarily due to lower benchmark WTI pricing and weaker synthetic premiums, partially offset by the narrowing of heavy crude oil differentials, an increase in heavy crude oil benchmark pricing and the benefits of a weaker Canadian dollar relative to the U.S. dollar.

Royalties

Royalties for the Oil Sands segment increased in 2024 compared to 2023, primarily due to increased bitumen production volumes and increased heavy crude benchmark pricing.

Expenses and Other Factors

Adjusting for the impacts of the Fort Hills working interest acquisitions in 2023, total Oil Sands operating expenses were lower in 2024 relative to 2023. The decrease is consistent with the company's focus on asset level cost reduction and included lower costs related to workforce optimizations and the deployment of new ultra class haul trucks, as well as lower commodity costs. See the Cash Operating Costs section below for additional details regarding cash operating costs and a breakdown of non-production costs by asset.

In 2024, DD&A expense was higher than 2023, primarily due to increased depreciation related to the company's asset retirement obligation asset, the company's increased working interest in Fort Hills and new leases entered into during 2024, partially offset by lower derecognition charges of property, plant and equipment in the current year.

Financing expense increased in 2024 compared to 2023, primarily due to increased accretion expense resulting from asset retirement obligations and increased interest on leases, as a result of net leases assumed with the Fort Hills acquisitions in 2023, and entered into during 2024. Other income decreased in 2024 compared to 2023, due to the impact of a provision reversal in 2023.

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Cash Operating Costs

Year ended December 31	2024	2023	2022
Oil Sands OS&G [1]	**9 428**	9 329	9 152
Oil Sands operations cash operating costs reconciliation			
Oil Sands operations OS&G	**4 797**	5 174	5 429
Non-production costs [3]	**246**	(35)	(302)
Excess power capacity and other [4]	**(245)**	(388)	(586)
Oil Sands operations cash operating costs [2] ($ millions)	**4 798**	4 751	4 541
Oil Sands operations production volumes (mbbls/d)	**487.6**	438.3	415.7
Oil Sands operations cash operating costs [2] ($/bbl)	**26.90**	29.70	29.95
Fort Hills cash operating costs reconciliation			
Fort Hills OS&G	**2 315**	1 607	1 146
Non-production costs [3]	**(267)**	(220)	(161)
Excess power capacity [4]	**(32)**	(52)	(53)
Fort Hills cash operating costs [2] ($ millions)	**2 016**	1 335	932
Fort Hills production volumes (mbbls/d)	**168.0**	106.4	85.1
Fort Hills cash operating costs [2] ($/bbl)	**32.80**	34.40	30.00
Syncrude cash operating costs reconciliation			
Syncrude OS&G	**2 604**	2 837	2 840
Non-production costs [3]	**(22)**	(202)	(337)
Excess power capacity [4]	**(17)**	(24)	(31)
Syncrude cash operating costs [2] ($ millions)	**2 565**	2 611	2 472
Syncrude production volumes (mbbls/d)	**199.5**	192.6	184.8
Syncrude cash operating costs [2] ($/bbl)	**35.15**	37.15	36.65

(1) Oil Sands inventory changes and internal transfers are presented on an aggregate basis and reflect: i) the impacts of changes in inventory levels and valuations, such that the company is able to present cost information based on production volumes; and ii) adjustments for internal diesel sales between assets. In 2024, Oil Sands OS&G included ($288) million of inventory changes and internal transfers. In 2023, Oil Sands OS&G included ($289) million of inventory changes and internal transfers. In 2022, Oil Sands OS&G included ($263) million of inventory changes and internal transfers.

(2) Non-GAAP financial measures. Related per barrel amounts contain non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A

(3) Non-production costs include, but are not limited to, share-based compensation adjustments, research costs, project startup costs and adjustments to reflect the cost of internal transfers in the receiving asset at the cost of production versus the cost of purchase. Non-production costs at Fort Hills and Syncrude also include, but are not limited to, an adjustment to reflect internally produced diesel from Oil Sands operations at the cost of production.

(4) Represents excess power revenue from cogeneration units that is recorded in operating revenues. Oil Sands operations excess power capacity and other also includes, but is not limited to, the natural gas expense recorded as part of a non-monetary arrangement involving a third-party processor.

Oil Sands operations cash operating costs per barrel [1] in 2024 decreased to $26.90 compared to $29.70 in 2023, primarily due to increased production, lower costs due to workforce optimizations and displacement of contractor tonnage through the deployment of new ultra class haul trucks, and lower natural gas prices, partially offset by a higher proportion of Fort Hills bitumen being directed to upgrading at Oil Sands Base and a decrease in excess power revenues resulting from lower power prices.

Fort Hills cash operating costs per barrel [1] in 2024 decreased to $32.80 compared to $34.40 in 2023, primarily due to increased absolute production volumes, partially offset by increased mining activity pursuant to the Fort Hills mine plan and a decrease in excess power revenues resulting from lower power prices.

Syncrude cash operating costs per barrel [1] in 2024 decreased to $35.15 compared to $37.15 in 2023, primarily due to increased production volumes, lower costs due to workforce optimizations and displacement of contractor tonnage through deployment of new ultra class haul trucks.

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

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Asset Transactions

On February 2, 2023, the company completed the acquisition of an additional 14.65% working interest in Fort Hills from Teck Resources Limited for $712 million, bringing the company's working interest to 68.76%.

On November 20, 2023, Suncor completed the acquisition of TotalEnergies Canada, which held the remaining 31.23% working interest in Fort Hills, for $1.468 billion before closing adjustments and other closing costs, making Suncor the sole owner of Fort Hills. The effective date of the transaction was April 1, 2023, and the acquisition resulted in a non-cash gain of $1.125 billion.

Planned Maintenance

Planned turnarounds and maintenance are scheduled in 2025 as follows:

- Maintenance at Oil Sands Base Upgrader 1 relating to the coke drum replacement project is commencing in the second quarter with completion in the third quarter.
- Turnaround at Oil Sands Base Upgrader 2 commencing in the third quarter with completion in the fourth quarter.
- Turnaround at Syncrude commencing in the third quarter with completion in the fourth quarter.
- Turnaround at Firebag commencing in the second quarter with completion in the third quarter.
- Maintenance at Fort Hills in the second quarter and fourth quarter.

The anticipated impact of these maintenance events has been reflected in the company's 2025 guidance.

Exploration and Production

Strategy and Investment Updates

- Terra Nova returned to normal operations following the completion of its asset life extension project.
- Suncor intends to continue investment in development drilling and other activities expected to extend the productive life of the existing fields at Hebron and Hibernia.
- Following reconnection of the SeaRose Floating, Production, Storage and Offloading (FPSO) in the fourth quarter of 2024, investment will continue in the West White Rose Extension Project which is expected to extend the production life of the field. Production at White Rose is expected to restart in 2025. Production from the West White Rose Project is expected to commence in 2026.

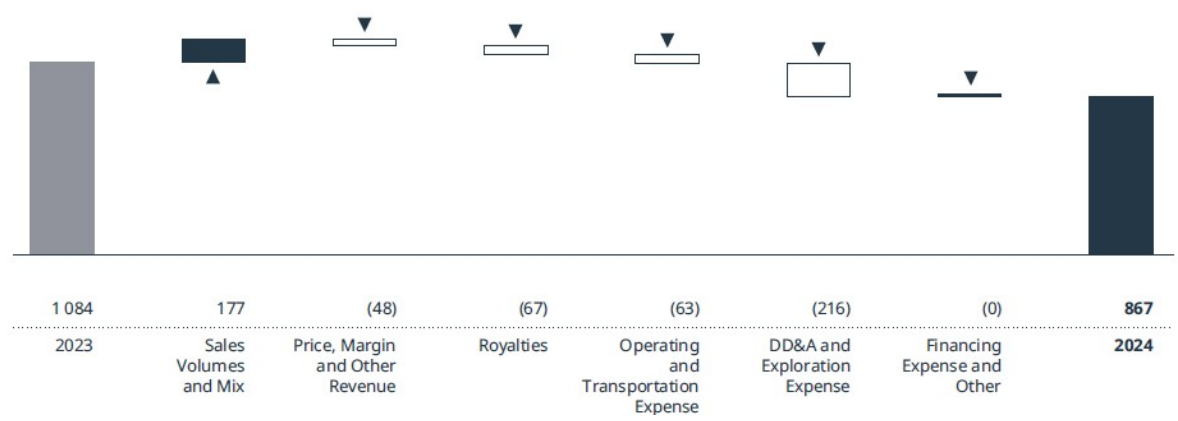
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Financial Highlights

Year ended December 31 ($ millions)	2024	2023	2022
Operating revenues[1]	**2 798**	2 689	4 331
Less: Royalties[1]	**(547)**	(491)	(608)
Operating revenues, net of royalties	**2 251**	2 198	3 723
Earnings before income taxes	**867**	1 691	3 221
Adjusted for:			
(Gain) loss on significant disposals[2][3]	**—**	(607)	65
Asset impairment reversal[4]	**—**	—	(645)
Recognition of insurance proceeds[5]	**—**	—	(147)
Adjusted operating earnings[6]	**867**	1 084	2 494
Adjusted funds from operations[6]	**1 610**	1 612	3 178
Free funds flow[6]	**703**	944	2 735

(1) Production from the company's Libya operations has been presented on an economic basis. In the Financial Statements, revenue and royalties from the company's Libya operations are presented on a working-interest basis, which is required for presentation purposes. In 2024, revenue included a gross-up amount of $510 million, with an offsetting amount of $271 million in royalties in the E&P segment and $239 million in income tax expense recorded at the consolidated level. In 2023, revenue included a gross-up amount of $528 million (2022 - $486 million), with an offsetting amount of $282 million (2022 - $266 million) in royalties and $246 million (2022 - $220 million) in income tax expense recorded at the consolidated level.
(2) In 2023, a gain of $607 million on the sale of the company's U.K. E&P portfolio.
(3) In 2022, a $65 million foreign exchange loss related to the sale of the company's assets in Norway.
(4) In 2022, a non-cash impairment reversal of $715 million on the company's share of the White Rose assets in the E&P segment and a non-cash impairment of $70 million against its assets in Norway.
(5) In 2022, the company recognized $147 million of property damage insurance proceeds in other income related to the company's assets in Libya.
(6) Non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Bridge Analysis of Operating Earnings ($ millions)[1]



(1) For an explanation of this bridge analysis, see the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Adjusted operating earnings were $867 million for E&P in 2024, compared to $1.084 billion in the prior year, with the decrease due to lower sales volumes at E&P international as a result of the divestment of the company's U.K. portfolio in 2023, increased DD&A and lower realized crude prices, partially offset by increased sales volumes at E&P Canada.

Earnings before income taxes for E&P were $867 million in 2024, compared to $1.691 billion in 2023. In addition to the factors impacting adjusted operating earnings, earnings before income taxes in 2023 included a gain of $607 million on the sale of the company's U.K. portfolio, which was completed in the second quarter of 2023.

Adjusted funds from operations were $1.610 billion in 2024, compared to $1.612 billion in 2023, and were influenced by the same factors that impacted adjusted operating earnings, excluding DD&A expenses.

Volumes

Year ended December 31	2024	2023	2022
E&P Canada (mbbls/d)	**49.7**	44.4	50.2
E&P International (mboe/d)	**4.1**	11.7	27.8
Total production (mboe/d)	**53.8**	56.1	78.0
Total sales volumes (mboe/d)	**56.2**	52.9	80.6

E&P Canada production volumes averaged 49,700 bbls/d in 2024, compared to 44,400 bbls/d the prior year, with the increase primarily due to the addition of production from Terra Nova, partially offset by the absence of production from White Rose due to the asset life extension project.

E&P International production volumes averaged 4,100 boe/d in 2024, compared to 11,700 boe/d in 2023, with the decrease primarily due to the divestment of the company's U.K. portfolio in the second quarter of 2023.

E&P sales volumes averaged 56,200 boe/d in 2024, compared to 52,900 boe/d in the prior year, with the increase primarily due to a draw of inventory in 2024, compared to a build in the prior year.

Price Realizations(1)

Year ended December 31 Net of transportation costs, but before royalties	2024	2023	2022
E&P Canada ($/bbl)	**107.38**	107.62	128.07
E&P International(2) ($/boe)	**—**	109.00	126.61

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) E&P International price realizations exclude Libya for all periods presented.

E&P price realizations were comparable in 2024 compared to 2023, reflecting the benchmark prices for Brent crude.

Royalties

E&P royalties, excluding the impact of Libya, were higher in 2024 than the prior year primarily due to increased sales volumes.

Expenses and Other Factors

Operating and transportation expenses for 2024 were higher compared to the prior year primarily due to the restart of production at Terra Nova.

DD&A and exploration expenses for 2024 were higher compared to the prior year primarily due to the restart of production at Terra Nova.

Asset Transactions

During the second quarter of 2023, the company completed the sale of its U.K. E&P portfolio for gross proceeds of $1.1 billion before closing adjustments and other closing costs, resulting in a gain on sale of $607 million ($607 million after-tax).

Planned Maintenance of Operated Assets

There are no planned maintenance activities scheduled for Suncor's operated E&P assets in 2025.

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Refining and Marketing

Strategy and Investment Updates

- In 2025, the company plans to continue the enhancement of its Petro-Canada™ retail business, with the goal of maintaining its industry-leading brand position and growing margin. Economic investment in 2025 will continue to high-grade company-owned and controlled sites in the most profitable locations and markets, while targeting non-company-controlled sites in less densely populated areas using alternative ownership structures and partnerships to grow the brand's scale and presence.
- Expansion of the Canadian Tire Corporation partnership will continue through 2025 and beyond, eventually re-branding more than 200 retail sites to the Petro-Canada™ brand.
- Suncor will continue its company-wide initiative to further improve turnarounds through the optimization of work scope and sequence and efficient execution, which is expected to reduce overall turnaround costs and durations while increasing reliability.

Financial Highlights

Year ended December 31 ($ millions)	2024	2023	2022
Operating revenues	**31 341**	31 068	36 728
Earnings before income taxes	**2 596**	3 383	5 694
Adjusted for:			
Unrealized loss (gain) on risk management activities	**4**	(16)	(7)
Adjusted operating earnings (1)	**2 600**	3 367	5 687
Adjusted funds from operations (1)	**3 538**	4 268	6 561
Free funds flow (1)	**2 348**	3 266	5 745

(1) Non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.



(1) For an explanation of this bridge analysis, see the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

R&M adjusted operating earnings were $2.600 billion in 2024, compared with $3.367 billion in 2023. The decrease in adjusted operating earnings was primarily due to a decrease in refining and marketing benchmark crack spreads, partially offset by increased refinery production volumes and a smaller FIFO inventory valuation loss in 2024 compared to 2023.

R&M earnings before income taxes in 2024 were $2.596 billion compared to $3.383 billion in 2023. In addition to the factors impacting adjusted operating earnings, earnings before income taxes in 2024 were impacted by an unrealized loss on risk management activities, compared to a gain in 2023.

R&M achieved annual adjusted funds from operations of $3.538 billion in 2024, compared to $4.268 billion in 2023, with the decrease due primarily to the same factors that impacted adjusted operating earnings.

Volumes

Year ended December 31	**2024**	2023	2022
Crude oil processed (mbbls/d)			
Eastern North America	**213.6**	212.4	206.2
Western North America	**251.4**	208.3	227.0
Total	**465.0**	420.7	433.2
Refinery utilization[1] (%)			
Eastern North America	**96**	96	93
Western North America	**103**	85	93
Average	**100**	90	93
Refined product sales (mbbls/d)			
Gasoline	**253.3**	228.0	227.6
Distillate	**261.9**	243.9	244.6
Other	**85.2**	81.2	81.4
Total	**600.4**	553.1	553.6
Refinery production[2] (mbbls)	**180 356**	163 895	168 149
Refining and marketing gross margin – First-in, first-out (FIFO) [3] ($/bbl)	**36.40**	45.00	55.85
Refining and marketing gross margin – Last-in, first-out (LIFO) [3] ($/bbl)	**37.00**	47.00	54.45
Refining operating expense[3] ($/bbl)	**6.60**	7.45	7.00

(1) Refinery utilization is the amount of crude oil and natural gas liquids processed by crude distillation units, expressed as a percentage of the nameplate capacity of these units.
(2) Refinery production is the output of the refining process and differs from crude oil processed as a result of volumetric adjustments for non-crude feedstock, volumetric gain associated with the refining process and changes in unfinished product inventories.
(3) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Refinery crude throughput was a record 465,000 bbls/d and refinery utilization averaged 100% in 2024, compared to refinery crude throughput of 420,700 bbls/d and refinery utilization of 90% in 2023. The increase was primarily due to strong, reliable operating performance in 2024, and 2023 being impacted by unplanned maintenance at the Commerce City refinery.

Total refined product sales were a record 600,400 bbls/d in 2024, compared to 553,100 bbls/d in 2023, with the increase primarily due to higher refinery throughput and the benefit of the company's continued investment in its extensive retail and broad sales network.

Refining and Marketing Gross Margins(1)

Refining and marketing gross margins were influenced by the following:

- On a LIFO(2) basis, Suncor's refining and marketing gross margin decreased to $37.00/bbl in 2024 from $47.00/bbl in 2023. The decrease was primarily due to lower benchmark crack spreads compared to the prior year. Suncor's refining and marketing gross margin also reflects the company's feedstock advantage, which enables Suncor to process heavier crude oil, marketing and logistics capabilities and strong sales channels within its integrated retail and wholesale networks. On a LIFO basis, Suncor's refining and marketing gross margin represents a margin capture of 96% of Suncor's 5-2-2-1 index in 2024, compared to 95% in 2023.

- On a FIFO basis, Suncor's refining and marketing gross margin decreased to $36.40/bbl in 2024, from $45.00/bbl in 2023 due to the same factors discussed above, in addition to FIFO inventory valuation impacts. In 2024, the impact of the FIFO method of inventory valuation, relative to an estimated LIFO(2) method, resulted in a loss of $107 million. In 2023, the FIFO method resulted in a loss of $330 million, for an overall favourable year-over-year impact of $223 million.

Expenses and Other Factors

R&M operating expenses decreased compared to the prior year due to lower maintenance costs and lower natural gas and other commodity input costs.

R&M transportation expenses increased compared to the prior year due to higher sales volumes and exports.

Refining operating expense per barrel(1) decreased to $6.60 in 2024, compared to $7.45 in the prior year, primarily due to increased production and lower natural gas and other commodity input costs.

Planned Maintenance

Planned turnarounds and maintenance are scheduled in 2025 as follows:

- Turnaround at the Sarnia refinery commencing in the first quarter with completion in the second quarter.
- Turnaround at the Edmonton refinery in the second quarter.
- Maintenance at the Montreal refinery in the second quarter.
- Maintenance at the Edmonton refinery commencing in the third quarter with completion in the fourth quarter.

The anticipated impact of these maintenance activities has been reflected in the company's 2025 guidance.

(1) Contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) The estimated impact of the LIFO method is a non-GAAP financial measure. The impact of the FIFO method of inventory valuation, relative to an estimated LIFO accounting method, also includes the impact of the realized portion of commodity risk management activities. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

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Corporate and Eliminations

Strategy and Investment Updates

- The company remains committed to its capital allocation framework, managing its balance sheet at current debt levels and returning 100% of excess funds to shareholders.
- The company remains focused on continuing to execute organizational efficiency improvements and generating structural cost savings.

Financial Highlights

Year ended December 31 ($ millions)	2024	2023	2022
Loss before income taxes	**(1 883)**	(1 296)	(2 232)
Adjusted for:			
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**714**	(184)	729
Asset impairment[1]	**212**	158	—
Loss on early repayment of long-term debt[2]	**144**	—	—
Restructuring charge[3]	**—**	275	—
Gain on significant disposal[4]	—	(302)	—
Adjusted operating loss[5]	**(813)**	(1 349)	(1 503)
Corporate and Renewables	***(695)***	*(1 405)*	*(1 456)*
Eliminations - Intersegment profit (eliminated) realized	***(118)***	*56*	*(47)*
Adjusted funds used in operations[5]	**(679)**	(1 546)	(1 240)
Free funds deficit[5]	**(725)**	(1 608)	(1 428)

(1) An impairment against an equity investment of $212 million in 2024 and $158 million in 2023.
(2) In 2024, a loss on extinguishment of long-term debt of $144 million as a result of the early repayment of certain series of the company's outstanding notes.
(3) In 2023, a restructuring charge of $275 million in OS&G expenses related to the company's workforce reductions.
(4) In 2023, a gain of $302 million on the sale of the company's wind and solar assets.
(5) Non GAAP financial measures. See the Advisories – Non GAAP and Other Financial Measures section of this MD&A.

Corporate

The adjusted operating loss for Corporate was $695 million in 2024, compared to $1.405 billion in 2023. The decrease in adjusted operating loss was primarily due to an operational foreign exchange gain in 2024, versus a loss in 2023, an increase in interest revenue on the company's cash balances, and decreased spend in digital technologies, partially offset by an increase in share-based compensation expense.

Suncor capitalized $317 million of its borrowing costs in 2024, compared to $255 million in 2023, as part of the cost of major development assets and construction projects in progress.

Eliminations – Intersegment Profit Eliminated

Eliminations reflect the deferral or realization of profit or loss on crude oil sales from Oil Sands to Suncor's refineries. Consolidated profits and losses are only realized when the refined products produced from internal purchases of crude feedstock have been sold to third parties. In 2024, the company deferred $118 million of intersegment profit, compared to a realization of profit of $56 million in the prior year. The deferral of profit in 2024 was primarily driven by an increase in intersegment inventory volumes and the favourable impact of foreign exchange rates on crude inventory pricing in 2024.

Adjusted funds used in operations for the Corporate and Eliminations segment were $679 million in 2024, compared to $1.546 billion in 2023, and were influenced by the same factors that impacted adjusted operating loss, excluding the impact of the non-cash component of share-based compensation expense. Adjusted funds from operations in 2023 were impacted by a restructuring charge related to the company's workforce reductions in 2023.

Asset Transactions

During the first quarter of 2023, the company completed the sale of its wind and solar assets for gross proceeds of $730 million, before closing adjustments and other closing costs, resulting in a gain on sale of $302 million ($260 million after-tax).

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5. Income Tax

Year ended December 31 ($ millions)	**2024**	2023	2022
Current income tax expense	**2 465**	1 734	4 229
Deferred income tax (recovery) expense	**(294)**	560	(990)
Income tax expense included in net earnings	**2 171**	2 294	3 239
Less: Income tax (recovery) on adjusted operating earnings adjustments	**(104)**	(98)	(915)
Income tax expense included in adjusted operating earnings	**2 275**	2 392	4 154
Effective tax rate	**26.5%**	21.7%	26.3%

The provision for income taxes in 2024 decreased to $2.171 billion, compared to $2.294 billion in 2023, primarily due to higher taxable earnings in Canada more than offset by lower taxable earnings in other foreign jurisdictions subject to tax at higher rates. In 2024, the company's effective tax rate on net earnings increased compared to 2023, due to the impact of a non-taxable gain on the acquisition of TotalEnergies Canada in 2023, a non-taxable gain on the disposition of Suncor's U.K. assets in 2023, non-taxable foreign exchange losses on the revaluation of U.S. dollar denominated debt, and other permanent items impacting total tax expense in 2024.

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6. Fourth Quarter 2024 Analysis

Financial and Operational Highlights

Three months ended December 31 ($ millions, except as noted)	2024	2023
Earnings (loss) before income taxes		
Oil Sands	**1 625**	2 660
Exploration and Production	**125**	133
Refining and Marketing	**410**	598
Corporate and Eliminations	**(1 070)**	(1)
Income tax expense	**(272)**	(570)
Net earnings	**818**	2 820
Adjusted operating earnings (loss) [1]		
Oil Sands	**1 609**	1 526
Exploration and Production	**125**	133
Refining and Marketing	**410**	598
Corporate and Eliminations	**(200)**	(42)
Income tax expense included in adjusted operating earnings	**(378)**	(580)
Total	**1 566**	1 635
Adjusted funds from (used in) operations [1]		
Oil Sands	**3 126**	2 651
Exploration and Production	**274**	228
Refining and Marketing	**638**	811
Corporate and Eliminations	**(131)**	10
Current income tax recovery (expense)	**(414)**	334
Total adjusted funds from operations	**3 493**	4 034
Changes in non-cash working capital	**1 590**	284
Cash flow provided by operating activities	**5 083**	4 318
Free funds flow [1]	**1 923**	2 482
Production volumes		
Oil Sands – Upgraded – net SCO and diesel (mbbls/d)	**543.6**	475.7
Oil Sands – Non-upgraded bitumen (mbbls/d)	**273.9**	281.7
Total Oil Sands production volumes (mbbls/d)	**817.5**	757.4
Exploration and Production (mboe/d)	**57.5**	50.7
Total upstream production (mboe/d)	**875.0**	808.1

(1) Non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.

Net Earnings

Suncor's consolidated net earnings for the fourth quarter of 2024 were $818 million, compared to $2.820 billion in the prior year quarter. Net earnings were primarily influenced by the same factors that impacted adjusted operating earnings discussed below.

Other items affecting net earnings over these periods include:

- An unrealized foreign exchange loss on the revaluation of U.S. dollar denominated debt of $514 million recorded in financing expenses in the Corporate and Eliminations segment in the fourth quarter of 2024, compared to a gain of $199 million in the fourth quarter of 2023.
- An unrealized gain on risk management activities of $16 million recorded in other income (loss) in the fourth quarter of 2024, compared to an unrealized gain of $9 million in the fourth quarter of 2023.
- During the fourth quarter of 2024, the company recorded a loss on extinguishment of long-term debt of $144 million in the Corporate and Eliminations segment as a result of the early repayment of certain series of its outstanding notes.

- During the fourth quarter of 2024, Suncor recorded an impairment of $212 million against an equity investment in the Corporate and Eliminations segment.
- During the fourth quarter of 2023, Suncor recorded an impairment of $158 million against an equity investment in the Corporate and Eliminations segment.
- During the fourth quarter of 2023, the company recorded a non-cash gain of $1.125 billion in the Oil Sands segment as a result of the acquisition of TotalEnergies Canada.
- An income tax recovery related to the items noted above of $106 million in the fourth quarter of 2024, compared to a recovery of $10 million in the fourth quarter of 2023.

Adjusted Operating Earnings

Suncor's adjusted operating earnings were $1.566 billion ($1.25 per common share) in the fourth quarter of 2024, compared to $1.635 billion ($1.26 per common share) in the prior year quarter, with the decrease primarily due to lower refined product realizations, increased royalties due to higher heavy crude price realizations, and increased DD&A expense, partially offset by higher sales volumes.

Adjusted Funds from Operations and Cash Flow Provided by Operating Activities

Adjusted funds from operations were $3.493 billion ($2.78 per common share) in the fourth quarter of 2024, compared to $4.034 billion ($3.12 per common share) in the prior year quarter, and were primarily influenced by the same factors impacting adjusted operating earnings, as well as a larger tax benefit relating to the acquisition of TotalEnergies Canada in the prior year quarter compared to the current quarter.

Cash flow provided by operating activities, which includes changes in non-cash working capital, was $5.083 billion ($4.05 per common share) in the fourth quarter of 2024, compared to $4.318 billion ($3.34 per common share) in the prior year quarter. In addition to the factors impacting adjusted funds from operations, cash flow provided by operating activities was impacted by a larger source of cash associated with the company's working capital balances in the fourth quarter of 2024 compared to the prior year quarter. Working capital is subject to fluctuations based on commodity prices, the timing of transactions and seasonal factors. The source of cash in the fourth quarter of 2024 was due to decreased accounts receivable balances, primarily due to a decrease in benchmark commodity prices during the quarter and the timing of cargo settlements, an increase in accounts payable and accrued liabilities, which includes the timing impact of commodity taxes payable, and a draw of inventory related to increased sales volumes.

Segmented Analysis

Oil Sands

Oil Sands segment adjusted operating earnings increased to $1.609 billion in the fourth quarter of 2024, compared to $1.526 billion in the prior year quarter, primarily due to increased sales volumes, partially offset by higher royalties and increased DD&A expense.

Total Oil Sands bitumen production increased to a record 951,500 bbls/d in the fourth quarter of 2024, compared to 866,200 bbls/d in the prior year quarter, primarily due to record production at Firebag, the company's increased working interest at Fort Hills and strong mining performance.

The company's SCO production increased to a fourth quarter record of 543,600 bbls/d, compared to 475,700 bbls/d in the prior year quarter as the company leveraged its unparalleled regional integration and high reliability, and included record quarterly upgrader utilization of 105% at Syncrude and fourth quarter record upgrader utilization of 102% at Oil Sands Base, compared to 101% and 83%, respectively, in the prior year quarter. The increase was also due to fewer planned maintenance activities at Oil Sands Base in the current quarter compared to the prior year quarter.

Non-upgraded bitumen production decreased to 273,900 bbls/d in the fourth quarter of 2024, compared to 281,700 bbls/d in the prior year quarter, due to higher upgrader availability more than offsetting increased bitumen production.

Exploration and Production

Adjusted operating earnings for the E&P segment in the fourth quarter of 2024 were $125 million, compared to $133 million in the prior year quarter, with the decrease primarily due to lower realized crude prices, increased DD&A expense and higher royalties, partially offset by higher sales volumes.

E&P production increased to 57,500 bbls/d in the fourth quarter of 2024, compared to 50,700 bbls/d in the prior year quarter, primarily due to the addition of production from Terra Nova, and increased production at Hibernia, partially offset by the absence of production from White Rose due to the asset life extension project.

Total E&P sales volumes increased to 44,800 bbls/d in the fourth quarter of 2024, compared to 29,200 bbls/d in the prior year quarter, primarily due to the same factors that impacted production volumes and the timing of cargo sales in E&P Canada.

Refining and Marketing

R&M adjusted operating earnings in the fourth quarter of 2024 were $410 million, compared to $598 million in the prior year quarter. The decrease in adjusted operating earnings was primarily due to lower benchmark crack spreads, partially offset by increased refinery production and a smaller FIFO inventory valuation loss in the fourth quarter of 2024 compared to the prior year quarter.

Strong operating performance resulted in utilization rates above 100% at all refineries for the second consecutive quarter. Overall utilization was 104% and throughput was 486,200 bbls/d, compared to 98% and 455,900 bbls/d, respectively, in the prior year quarter.

R&M achieved record refined product sales of 613,300 bbls/d in the fourth quarter of 2024, compared to 575,500 bbls/d in the prior year quarter, with the increase primarily due to higher refinery throughput and the benefit of the company’s continued investment in its extensive retail and broad sales network.

Corporate and Eliminations

Corporate incurred an adjusted operating loss of $92 million in the fourth quarter of 2024, compared to $341 million in the prior year quarter, primarily attributable to an increased operational foreign exchange gain in the fourth quarter of 2024 compared to the prior year quarter, partially offset by an increase in share-based compensation expense in the fourth quarter of 2024 compared to the prior year quarter. Suncor capitalized $72 million of its borrowing costs in the fourth quarter of 2024 as part of the cost of major development assets and construction projects in progress, compared to $70 million in the prior year quarter.

Eliminations reflect the deferral or realization of profit or loss on crude oil sales from Oil Sands to Suncor’s refineries. Consolidated profits and losses are only realized when the refined products from internal purchases have been sold to third parties. During the fourth quarter of 2024, the company deferred $108 million of intersegment profit, compared to a realization of $299 million in the prior year quarter. The deferral of intersegment profit in the current quarter was primarily driven by an increase in intersegment inventory volumes.

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7. Quarterly Financial Data

Financial Summary

Three months ended ($ millions, unless otherwise noted)	**Dec 31 2024**	Sept 30 2024	June 30 2024	Mar 31 2024	Dec 31 2023	Sept 30 2023	June 30 2023	Mar 31 2023
Total production (mboe/d)								
Oil Sands	**817.5**	776.0	716.0	785.0	757.4	646.1	679.1	675.1
Exploration and Production	**57.5**	52.6	54.6	50.3	50.7	44.4	62.8	67.0
Total upstream production	**875.0**	828.6	770.6	835.3	808.1	690.5	741.9	742.1
Revenues and other income								
Operating revenues, net of royalties	**12 531**	12 888	12 889	12 381	12 810	12 649	11 719	11 914
Other (loss) income	**(28)**	174	151	148	1 328	(13)	(3)	342
	12 503	13 062	13 040	12 529	14 138	12 636	11 716	12 256
Net earnings (loss)	**818**	2 020	1 568	1 610	2 820	1 544	1 879	2 052
Per common share – basic (dollars)	**0.65**	1.59	1.22	1.25	2.18	1.19	1.44	1.54
Adjusted operating earnings[1]	**1 566**	1 875	1 626	1 817	1 635	1 980	1 253	1 809
Per common share[2][3] (dollars)	**1.25**	1.48	1.27	1.41	1.26	1.52	0.96	1.36
Adjusted funds from operations[1]	**3 493**	3 787	3 397	3 169	4 034	3 634	2 655	3 002
Per common share[2][3] (dollars)	**2.78**	2.98	2.65	2.46	3.12	2.80	2.03	2.26
Cash flow provided by operating activities	**5 083**	4 261	3 829	2 787	4 318	4 184	2 803	1 039
Per common share[3] (dollars)	**4.05**	3.36	2.98	2.16	3.34	3.22	2.14	0.78
Free funds flow[6]	**1 923**	2 232	1 350	1 858	2 482	2 057	1 042	1 916
Per common share[2][3] (dollars)	**1.53**	1.76	1.05	1.44	1.92	1.58	0.80	1.44
Return on Capital Employed (ROCE)[2][4] (%) for the twelve months ended	**13.0**	15.6	15.6	15.7	16.3	16.5	13.2	18.5
ROCE excluding impairments and impairment reversals[2][4] (%) for the twelve months ended	**13.0**	15.6	15.6	15.7	16.3	16.5	16.7	22.1
Net debt[5][6]	**6 861**	7 968	9 054	9 552	9 852	9 837	11 170	12 439
Common share information (dollars)								
Dividend per common share[3]	**0.57**	0.55	0.55	0.55	0.55	0.52	0.52	0.52
Share price at the end of trading								
Toronto Stock Exchange (Cdn$)	**51.31**	49.92	52.15	49.99	42.45	46.71	38.86	41.96
New York Stock Exchange (US$)	**35.68**	36.92	38.10	36.91	32.04	34.38	29.32	31.05

(1) Non GAAP financial measures. See the Non GAAP and Other Financial Measures Advisory section of this document. Adjusted operating earnings and adjusted funds from operations are defined in the Non-GAAP and Other Financial Measures Advisory section and reconciled to GAAP measures in the Consolidated Financial Information and the Segment Results and Analysis section in the respective Managements Discussion & Analysis for such quarter or year end (Applicable MD&A), which information is incorporated by reference herein and available on SEDAR+ at www.sedarplus.ca.

(2) Contains non-GAAP financial measures. See the Non-GAAP and Other Financial Measures Advisory section of this document. Non-GAAP measures included in ROCE and ROCE excluding impairments and impairment reversals are defined and reconciled to GAAP measures in the Non-GAAP and Other Financial Measures Advisory section in the Applicable MD&A, which information is incorporated by reference herein and available on SEDAR+ at www.sedarplus.ca.

(3) Presented on a basic per share basis.

(4) Beginning in the second quarter of 2024, the company revised the definition of ROCE to exclude lease liabilities from the calculation of average capital employed and interest on lease liabilities from net interest expense to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

(5) Beginning in the second quarter of 2024, the company revised the definition of net debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

(6) Contains non-GAAP financial measures. See the Non-GAAP and Other Financial Measures Advisory section of this document. Non-GAAP measures included in net debt and free funds flow are defined in the Non-GAAP and Other Financial Measures Advisory section and reconciled to GAAP measures in the Consolidated Financial Information and Segment Results and Analysis in the Applicable MD&A, which information is incorporated by refence herein and available on SEDAR+ at www.sedarplus.ca.

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Business Environment

Three months ended (average for the period ended, except as noted)		**Dec 31 2024**	Sept 30 2024	June 30 2024	Mar 31 2024	Dec 31 2023	Sept 30 2023	June 30 2023	Mar 31 2023
WTI crude oil at Cushing	US$/bbl	**70.30**	75.15	80.55	76.95	78.35	82.20	73.75	76.10
Dated Brent crude	US$/bbl	**74.70**	80.25	84.90	83.25	84.05	86.70	78.35	81.25
Dated Brent/Maya FOB price differential	US$/bbl	**11.85**	13.90	12.05	14.10	12.55	11.15	14.75	18.40
MSW at Edmonton	Cdn$/bbl	**94.95**	98.00	105.25	92.20	99.70	107.80	95.10	99.05
WCS at Hardisty	US$/bbl	**57.75**	61.65	67.00	57.60	56.45	69.30	58.70	51.35
WCS-WTI light/heavy differential	US$/bbl	**(12.55)**	(13.50)	(13.55)	(19.35)	(21.90)	(12.90)	(15.05)	(24.75)
SYN-WTI premium (differential)	US$/bbl	**0.85**	1.30	2.80	(7.40)	0.30	2.80	2.90	2.10
Condensate at Edmonton	US$/bbl	**70.65**	71.30	77.15	72.80	76.25	77.90	72.35	79.85
Natural gas (Alberta spot) at AECO	Cdn$/GJ	**1.45**	0.65	1.10	2.20	2.15	2.50	2.35	3.05
Alberta Power Pool Price	Cdn$/MWh	**51.50**	55.35	45.15	99.30	81.60	151.60	159.80	142.00
New York Harbor 2-1-1 crack (1)	US$/bbl	**18.80**	21.05	24.75	27.05	28.60	39.95	32.30	36.70
Chicago 2-1-1 crack (1)	US$/bbl	**13.85**	19.35	18.85	19.80	17.10	27.45	28.60	31.55
Portland 2-1-1 crack (1)	US$/bbl	**20.95**	20.35	29.30	26.85	29.35	55.90	37.30	37.40
Gulf Coast 2-1-1 crack (1)	US$/bbl	**17.00**	18.90	22.10	27.95	23.00	39.10	29.15	37.65
U.S. Renewable Volume Obligation	US$/bbl	**4.05**	3.90	3.40	3.70	4.75	7.45	7.70	8.20
Suncor custom 5-2-2-1 index (2)	US$/bbl	**24.25**	26.05	26.70	35.95	33.45	36.00	34.20	42.80
Exchange rate (average)	US$/Cdn$	**0.71**	0.73	0.73	0.74	0.73	0.75	0.74	0.74
Exchange rate (end of period)	US$/Cdn$	**0.69**	0.74	0.73	0.74	0.76	0.74	0.76	0.74

(1) 2-1-1 crack spreads are indicators of the refining margin generated by converting two barrels of WTI into one barrel of gasoline and one barrel of diesel. The crack spreads presented here generally approximate the regions into which the company sells refined products through retail and wholesale channels.

(2) Suncor has developed an indicative 5-2-2-1 index based on publicly available pricing data to more accurately reflect the company's realized refining and marketing gross margin.

Significant or Unusual Items Impacting Net Earnings (Loss)

Trends in Suncor's quarterly revenue, net earnings (loss) and adjusted funds from operations are driven primarily by production volumes, which can be impacted by major maintenance events, changes in commodity prices and crude differentials, refining crack spreads and foreign exchange rates. Trends in Suncor's quarterly net earnings (loss) and adjusted funds from operations are also affected by other significant events impacting operations, such as operational incidents.

In addition to the impacts of changes in production volumes and business environment, net earnings (loss) over the last eight quarters were affected by the following events or significant adjustments:

- During the fourth quarter of 2024, the company recorded a loss on extinguishment of long-term debt of $144 million in the Corporate and Eliminations segment as a result of the early repayment of certain series of its outstanding notes.
- During the fourth quarter of 2024, Suncor recorded an impairment of $212 million against an equity investment in the Corporate and Eliminations segment.
- During the fourth quarter of 2023, the company recorded a non-cash gain of $1.125 billion in the Oil Sands segment as a result of the acquisition of TotalEnergies Canada.
- During the fourth quarter of 2023, Suncor recorded an impairment of $158 million against an equity investment in the Corporate and Eliminations segment.
- During the third quarter of 2023, the company recorded derecognition charges of $253 million on its Meadow Creek development properties in the Oil Sands segment.
- During the second quarter of 2023, Suncor recorded a gain of $607 million on the sale of its U.K. E&P portfolio.
- During the second quarter of 2023, the company recorded a restructuring charge of $275 million in OS&G expenses in the Corporate and Eliminations segment, related to the company's workforce reductions.
- During the first quarter of 2023, the company recorded a gain of $302 million on the sale of its wind and solar assets in the Corporate and Eliminations segment.

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8. Capital Investment Update

Capital and Exploration Expenditures by Type, Excluding Capitalized Interest

	Year ended			
	December 31, 2024			December 31, 2023
($ millions)	Asset Sustainment and Maintenance[1]	Economic Investment[2]	Total	Total
Oil Sands				
Oil Sands Base	***916***	***936***	***1 852***	*1 972*
In Situ	***138***	***360***	***498***	*517*
Fort Hills	***354***	***406***	***760***	*397*
Syncrude	***742***	***220***	***962***	*990*
E&P[3]	**—**	**862**	**862**	635
R&M	**1 006**	**180**	**1 186**	1 000
Corporate and Eliminations	**29**	**17**	**46**	62
	3 185	**2 981**	**6 166**	5 573
Capitalized interest on debt			**317**	255
Total capital and exploration expenditures			**6 483**	5 828

(1) Asset sustainment and maintenance capital expenditures include capital investments that deliver on existing value by ensuring compliance or maintaining relations with regulators and other stakeholders and maintaining current processing capacity.
(2) Economic investment capital expenditures include capital investments that result in an increase in value by adding reserves or improving processing capacity, utilization, cost or margin, including associated infrastructure.
(3) Excludes capital expenditures related to assets previously held for sale of nil in 2024, compared to $108 million in 2023.

In 2024, Suncor's capital expenditures excluding capitalized borrowing costs, were $6.166 billion, compared to $5.573 billion in 2023. The increase was due to increased economic expenditures at Oil Sands Base, related to the Upgrader 1 coke drum replacement and the new cogeneration facility; at Fort Hills, related to the company's increased working interest and second North Pit mine opening; at E&P, related to the West White Rose Project and SeaRose FPSO Asset Life Extension Project; at Syncrude, related to the MLX-W mining project; and at R&M related to enhancing the company's sales and marketing business. The increase was partially offset by decreased asset sustainment and maintenance capital expenditures at Oil Sands Base, In Situ, Fort Hills and Corporate.

Capital activity in 2024:

Oil Sands Base

Oil Sands Base capital expenditures were $1.852 billion in 2024. Economic investment expenditures were related to replacing the coke-fired boilers with a new cogeneration facility, the Upgrader 1 coke drum replacement, and the purchase of haul trucks equipped with AHS.

Asset sustainment and maintenance expenditures were primarily related to ensuring continued safe, reliable and efficient operations. The company's planned maintenance program in 2024 included mine and tailings development, planned annual coker maintenance at Upgrader 1 and Upgrader 2, and other planned maintenance activities.

In Situ

In Situ capital expenditures were $498 million in 2024, and were primarily directed towards economic investment activities, which focused on the ongoing design, construction and execution of well pads to develop additional reserves expected to maintain existing production levels.

Asset sustainment and maintenance capital expenditures were primarily directed towards planned maintenance activities.

Fort Hills

Fort Hills capital expenditures were $760 million in 2024, the majority of which were directed towards economic investment expenditures related to the second North Pit mine opening and haul truck purchases.

Asset sustainment and maintenance expenditures were related to the development, progression and execution of mining and tailings management projects, and other planned maintenance activities.

Syncrude

Syncrude capital expenditures were $962 million in 2024, the majority of which were directed toward asset sustainment and maintenance capital expenditures that focused on its planned turnaround, mine equipment replacements, tailings development, and other planned maintenance activities.

Economic investment activities were primarily directed towards progressing the MLX-W mining project.

Exploration and Production

E&P capital and exploration expenditures were $862 million in 2024, and were focused on economic investment projects, primarily relating to the West White Rose Project and the SeaRose Asset Life Extension Project.

Refining and Marketing

R&M capital expenditures were $1.186 billion in 2024 and were primarily directed toward asset sustainment and maintenance activities focused on the sustainment of refinery, retail and logistics assets. This included planned turnaround and maintenance activities at the company's Sarnia, Montreal and Commerce City refineries during the year.

Economic investment activities in 2024 were primarily directed towards expanding and strengthening the company's sales and marketing business, including investment into the enhancement of its retail operations.

Corporate

Corporate capital expenditures were $46 million in 2024, primarily directed towards investment in digital technologies.

Planned activity in 2025:

Oil Sands Base

Oil Sands Base plans for economic investment in 2025 are primarily related to the Upgrader 1 coke drum replacement.

Asset sustainment and maintenance capital expenditures for 2025 include expenditures relating to planned annual coker maintenance at Upgrader 2, mining and tailings management projects, mine equipment replacements, and other planned maintenance activities.

In Situ

Economic investment expenditures for 2025 are primarily focused on ongoing design and construction of well pads to develop additional reserves that are expected to maintain existing production levels at Firebag and MacKay River in future years.

Asset sustainment and maintenance capital expenditures for 2025 include planned turnaround activities at Firebag, and other planned maintenance activities.

Fort Hills

Asset sustainment and maintenance capital expenditures for 2025 focus on ongoing development of mining and tailings management projects to preserve production capacity and execute on the mine improvement plan, as well as planned maintenance activities.

Plans for economic investment in 2025 include mine equipment purchases and the development of the second opening of the North Pit mine.

Syncrude

Asset sustainment and maintenance capital expenditures for 2025 include expenditures relating to Syncrude's planned maintenance program, tailings development and mine equipment replacements.

For 2025, plans for economic investment are primarily focused on progressing the MLX-W mining project.

Exploration and Production

Economic investment for 2025 is expected to be primarily focused on work at the West White Rose Project, as well as development activities to extend the productive life of existing fields, including development drilling at Hebron and Hibernia.

Refining and Marketing

Sustaining capital expenditures for 2025 are expected to focus on ongoing sustainment of refinery, logistics and retail operations, including planned refinery turnaround maintenance.

Economic investment projects in 2025 are expected to be primarily directed towards expanding and strengthening the company's sales and marketing business, including investment into the enhancement of its retail and wholesale operations.

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9. Financial Condition and Liquidity

Liquidity and Capital Resources

At December 31 ($ millions, except as noted)	2024	2023	2022
Cash flow provided by (used in)			
Operating activities	**15 960**	12 344	15 680
Investing activities	**(6 472)**	(6 511)	(4 789)
Financing activities	**(7 882)**	(5 990)	(11 228)
Foreign exchange loss (gain) on cash and cash equivalents	**149**	(94)	112
Increase (decrease) in cash and cash equivalents	**1 755**	(251)	(225)
Cash and cash equivalents, end of year	**3 484**	1 729	1 980
ROCE[1][2][3] (%)	**13.0**	16.3	20.2
Net debt to adjusted funds from operations [1][4] (times)	**0.5**	0.7	0.6
Total debt to total debt plus shareholders' equity [1][4] (%)	**18.9**	21.1	24.3
Net debt to net debt plus shareholders' equity [1][4] (%)	**13.4**	18.5	21.3

(1) Non-GAAP financial measures or contains non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) For the twelve months ended December 31, 2024, there were no impairments or impairment reversals. As a result, ROCE excluding impairments was equal to ROCE. ROCE was impacted by the $1.125 billion non-cash gain on acquisition of TotalEnergies Canada for the twelve months ended December 31, 2023, and for the first nine months of 2024. For the twelve months ended December 31, 2022, ROCE was impacted by the impairment reversal of $715 million ($542 million after-tax) and impairment of $70 million ($47 million after-tax) in the second quarter of 2022, and the impact of the impairment of $3.397 billion ($2.586 billion after-tax) in the third quarter of 2022.
(3) Beginning in 2024, the company revised the definition of ROCE to exclude lease liabilities from the calculation of average capital employed and interest on lease liabilities from net interest expense to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.
(4) Beginning in 2024, the company revised the definition of net debt and total debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

Cash Flow Provided by Operating Activities

Cash flow provided by operating activities was $15.960 billion in 2024, compared to $12.344 billion in 2023. Th e increase was primarily due to increased sales volumes in Oil Sands and E&P and increased production in R&M, partially offset by lower benchmark crack spreads and lower SCO realizations and increased royalties due to higher heavy crude price realizations.

The current period cash flow provided by operating activities reflects a source of cash in working capital, primarily due to an increase in accounts payable and accrued liabilities, which includes the timing impact of commodity tax payable, a decrease in accounts receivable balances, in line with the decrease in benchmark commodity prices in 2024, and a draw on inventory due to increased sales volumes. The prior period cash flow provided by operating activities reflects a use of cash in working capital, primarily due to significantly lower net income taxes payable, and a decrease in accounts payable and accrued liabilities, partially offset by a decrease in accounts receivable balances related to the decrease in commodity prices in 2023.

Cash Flow Used in Investing Activities

Cash flow used in investing activities was $6.472 billion in 2024, compared to $6.511 billion in 2023. The decrease was primarily due to the impacts of the Fort Hills acquisition is 2023, partially offset by the proceeds from the sale of the company's U.K. E&P portfolio and wind and solar assets in 2023 and increased capital expenditures in 2024.

Cash Flow Used in Financing Activities

Cash flow used in financing activities was $7.882 billion in 2024, compared to $5.990 billion in 2023. The increase was primarily due to the repayment of long-term debt in 2024 compared to an issuance of long-term debt in 2023, an increase in share repurchases and an increase in dividends paid on common shares, partially offset by a smaller net decrease in short-term debt in 2024 compared to 2023.

Capital Resources

Suncor's capital resources consist primarily of cash flow provided by operating activities, cash and cash equivalents, and available credit facilities, including commercial paper. Suncor's management believes the company will have the capital resources required to fund its planned 2025 capital spending program of $6.1 billion to $6.3 billion, and to meet current and

future working capital requirements through cash and cash equivalents balances, cash flow provided by operating activities, available committed credit facilities, issuing commercial paper and, if needed, accessing capital markets. The company's cash flow provided by operating activities depends on several factors, including commodity prices, production, sales volumes, refining and marketing margins, operating expenses, taxes, royalties and foreign exchange rates.

The company has invested cash in short-term financial instruments that are presented as cash and cash equivalents. The objectives of the company's short-term investment portfolio are to ensure the preservation of capital, maintain adequate liquidity to meet Suncor's cash flow requirements and deliver competitive returns derived from the quality and diversification of investments within acceptable risk parameters. The maximum weighted average term to maturity of the short-term investment portfolio is not expected to exceed six months, and all investments are with counterparties with investment grade debt ratings.

Available Sources of Liquidity

Cash and Cash Equivalents

Included in cash and cash equivalents of $3.484 billion at December 31, 2024, are short-term investments with weighted average days to maturity of approximately 16 days. In 2024, the company earned approximately $4.7 million of interest income on these investments.

Financing Activities

Suncor's interest on debt and lease liabilities (before capitalized interest) in 2024 was $940 million, compared to $981 million in 2023, with interest expense on debt decreasing as a result of debt repayments made in 2024, offset by an increase in interest on leases.

Available lines of credit at December 31, 2024, increased to $5.475 billion compared to $4.957 billion as at December 31, 2023. The increase in available credit facilities was primarily due to a decrease in short-term indebtedness. In the fourth quarter of 2024, the company extended the maturity of its syndicated credit facilities from June 2026 to October 2027 and October 2028.

A summary of total and unutilized credit facilities at December 31, 2024, is as follows:

($ millions)	2024
Fully revolving and expiring in 2028	**2 810**
Fully revolving and expiring in 2027	**2 665**
Can be terminated at any time at the option of the lenders	**1 120**
Total credit facilities	**6 595**
Credit facilities supporting standby letters of credit	**(811)**
Total unutilized credit facilities [(1)]	**5 784**

(1) Available credit facilities for liquidity purposes were $5.475 billion at December 31, 2024 (December 31, 2023 – $4.957 billion).

Total Debt to Total Debt Plus Shareholders' Equity

Suncor is subject to financial and operating covenants related to its bank debt and public market debt. Failure to meet the terms of one or more of these covenants may constitute an "event of default" as defined in the respective debt agreements, potentially resulting in accelerated repayment of one or more of the debt obligations. The company is in compliance with its financial covenant that requires total debt and lease liabilities to not exceed 65% of its total debt and lease liabilities plus shareholders' equity. At December 31, 2024, total debt and lease liabilities to total debt and lease liabilities plus shareholders' equity was 24.8% (December 31, 2023 – 26.3%), a decrease from the prior year primarily due to higher shareholders' equity and a decrease in long-term debt. The company is currently in compliance with all operating covenants as at December 31, 2024.

Change in Debt

($ millions)	2024
Total debt[1][2] – December 31, 2023	**11 581**
Decrease in long-term debt	**(1 396)**
Decrease in short-term debt	**(503)**
Foreign exchange on debt, and other	**663**
Total debt[1][2] – December 31, 2024	**10 345**
Less: Cash and cash equivalents – December 31, 2024	**3 484**
Net debt[1][2] – December 31, 2024	**6 861**

(1) Non-GAAP financial measures. See the Advisories – Non-GAAP and Other Financial Measures section of this MD&A.
(2) Beginning in 2024, the company revised the definition of net debt and total debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

The company's total debt decreased in the twelve months ended December 31, 2024, primarily due to the repayment of long-term debt and a decrease in short-term indebtedness, partially offset by unfavourable foreign exchange rates on U.S. dollar denominated debt compared to December 31, 2023.

During the fourth quarter of 2024, the company repurchased and cancelled approximately $1.1 billion of the company's outstanding notes, primarily focused on its 6.50% notes due 2038 and 6.80% notes due 2038.

During the third quarter of 2024, the company completed two partial redemptions, for approximately $295 million of its outstanding notes, primarily focused on its 6.50% notes due 2038, and 6.80% notes due 2038.

As at December 31, 2024, Suncor's net debt was $6.861 billion, compared to $9.852 billion at December 31, 2023. The change in net debt was primarily due to the factors discussed above, and an increase in cash and cash equivalents.

For the year ended December 31, 2024, the company's net debt to adjusted funds from operations measure was 0.5 times, which is lower than management's maximum target of less than 3.0 times.

Credit Ratings

The company's credit ratings affect its cost of funds and liquidity. In particular, the company's ability to access unsecured funding markets and to engage in certain activities on a cost-effective basis is primarily dependent upon maintaining a strong credit rating. A lowering of the company's credit rating may also have potentially adverse consequences for the company's funding capacity or access to the capital markets, may affect the company's ability, and the cost, to enter into normal course derivative or hedging transactions, and may require the company to post additional collateral under certain contracts.

For a description of Suncor's current credit ratings refer to the Description of Capital Structure – Credit Ratings section of Suncor's 2024 AIF.

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Common Shares

Outstanding Shares

(thousands)	December 31, 2024
Common shares	**1 244 332**
Common share options – exercisable	**5 966**
Common share options – non-exercisable	**2 169**

As at February 25, 2025, the total number of common shares outstanding was 1,237,135,660 and the total number of exercisable and non-exercisable common share options outstanding was 6,372,695. Once vested, each outstanding common share option is exercisable for one common share.

Share Repurchases

(thousands of common shares)	Commencement Date	Expiry	Maximum Shares for Repurchase	Maximum Shares for Repurchase (%)	Number of Shares Repurchased
2022 NCIB	February 8, 2022	February 7, 2023	71 650	5	26 232
Amended 2022 NCIB	May 11, 2022	February 7, 2023	143 500	10	91 912
2023 NCIB	February 17, 2023	February 16, 2024	132 900	10	47 107
2024 NCIB	February 26, 2024	February 25, 2025	128 700	10	61 066
2025 NCIB	March 3, 2025	March 2, 2026	123 800	10	-

Subsequent to the fourth quarter of 2024, the TSX accepted a notice filed by Suncor to renew its NCIB to purchase the company's common shares through the facilities of the TSX, NYSE and/or alternative trading systems. The notice provides that, beginning March 3, 2025, and ending March 2, 2026, Suncor may purchase for cancellation up to 123,800,000 common shares, which is equal to approximately 10% of Suncor's public float as of February 18, 2025.

Between February 26, 2024, and February 25, 2025, pursuant to Suncor's previous NCIB, Suncor repurchased 61,065,792 common shares on the open market, representing the equivalent of 4.7% of its common shares as at February 12, 2024, for $3.258 billion, at a weighted average price of $53.35 per share.

The actual number of common shares that may be repurchased under the NCIB and the timing of any such purchases will be determined by Suncor. The company believes that, depending on the trading price of its common shares and other relevant factors, repurchasing its common shares represents an attractive investment opportunity and is in the best interests of the company and its shareholders. The company does not expect that the decision to allocate cash to repurchase its common shares will affect its long-term strategy.

At December 31 ($ millions, except as noted)	**2024**	2023	2022
Share repurchase activities (thousands of common shares)	**55 564**	51 982	116 908
Weighted average repurchase price per share (dollars per share)	**52.33**	42.96	43.92
Share repurchase cost	**2 908**	2 233	5 135

Contractual Obligations, Commitments, Guarantees and Off-Balance Sheet Arrangements

In addition to the enforceable and legally binding obligations in the table below, Suncor has other obligations for goods and services that were entered into in the normal course of business, which may terminate on short notice, including commitments for the purchase of commodities for which an active, highly liquid market exists, and which are expected to be resold shortly after purchase.

The company does not believe it has any guarantees or off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the company's financial condition or financial performance, including liquidity and capital resources.

In the normal course of business, the company is obligated to make future payments, including contractual obligations and non-cancellable commitments.

	Payment due by period						
($ millions)	2025	2026	2027	2028	2029	Thereafter	Total
Long-term debt[1]	1 587	1 507	530	826	504	12 425	**17 379**
Decommissioning and restoration costs[2]	436	566	567	578	505	18 875	**21 527**
Long-term contracts, pipeline capacity and energy services commitments	2 154	1 842	1 692	1 518	1 396	11 188	**19 790**
Exploration work commitments	53	1	—	—	—	517	**571**
Lease obligations[3]	852	769	635	527	416	3 674	**6 873**
Total	**5 082**	**4 685**	**3 424**	**3 449**	**2 821**	**46 679**	**66 140**

(1) Includes long-term debt and interest payments on long-term debt. Refer to note 21 and note 27 of Suncor's 2024 audited Consolidated Financial Statements.
(2) Represents the undiscounted and uninflated amount of decommissioning and restoration costs. Refer to note 24 of Suncor's 2024 audited Consolidated Financial Statements.
(3) Includes interest payments on lease liabilities.

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Transactions with Related Parties

Suncor enters into transactions with related parties in the normal course of business, which includes purchases of feedstock, distribution of refined products and the sale of refined products and byproducts. These transactions are with joint ventures and associated entities in the company's R&M operations, including pipeline, refined product and petrochemical companies. For more information on these transactions and for a summary of Compensation of Key Management Personnel, refer to note 31 of the 2024 audited Consolidated Financial Statements.

Financial Instruments

The company uses derivative financial instruments, such as physical and financial contracts, to manage certain exposures to fluctuations in interest rates, commodity prices and foreign currency exchange rates as part of its overall risk management program, as well as for trading purposes. For the year ended December 31, 2024, the pre-tax earnings impact of risk management and trading activities was $114 million (2023 – pre-tax earnings of $25 million).

Gains or losses related to derivatives are recorded as Other Income in the Consolidated Statements of Comprehensive Income.

($ millions)	2024	2023
Fair value outstanding, beginning of year	**(20)**	(65)
Changes in fair value recognized in earnings during the year	**114**	25
Cash settlements - (received) paid during the year	**(12)**	20
Fair value outstanding, end of year	**82**	(20)

The fair value of derivative financial instruments is recorded on the Consolidated Balance Sheets.

Fair value of derivative contracts at December 31 ($ millions)	2024	2023
Accounts receivable	**153**	65
Accounts payable	**(71)**	(85)
	82	(20)

Risks Associated with Derivative Financial Instruments

Suncor may be exposed to certain losses in the event that counterparties to derivative financial instruments are unable to fulfil their obligations under these contracts. The company minimizes this risk by entering into agreements with investment grade counterparties. Risk is also minimized through regular management review of the potential exposure to and credit ratings of such counterparties. Suncor's exposure is limited to those counterparties holding derivative contracts with net positive fair values at a reporting date.

Suncor's risk management activities are subject to periodic reviews by management to determine appropriate hedging requirements based on the company's tolerance for exposure to market volatility, as well as the need for stable cash flow to finance future growth. Commodity risk management and trading activities are governed by a separate risk management group that reviews and monitors practices and policies and provides independent verification and valuation of these activities.

For further details on our derivative financial instruments, including assumptions made in the calculation of fair value, a sensitivity analysis of the effect of changes in commodity prices on our derivative financial instruments, and additional discussion of exposure to risks and mitigation activities, refer to note 27 of the company's 2024 audited Consolidated Financial Statements.

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10. Material Accounting Policies and Critical Accounting Estimates

Suncor's material accounting policies are described in note 3 of the audited Consolidated Financial Statements for the year ended December 31, 2024.

Adoption of New IFRS Standards

The standards, amendments and interpretations that are adopted up to the date of authorization of the company's consolidated financial statements, and that may have an impact on the disclosures and financial position of the company, are disclosed below.

The company adopted the IASB's Non-current Liabilities with Covenants (Amendments to IAS 1) on January 1, 2024. The amendments improved the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. There was no material impact to the consolidated financial statements as a result of the initial application.

The company adopted the IASB's Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) on January 1, 2024. The amendments add subsequent measurement requirements for sale and leaseback transactions. There was no impact to the consolidated financial statements as a result of the initial application.

Recently Announced Accounting Pronouncements

The standards, amendments and interpretations that are issued, but not yet effective up to the date of authorization of the company's consolidated financial statements, and that may have an impact on the disclosures and financial position of the company, are disclosed below. The company intends to adopt these standards, amendments and interpretations when they become effective.

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements which will replace IAS 1 Presentation of Financial Statements. The new standard will establish a revised structure for the consolidated statements of comprehensive income and improve comparability across entities and reporting periods. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The standard will be applied retrospectively, with certain transition provisions. The company is currently evaluating the impact of adopting IFRS 18 on the consolidated financial statements.

In May 2024, the IASB issued amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled using an electronic payment system. The amendments are effective January 1, 2026, with early adoption permitted. The company is currently evaluating the impact of these amendments on the consolidated financial statements.

Significant and Other Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect reported assets, liabilities, revenues, expenses, gains, losses and disclosures of contingencies. These estimates and judgments are subject to change based on experience and new information.

Tariffs

In 2025, the government of the United States of America announced tariffs on certain goods effective March 4, 2025 and has indicated their intention to add further tariffs including a 10% tariff on Canadian energy imports. The Canadian government announced that it would respond with tariffs on certain goods imported from the U.S., in addition to other measures. The company will continue to assess the impacts of such tariffs and measures as the situation develops. The impact of potential tariffs on the company's financial results cannot be quantified at this time.

Climate Change

Climate change, global energy demand, and the transition to a low-emissions economy were considered in preparing these consolidated financial statements, primarily in estimating commodity prices used in asset valuation and reserves analysis. These estimates may have significant impacts on the company's assets and liabilities discussed below and on similar assets and liabilities that may be recognized in the future. As part of its ongoing business planning, Suncor estimates future costs associated with GHG emissions in its operations and in the evaluation of future projects. Changes in market and regulatory conditions and assumptions, as well as climate change, and the evolving worldwide demand for energy and global advancement of alternative sources of energy that are not sourced from fossil fuels, can materially impact the estimation of net reserves, asset valuation and reclamation timing and requirements. The timing and pace at which global energy markets transition from carbon-based sources to alternative energy is highly uncertain.

Oil and Gas Reserves

The company's estimate of oil and gas reserves is considered in the measurement of depletion, depreciation, impairment, decommissioning and restoration obligations and business combinations. The estimation of reserves is an inherently complex process and involves professional judgment. All reserves have been evaluated at December 31, 2024, by independent qualified reserves evaluators. Oil and gas reserves estimates are based on a range of geological, technical and economic factors, including projected future rates of production, projected future commodity prices, engineering data, and the timing and amount of future expenditures, all of which are subject to uncertainty. Estimates reflect market and regulatory conditions existing at December 31, 2024, which could differ significantly from other points in time throughout the year, or future periods.

Exploration and Evaluation Costs

Certain exploration and evaluation costs are initially capitalized with the intent to establish commercially viable reserves. The company is required to make judgments about future events and circumstances and applies estimates to assess the economic viability of extracting the underlying resources. The costs are subject to technical, commercial and management review to confirm the continued intent to develop the project. The level of drilling success or changes to project economics, resource quantities, expected production techniques, production costs and required capital expenditures are important judgments when making this determination. Management uses judgment to determine when these costs are reclassified to Property, Plant and Equipment based on several factors, including the existence of reserves, appropriate approvals from regulatory bodies, joint arrangement partners and the company's internal project approval process.

Determination of Cash Generating Units (CGUs)

A CGU is the lowest grouping of integrated assets that generates identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The allocation of assets into CGUs requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, similar exposure to market risks, shared infrastructure and the way in which management monitors the operations.

Asset Impairment and Reversals

Management applies judgment in assessing the existence of impairment and impairment reversal indicators based on various internal and external factors, such as significant increases or decreases in forecasted production volumes, commodity prices, capital expenditures and operating costs.

The recoverable amount of CGUs and individual assets is determined based on the higher of fair value less costs of disposal or value-in-use calculations. The key estimates the company applies to determine the recoverable amount normally include estimated future commodity prices, discount rates, expected production volumes, future operating and development costs, income taxes and refining margins. In determining the recoverable amount, management may also be required to make judgments regarding the likelihood of occurrence of a future event. Changes to these estimates and judgments will affect the recoverable amounts of CGUs and individual assets and may then require a material adjustment to their related carrying value.

Decommissioning and Restoration Costs

The company recognizes liabilities for the future decommissioning and restoration of Exploration and Evaluation assets and Property, Plant and Equipment based on estimated future decommissioning and restoration costs. Management applies judgment in assessing the future regulatory requirements, the existence and extent as well as the expected method of reclamation of the company's decommissioning and restoration obligations at the end of each reporting period. Management also uses judgment to determine whether the nature of the activities performed is related to decommissioning and restoration activities or normal operating activities.

Actual costs are uncertain, and estimates may vary as a result of changes to relevant laws and regulations related to the use of certain technologies, the emergence of new technology, operating experience, prices and closure plans. The estimated timing of future decommissioning and restoration may change due to certain factors, including reserves life. Changes to estimates related to future expected costs, discount rates, inflation assumptions and timing may have a material impact on the amounts presented.

Employee Future Benefits

The company provides benefits to employees, including pensions and other post retirement benefits. The cost of defined benefit pension plans and other post retirement benefits received by employees is estimated based on actuarial valuation methods that require professional judgment. Estimates typically used in determining these amounts include, as applicable, rates of employee turnover, future claim costs, discount rates, future salary and benefit levels, the return on plan assets, mortality rates and future medical costs. Changes to these estimates may have a material impact on the amounts presented.

Income Taxes

Management evaluates tax positions, annually or when circumstances require, which involves judgment and could be subject to differing interpretations of applicable tax legislation. The company recognizes a tax provision when a payment to tax authorities is considered probable. However, the results of audits and reassessments and changes in the interpretations of standards may result in changes to those positions and, potentially, a material increase or decrease in the company's assets, liabilities and net earnings.

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11. Risk Factors

Suncor is committed to a proactive program of enterprise risk management intended to enable decision making through consistent identification and assessment of risks inherent to its assets, activities and operations. Some of these risks are common to operations in the oil and gas industry as a whole, while some are unique to Suncor. The realization of any of the following risks could have a material adverse effect on Suncor's business, financial condition, reserves and results of operations.

Business Environment

Suncor's financial performance is closely linked to prices for crude oil, refined petroleum products and, to a lesser extent, natural gas and electricity prices. The prices for these commodities can be influenced by global and regional supply and demand factors, which are beyond the company's control and can result in a high degree of price volatility. A prolonged period of decreased demand for, and prices of, these commodities, and any applicable storage constraints, could also result in voluntary curtailment or shutting in production and a decrease in Suncor's product volumes and refinery utilization rates.

Crude oil prices are also affected by, among other things, global economic health (particularly in emerging markets), market access constraints, regional and international supply and demand imbalances, political developments and government action, geopolitical conflict, decisions by OPEC+ regarding quotas on its members, compliance or non-compliance with quotas agreed upon by OPEC+ members and other countries, the impact of changes to US government economic policy (including the imposition of additional tariffs) and weather. These factors impact the various types of crude oil and refined products differently and can impact differentials between light and heavy grades of crude oil (including blended bitumen), and between conventional oil and SCO.

Refined petroleum product prices and refining margins are also affected by, among other things, crude oil prices, the availability of crude oil and other feedstock, levels of refined product inventories, regional refinery availability, market access, marketplace competitiveness, regulatory compliance costs and other local market factors. Natural gas prices in North America are affected by, among other things, supply and demand, inventory levels, weather and prices for alternative energy sources.

In addition, oil producers in North America, and particularly in Canada, may receive discounted prices for their production relative to certain international prices, due in part to constraints on the ability to transport and sell such products to international markets. A failure to resolve such constraints may result in continued discounted or reduced commodity prices realized by oil producers. Suncor's production from Oil Sands includes significant quantities of bitumen and SCO that may trade at a discount to light and medium crude oil. Bitumen and SCO are typically more expensive to produce and process. In addition, the market prices for these products may differ from the established market indices for light and medium grades of crude oil. As a result, the price received for bitumen and SCO may differ from the benchmark they are priced against.

Wide differentials or a prolonged period of low and/or volatile commodity prices, particularly for crude oil, or prolonged constraints on the ability to transport products to international markets, may lead to the impairment of assets, or to the cancellation or deferral of growth projects.

All commodity prices discussed above could also be adversely affected by a prolonged period of decreased demand caused by the outbreak of epidemics, pandemics and other public health crises in geographic areas in which Suncor has operations, suppliers, customers or employees.

Carbon Risk

Existing and future laws and regulations in support of a transition to lower carbon intensity energy and climate change action may impose significant constraints on fossil fuel development. Concerns over climate change, fossil fuel extraction, GHG emissions, and water and land-use practices could lead governments to enact additional or more stringent laws and regulations applicable to Suncor and other companies in the energy industry in general, and in the oil sands industry in particular.

Changes to environmental regulations, including regulations relating to climate change and uncertainty relating to the ability of the company to report on climate-related matters, could impact the demand for the company's products or could require increased capital expenditures, operating expenses, abandonment and reclamation obligations, and distribution costs. These potential added costs may not be recoverable in the marketplace and may result in some current operations or growth projects becoming less profitable or uneconomic. Such regulatory changes could require significant Suncor investment into

the development of technologies or other energy products. Suncor continues to monitor international and domestic efforts to address climate change.

These developments and future developments could adversely impact the demand for Suncor's products, the ability of Suncor to maintain and grow its production and reserves, and Suncor's reputation.

In addition, decarbonizing base business could require significant capital expenditures and resources, with the potential that the costs required to lower Suncor's carbon intensity may differ from our original estimates and expectations, and these differences may be material. While the intent is to improve efficiency and increase the offering of lower intensity carbon energy, the shift in resources and focus towards reducing carbon intensity could have a negative impact on our operating results.

Greenhouse Gas Emissions and Targets

One of Suncor's strategic objectives is to decarbonize its base business and capture new opportunities to reduce GHG emissions. The company's ability to meet this objective is subject to numerous risks and uncertainties, and actions taken to implement these objectives may also expose Suncor to certain additional and/or heightened financial and operational risks.

Reduction in GHG intensity relies on, among other things, Suncor's ability to implement and improve energy efficiency at all of its facilities, future development and growth opportunities, development and deployment of new technologies, ability to sequester and capture carbon and investment in lower carbon intensity power, as well as a transition to lower carbon intensity fuels. In the event that Suncor is unable to implement these strategies and technologies as planned without negatively impacting our expected operations or business plans, or in the event that such strategies or technologies do not perform as expected, Suncor may be unable to decarbonize its base business.

As GHG regulations and targets become more stringent, the absolute operational GHG emissions of the company may rise as a result of growth, mergers and acquisition activities, and changes in the operation of assets by Suncor or affiliates. Increases in GHG emissions may impact the profitability of the company's projects, as Suncor will be subject to incremental levies and taxes. There is also a risk that Suncor could face litigation initiated by third parties relating to climate change, including litigation pertaining to GHG emissions, the production, sale, or promotion of fossil fuels and petroleum products, and/or climate related disclosure.

Environmental Compliance

Tailings Management and Water Release

Each oil sands mine is required to seek approval for its fluid tailings management plan under the Alberta Energy Regulator's Directive 085 – Fluid Tailings Management for Oil Sands Mining Projects (the Tailings Directive). If a Suncor mine fails to meet a condition of its approved plan, the company could be subject to enforcement actions, including production curtailment, and other financial consequences, such as compliance levies or being required to post additional security under the Mine Financial Security Program. Consequences of not meeting approval conditions are not yet fully known, as certain associated policy and regulation reviews and updates are still under development. Such updates could impact the technologies that the company plans to employ for tailings management and reclamation, which could adversely impact the company's business plans. There could also be risks if the company's tailings management operations fail to operate as anticipated.

Suncor uses an integrated mine water, tailings and closure management approach for effective operations, successful reclamation and closure, and positive environmental outcomes. The inability to release treated mine water to the environment and the lack of an approval mechanism for pit lakes with tailings continues to result in an increase to both water quality concerns and water containment concerns at Suncor mine sites. This impacts current operations, and reclamation and closure plans. The absence of an effective regulatory framework in this area could adversely impact operations and the success and timing of closure and reclamation plans.

Alberta's Land-Use Framework

The implementation of, and compliance with, the terms of Alberta's Land-Use Framework through the Lower Athabasca Regional Plan (LARP) may adversely impact Suncor's current properties and projects in northern Alberta due to, among other things, environmental limits and thresholds. The impact of the LARP on Suncor's operations may be outside of the control of the company, as Suncor's operations could be impacted as a result of restrictions imposed due to the cumulative impact of development by the other operators in the area and not solely in relation to Suncor's direct impact.

Water Management Regulations

Suncor currently relies on water obtained under licences and permits from government and regulators in its operating areas. Water licences and permits contain conditions to be met in order to maintain compliance with the licences. There can be no assurance that the licences to withdraw and use water will not be rescinded or restricted, or that additional conditions will not be added. It is also possible that regional water management approaches may require water-sharing agreements between stakeholders. In addition, any changes or expansions of the company's projects may rely on securing licences and permits for additional water withdrawal and use, and there can be no assurance that these licences will be granted in a timely manner or that they will be granted on terms favourable to Suncor. There is also a risk that future laws or changes to existing laws or regulations relating to water access or water management could cause capital expenditures and operating expenses relating to water licence compliance to increase.

Biodiversity

Species at risk exist in the areas where Suncor conducts its operations. For example, existing, planned and potential future projects in Alberta are located within the range of woodland caribou, which have been identified as "threatened" under the *Species at Risk Act* (Canada). In response to the Government of Canada's Recovery Strategy for the Woodland Caribou, provincial caribou range plans are being developed through sub-regional planning. The development and implementation of sub-regional plans may have an impact on the pace and amount of development in these areas and could potentially increase costs due to restoration or offsetting requirements.

Pursuant to the Alberta Wetland Policy, future development that removes wetlands may be obligated to pay *in lieu* fees based on the hectares of wetlands removed; fees could total in the tens to hundreds of millions per site. Suncor operations and growth projects without established regulatory boundaries (e.g., Water Act) prior to 2016 will be affected. Wetland replacement costs are based on wetland value and may be especially high for future oil sands projects and expansions due to the limited opportunity to avoid or minimize impacts to wetlands.

Air and Water Quality Management

A number of Canadian federal, and provincial, and U.S. federal and state, air and water quality regulations and frameworks are in place currently and being developed, changed and/or implemented, which could have an impact on the company's existing operations and planned projects. As a result the company could be required to invest additional capital or incur additional operating and compliance expenses, including, among other things, potentially retrofitting equipment to meet new requirements and increasing monitoring and mitigation plans. The full impact of these regulations and frameworks is not yet known.

Operational Execution (Safety, Environmental and Reliability)

Each of Suncor's primary operating businesses carries economic risk associated with operating safely and reliably or enduring a protracted operational outage. The breadth and level of integration of Suncor's operations adds complexity.

The company's businesses also carry the risks associated with poor or substandard environmental and safety performance, which is closely scrutinized by governments, the public and the media, and could result in a suspension of or inability to obtain regulatory approvals and permits. A major environmental or safety incident could result in delays in resuming normal operations, fines, civil suits or criminal charges against the company.

In general, Suncor's operations are subject to operational hazards and risks such as, among others, fires (including forest fires), explosions, blow-outs, power outages, prolonged periods of extreme cold or extreme heat, severe winter climate conditions, flooding, droughts and other extreme weather conditions, railcar incidents or derailments, the migration of harmful substances such as, among others, oil spills, gaseous leaks or a release of deleterious substances, loss of tailings dam integrity, pollution and other environmental risks, and accidents, any of which can interrupt operations or cause personal injury or death, or damage to property, equipment (including information technology and related data and controls systems), and the environment.

The reliable operation of production and processing facilities at planned levels and Suncor's ability to produce higher-value products can also be impacted by, among other things, failure to follow the company's policies, standards and operating procedures or operate within established operating parameters, equipment failure through inadequate maintenance, unanticipated erosion or corrosion of facilities, manufacturing and engineering flaws, and labour shortage or interruption. The

company is also subject to operational risks such as sabotage, terrorism, trespass, theft and malicious software, network or cyberattacks.

In addition to the foregoing factors that affect Suncor's business generally, each business unit is susceptible to additional risks due to the nature of its business, including, among others, the following:

- Suncor's Oil Sands business is susceptible to loss of production, slowdowns, shutdowns or restrictions on its ability to produce higher-value products, due to the failure of any one or more interdependent component systems, potential penalties, litigation or reputation damage related to an unintended release or a failure to contain tailings produced in operations, and other risks inherent to oil sands operations;

- Suncor's E&P businesses, face risks and uncertainties associated with drilling for oil and natural gas, the operation and development of such properties and wells (including encountering unexpected formations, pressures or the presence of hydrogen sulphide), premature declines of reservoirs, sour gas releases, uncontrollable flows of crude oil, natural gas or well fluids. Additionally, offshore operations occur in the areas subject to extreme weather conditions, such as hurricanes, winter storms, pack ice, icebergs and fog. The occurrence of any of these events could result in production shut-ins, the suspension of drilling operations and damage to or destruction of the equipment involved. Harsh weather conditions, particularly in the winter season, may also impact the successful execution of maintenance and startup of operations. Offshore operations could be indirectly affected by catastrophic events occurring at other third-party offshore operations, including off-loading terminals, which could give rise to liability, damage to the company's equipment, harm to individuals, force a shutdown of facilities or operations, a curtailment of production, or result in a shortage of appropriate equipment or specialists required to perform planned operations; and

- Suncor's R&M operations are subject to all of the risks normally inherent in the operation of refineries, terminals, pipelines and other distribution facilities and service stations, including, among others, loss of production, slowdowns or shutdowns due to equipment failures, unavailability of feedstock, price and quality of feedstock, or other incidents.

Suncor is also subject to risks relating to the health and safety of its people, and the potential for a slowdown or temporary suspension of its operations in locations impacted by an outbreak of an epidemic, pandemic or other public health crisis. This could negatively impact Suncor's production or refined product volumes and refinery utilization rates for a sustained period of time.

Government/Regulatory Policy

Suncor's businesses operate under federal, provincial, territorial, state and municipal laws in numerous countries. The company is subject to regulation and intervention by governments in oil and gas industry matters, such as, among others, land tenure; royalties; taxes (including income taxes); government fees; production rates; environmental protection; water; wildlife; fish; air quality; safety performance; the reduction of GHG and other emissions; the export of crude oil, natural gas and other products; cybersecurity; interactions with foreign governments; the awarding or acquisition of exploration and production rights, oil sands leases or other interests; the imposition of specific drilling obligations; control over the development, reclamation and abandonment of fields and mine sites; mine financial security requirements; approval of logistics infrastructure; and possibly expropriation or cancellation of contract rights. As part of ongoing operations, the company is also required to comply with a significant number of environmental, health and safety regulations under a variety of Canadian, U.S. and other foreign, federal, provincial, territorial, state and municipal laws and regulations. Failure to comply with applicable laws and regulations may result in, among other things, the imposition of fines and penalties, production constraints, a compulsory shutdown of facilities or suspension of operations (temporarily or permanently), reputational damage, delays, increased costs, denial of operation and growth permit applications, censure, liability for cleanup costs and damages, and the loss of important licenses and permits.

Before proceeding with certain projects, including changes to existing operations, Suncor must obtain permits, regulatory approvals, and licences to operate certain assets. These processes can involve, among other things, Indigenous and stakeholder consultation, government intervention, environmental impact assessments and public hearings and may be subject to conditions, including security deposit obligations and other commitments. In some cases, abandonment and reclamation obligations may remain with the company even after disposition of an asset to a third party. Compliance can be affected by the loss of skilled staff, inadequate internal processes and compliance auditing.

Failure to obtain, comply with, satisfy the conditions of or maintain regulatory permits, licences and approvals, or failure to obtain them on a timely basis or on satisfactory terms, could result in prosecution, fines and penalties, delays, abandonment or restructuring of projects, impacts to production, reputational damage and increased costs, denial of operating and growth

permit applications and public censure. Suncor's businesses can also be indirectly impacted by a third-party's inability to obtain regulatory approval for a shared infrastructure project or a third-party infrastructure project on which a portion of Suncor's business depends.

Changes in government policy, regulation or other laws, or the interpretation thereof, or the revocation of existing approvals or permits by the government or opposition to Suncor's projects or third-party pipeline and infrastructure projects that delay or prevent necessary permits or regulatory approvals, or that make current operations or growth projects less profitable or uneconomic could materially impact Suncor's operations, existing and planned projects.

Digital and Cybersecurity

The efficient operation of Suncor's business is dependent on computer hardware, software and a large and complex information framework, including the systems of cloud providers and third parties with which Suncor conducts business. Digital transformation continues to increase the number of, and complexity of, such systems. In the ordinary course of Suncor's business, Suncor collects and stores sensitive data, including intellectual property, proprietary business information and personal information of the company's employees and retail customers. Suncor relies on industry-accepted security measures, controls and technology to protect Suncor's information systems and securely maintain confidential and proprietary information stored on the company's information systems, and has adopted a continuous process to identify, assess and manage threats to the company's information systems.

As a result of the critical nature of the energy supply chain and Suncor's use of information systems and other digital technologies to control its assets, Suncor faces a heightened risk of cyber-attacks. Additionally, the increasing adoption and use of artificial intelligence (AI) systems by Suncor and/or by third parties may increase the prevalence and efficacy of cyberattacks. Suncor has an information and cybersecurity program in place, however, the measures, controls and technology on which the company relies are constantly evolving, and therefore they may not be adequate due to the increasing volume, sophistication and rapidly evolving nature of cyber threats. Suncor's information technology and infrastructure, including process control systems, has and will likely continue to face attacks by malicious persons or entities motivated by, among other things, geopolitical, financial or activist reasons, or may be breached due to employee error or malfeasance, or otherwise vulnerable due to other disruptions. The company maintains a risk management program, which includes an insurance component that may provide coverage for the operational impacts from an attack to, or breach of, Suncor's information technology and infrastructure, including process control systems, however, the company does not maintain standalone cyber insurance. Furthermore, not all cyber risks are insurable. As a result, Suncor's existing insurance may not provide adequate coverage for losses stemming from a cyberattack to, or breach of, its information technology and infrastructure.

A cyber attack or breach could compromise Suncor's networks, and the information Suncor stores could be accessed, publicly disclosed, lost, stolen or compromised. Any such attack, breach, access, disclosure or loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disruptions to Suncor's operations, decreased performance and production, increased costs, damage to Suncor's reputation, physical harm to people or the environment or other negative consequences to Suncor or third parties.

Competition

The global petroleum industry is highly competitive in many aspects, including the exploration for and the development of new sources of supply, the acquisition of crude oil and natural gas interests, and the refining, distribution and marketing of refined petroleum products. Suncor competes in virtually every aspect of its business with other energy companies. The petroleum industry also competes with other industries in supplying energy, fuel and related products to consumers. The increasing volatility of the political and social landscape adds complexity.

For Suncor's Oil Sands and E&P businesses, it is difficult to assess the number, level of production and ultimate timing of all potential new projects or when existing production levels of competitors may increase. Although increased regulatory requirements have slowed certain larger projects in the short term, an increase in the level of activity may have an impact on regional infrastructure, including pipelines, and could place stress on the availability and cost of all resources required to build and run new and existing oil sands operations.

For Suncor's R&M business, management expects that fluctuations in demand for refined products, margin volatility and overall marketplace competitiveness will continue.

There is a risk that increased competition could cause costs to increase, put further strain on existing infrastructure and cause margins for refined and unrefined products to be volatile, and impact demand for Suncor's products.

Technology Risk

There are risks associated with sustainability, growth and capital projects that rely largely or partly on new technologies and the incorporation of such technologies into new or existing operations, including that the results of the application of new technologies may differ from simulated, test or pilot environments, or that third-party intellectual property protections may impede the development and implementation of new technology. The success of projects incorporating new technologies cannot be assured and advantages accrue to companies that can develop and adopt emerging technologies in advance of competitors. The inability to develop, implement and monitor new technologies may impact the company's ability to develop its new or existing operations in a profitable manner or comply with regulatory requirements.

The increasing use of AI systems both by Suncor and third parties presents a number of risks associated with the company's adoption, development and incorporation of AI systems. AI systems provided with incorrect or incomplete data may generate erroneous insights leading to flawed decisions that potentially compromise safety, productivity and profitability. The amount of data used and the speed of AI systems can create privacy, governance and accountability risks with respect to the use of AI and protection of confidential information. Successful use of AI systems can provide the company with competitive advantages but cannot be assured, and the inability to successfully adopt, develop and/or incorporate AI systems may impact the company's profitability, and ability to compete with peers.

Skills, Resource Shortage and Reliance on Key Personnel

The successful operation of Suncor's businesses depends on the availability of, and competition for skilled labour and materials supply. There is a risk that the company may have difficulty sourcing and retaining the skilled labour in certain talent segments for current and future operations. The availability of competent and skilled contractors for current and future operations is also a risk depending on market conditions and continued cost reduction initiatives. Suncor's ability to operate safely and effectively and complete all projects on time and on budget has the potential to be adversely impacted by a shortage of skilled labour and material supply risks. The company's success also depends in large measure on certain key personnel. The contributions of the existing management team to the immediate and near-term operations of the company are likely to continue to be of central importance for the foreseeable future.

Labour Relations

Hourly employees at Suncor's oil sands facilities (excluding MacKay River, Fort Hills and Syncrude), all of the company's refineries and the majority of the company's terminal and distribution operations and certain of the company's E&P operations are represented by labour unions or employee associations. Any work interruptions involving the company's employees, contract trades utilized in the company's projects or operations, or any jointly owned facilities operated by another entity present a risk to the continued operations of the areas of the company that are affected but such interruptions.

Joint Arrangement Risk

Suncor has entered into joint arrangements and other contractual arrangements with third parties, including arrangements where other entities operate assets in which Suncor has ownership or other interests and arrangements where Suncor operates assets in which other entities have ownership or other interests. The success and timing of activities relating to assets and projects operated by others, or developed jointly with others, depend upon a number of factors that are outside of Suncor's control, including, among others, the timing and amount of capital expenditures, operational and maintenance expenditures, misalignment of partner interests, the operator's expertise, financial resources and risk management practices, the approval of other participants, and the selection of technology.

Financial Risks

Access to Capital

Suncor expects that future capital expenditures will be financed out of cash and cash equivalents balances, cash flow provided by operating activities, available committed credit facilities, issuing commercial paper and, if needed, accessing capital markets. This ability is dependent on, among other factors, commodity prices, the overall state of the capital markets, financial institutions and investor appetite for investments in the energy industry generally, and the company's securities in particular. The company's ability to access capital may also be adversely affected in the event that financial institutions,

investors, rating agencies and/or lenders adopt more restrictive decarbonization policies. To the extent that external sources of capital become limited, unavailable or available on unfavourable terms, the ability to make capital investments and maintain existing properties may be constrained.

If the company finances capital expenditures in whole or in part with debt, that may increase its debt levels above industry standards for oil and gas companies of similar size. Depending on future development and growth plans, additional debt financing may be required, which may not be available or, if available, may not be available on favourable terms. Neither the Articles of Suncor nor its bylaws limit the amount of indebtedness that may be incurred; however, Suncor is subject to covenants in its existing credit facilities and seeks to avoid an unfavourable cost of debt. The level of the company's indebtedness, and the level of indebtedness relative to the company's ability to generate cash flow, from time to time, could impair its ability to obtain additional financing on a timely basis to take advantage of business opportunities that may arise and could negatively affect its credit ratings.

Suncor is required to comply with financial and operating covenants under existing credit facilities and debt securities. Covenants are reviewed based on actual and forecast results and the company has the ability to make changes to its development plans, capital structure and/or dividend policy to comply with covenants under the credit facilities. If Suncor does not comply with the applicable covenants under its credit facilities and debt securities, there is a risk that repayment could be accelerated and/or the company's access to capital could be restricted or only be available on unfavourable terms.

Rating agencies regularly evaluate the company, including its subsidiaries. Their ratings of Suncor's long-term and short-term debt are based on a number of factors, including the company's financial strength, as well as factors not entirely within its control, including conditions affecting the oil and gas industry generally, and the wider state of the economy. Credit ratings may be important to customers or counterparties when Suncor competes in certain markets and when it seeks to engage in certain transactions, including some commodity sales or purchase transactions or those involving over-the-counter derivatives. There is a risk that one or more of Suncor's credit ratings could be downgraded, which could potentially limit its access to private and public credit markets and increase the company's cost of borrowing.

Inflation

The company purchases materials and commodities for use in its business and uses contractors to supplement its workforce in many areas of the organization. While many central banks have subsequently lowered interest rates, which were initially raised in an attempt to reduce inflation, there is no certainty that attempts to control inflation will be successful in continuing the pace at which inflation has subsided.

Even a short period of higher-than-average inflation can lead to structural cost increases in Suncor's business, which may impact its business plans going forward. Furthermore, governmental actions, such as the imposition of higher interest rates, an increase or imposition of tariffs on goods imported from or exported to the U.S., or wage or price controls may also negatively impact the company's costs and magnify the impacts of other risks identified in this Risk Factors section of the MD&A, including those set out below under Financial Risks – Interest Rate Risks.

Energy Trading and Risk Management Activities and the Exposure to Counterparties

The nature of Suncor's energy trading and risk management activities, which may make use of derivative financial instruments or other physical positions to create incremental value to Suncor and to manage its exposure to commodity price and other market risks, creates exposure to financial risks, which include, but are not limited to, unfavourable movements in commodity prices, interest rates or foreign exchange that could result in a financial or opportunity loss to the company; a lack of counterparties, due to market conditions or other circumstances that could leave the company unable to liquidate or offset a position, or unable to do so at or near the previous market price; and counterparty default risk.

Exchange Rate Fluctuations

The majority of Suncor's revenues from the sale of oil and natural gas commodities are based on prices that are determined by, or referenced to, U.S. dollar benchmark prices, while the majority of Suncor's expenditures are realized in Canadian dollars. Suncor also has assets and liabilities, including approximately 60% of the company's debt, that are denominated in U.S. dollars and translated to Suncor's reporting currency (Canadian dollars) at each balance sheet date. Suncor's financial results, therefore, can be affected significantly by the exchange rates between the Canadian dollar and the U.S. dollar. These exchange rates may vary substantially and may give rise to favourable or unfavourable foreign currency exposure. A decrease in the value of the Canadian dollar relative to the U.S. dollar will increase the revenues received from the sale of commodities. An increase in the value of the Canadian dollar relative to the U.S. dollar will decrease revenues received from

the sale of commodities. A decrease in the value of the Canadian dollar relative to the U.S. dollar from the previous balance sheet date increases the amount of Canadian dollars required to settle U.S. dollar denominated obligations.

Interest Rate Risk

The company is exposed to fluctuations in short-term Canadian and U.S. interest rates as Suncor maintains a portion of its debt capacity in revolving and floating rate credit facilities and commercial paper, and invests surplus cash in short-term debt instruments and money market instruments, which are off-setting exposures to some degree. Suncor may also be exposed to higher interest rates when debt instruments are maturing and require refinancing, or when new debt capital needs to be raised. The company is also exposed to changes in interest rates if derivative instruments are used to manage the debt portfolio.

Royalties, Taxes and Tariffs

Suncor is subject to royalties and taxes imposed by governments in numerous jurisdictions and the potential for increased tariffs. Royalties can be impacted by changes in crude oil and natural gas pricing, production volumes, sales volumes, and capital and operating costs; by changes to existing legislation or production sharing contracts; and by results of regulatory audits of prior year filings and other such events. The final determination of these events may have a material impact on the company's royalties expense. A failure to fully realize anticipated tax benefits, including the expected tax benefit relating to the acquisition of TotalEnergies Canada, or an increase in Suncor's royalties expense, income taxes, property taxes, carbon taxes, levies, tariffs, duties, quotas, border taxes, other taxes and government-imposed compliance costs may increase our cost of tax compliance, and may have an impact on the company's business, financial condition, results of operations and cash flows from operations.

In February 2025, the U.S. government announced plans for new tariffs on, among other things, Canadian imports to the United States. In response to the U.S. tariffs, the Canadian government subsequently announced it would implement retaliatory tariffs on certain goods imported from the U.S. A portion of the company's crude oil is exported to the U.S. and tariffs could have a negative impact on commodity prices, including increasing the volatility thereof, which could, in turn, have an adverse effect on the company's business, financial condition, results of operations and cash flows from operations. Additionally, certain goods used by the company in its operations are procured from the U.S. and the tariffs proposed by the Canadian government could increase certain costs of the company, which could, in turn, have an adverse effect on the company's business, financial condition and cash flows from operations.

The details and timing of the implementation of the U.S. and Canadian tariffs remain subject to significant uncertainty at this time and, as such, the impacts thereof on the company's and business and financial results cannot be accurately quantified at this time. Suncor intends to continue to monitor the impact of such tariffs on the company.

Dividends and Share Repurchases

Suncor's payment of future dividends on its common shares and future share repurchases by Suncor of its common shares depends on, among other things, legislative and stock exchange requirements, the prevailing business environment, the company's financial condition, results of operations, cash flow, the need for funds to finance ongoing operations and growth projects, debt covenants and other business considerations that the Board considers relevant. There can be no assurance that Suncor will continue to pay dividends or repurchase shares in the future.

E&P Reserves Replacement

Suncor's future E&P production, and therefore its cash flows and results of operations from E&P, are highly dependent upon success in exploiting its current reserves base and acquiring or discovering additional reserves. Without additions to its E&P reserves through exploration, acquisition or development activities, Suncor's production from its E&P assets will decline over time as reserves are depleted. The business of exploring for, developing or acquiring reserves is capital intensive. To the extent Suncor's cash flows are insufficient to fund capital expenditures and external sources of capital become limited or unavailable, Suncor's ability to make the necessary capital investments to maintain and expand its reserves will be impaired. In addition, Suncor may be unable to develop or acquire additional reserves to replace its crude oil production at acceptable costs.

Uncertainties Affecting Reserves Estimates

There are numerous uncertainties inherent in estimating quantities of reserves, including many factors beyond the company's control. Suncor's actual production, revenues, royalties, taxes and development and operating expenditures with respect to the company's reserves will vary from its estimates, and such variances could be material.

The evaluation of reserves is a continuous process, one that can be significantly impacted by a variety of internal and external influences. Revisions are often required as a result of newly acquired technical data, technology improvements or changes in performance, pricing, economic conditions, market availability or regulatory requirements. Additional technical information regarding geology, hydrogeology, reservoir properties and reservoir fluid properties is obtained through seismic programs, drilling programs, updated reservoir performance studies and analysis and production history, and may result in revisions to reserves. Pricing, market availability and economic conditions affect the profitability of reserves development. Royalty regimes and environmental regulations and other regulatory changes cannot be predicted but may have positive or negative effects on reserves. Future technology improvements would be expected to have a favourable impact on the economics of reserves development and exploitation, and therefore may result in an increase to reserves. Political unrest, such as is occurring in Syria and Libya, has resulted in volumes that would otherwise be classified as reserves no longer being classified as such.

There are numerous uncertainties inherent in estimating the quantities and quality of these reserves, including many factors beyond the company's control. In general, estimates of reserves and the future net cash flows from these reserves are based upon a number of factors and assumptions – such as production forecasts, regulations, pricing, the timing and amount of capital expenditures, future royalties, future operating costs, yield rates for upgraded production of SCO from bitumen, and future abandonment and reclamation costs – all of which may vary considerably from actual results. The accuracy of any reserves estimate is a matter of interpretation and judgment and is a function of the quality and quantity of available data, which may have been gathered over time. For these reasons, estimates of reserves and categorization of such reserves based on the certainty of recovery, prepared by different engineers or by the same engineers at different times, may vary.

Reserves estimates are based upon geological assessment, including drilling and laboratory tests. Mining reserves estimates also consider production capacity and upgrading yields, mine plans, operating life and regulatory constraints. In Situ reserves estimates are also based upon the testing of core samples and seismic operations and demonstrated commercial success of in situ processes. Suncor's actual production, revenues, royalties, taxes, and development and operating expenditures with respect to the company's reserves will vary from such estimates, and such variances could be material. Production performance subsequent to the date of the estimate may justify future revision, either upward or downward, if material.

Reserves evaluations are based in part on the assumed success of activities the company intends to undertake in future years. Estimated reserves and associated cash flows may be increased or reduced to the extent that such activities do or do not achieve the level of success assumed in the reserves evaluations.

Third-Party Service Providers

Suncor's businesses are reliant on the operational integrity of a large number of third-party service providers, including input and output commodity transport (pipelines, rail, trucking, marine) and utilities associated with various Suncor and jointly owned facilities. A disruption in service or limited availability by one of these third parties can have a dramatic impact on Suncor's operations and growth plans. Pipeline constraints that affect takeaway capacity or supply of inputs, such as hydrogen and power, could impact the company's ability to produce at capacity levels. Disruptions in pipeline service could adversely affect commodity prices, Suncor's price realizations, refining operations and sales volumes, or limit the company's ability to produce and deliver production. These interruptions may be caused by the inability of the pipeline to operate or by the oversupply of feedstock into the system that exceeds pipeline capacity. Short-term operational constraints on pipeline systems arising from pipeline interruption and/or increased supply of crude oil have occurred in the past and could occur in the future. There is a risk that third-party outages could impact Suncor's production or price realizations.

Foreign Operations

The company has operations in countries with different political, economic and social systems. As a result, the company's operations and related assets are subject to a number of risks and other uncertainties arising from foreign government sovereignty over the company's international operations, which may include, among other things, currency restrictions and restrictions on repatriation of funds; loss of revenue, property and equipment as a result of expropriation, nationalization, terrorism, war, insurrection, and geopolitical and other political risks; increases in taxes, tariffs and government royalties; compliance with existing and emerging anti-corruption laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the *Foreign Corrupt Practices Act* (United States); renegotiation of contracts with government entities and quasi-

government agencies; changes in laws and policies governing operations of foreign-based companies; and economic and legal sanctions (such as restrictions against countries experiencing political violence, or countries that other governments may deem to sponsor terrorism).

If a dispute arises in the company's foreign operations, the company may be subject to the exclusive jurisdiction of foreign courts or may not be able to subject foreign persons to the jurisdiction of a court in Canada or the U.S. In addition, as a result of activities in these areas and a continuing evolution of an international framework for corporate responsibility and accountability for international crimes, there is a risk the company could be exposed to potential claims for alleged breaches of international or local law. The inability of Suncor to fulfil its exploration commitments and other contractual obligations in Libya due to ongoing political instability, civil unrest and security concerns could result in significant expenses and/or the payment of penalties, and the quantum of such could have an adverse effect on the company's financial condition.

The impact that future potential terrorist attacks, regional hostilities or political violence, such as that experienced in Libya and Syria, may have on the oil and gas industry, and on Suncor's operations in particular, is not known at this time. Suncor may be required to incur significant costs in the future to safeguard its assets against terrorist activities or to remediate potential damage to its facilities. There can be no assurance that Suncor will be successful in protecting itself against these risks and the related safety and financial consequences.

Despite Suncor's training and policies around bribery and other forms of corruption, there is a risk that Suncor, or some of its employees or contractors, could be charged with bribery or corruption. Any of these violations could result in onerous penalties. Even allegations of such behaviour could impair Suncor's ability to work with governments or non-government organizations and could result in the formal exclusion of Suncor from a country or area, sanctions, fines, project cancellations or delays, the inability to raise or borrow capital, reputational impacts and increased investor concern.

Security and Terrorist Threats

Security threats and terrorist or activist activities may impact Suncor's personnel, which could result in injury, death, extortion, hostage situations and/or kidnapping, including unlawful confinement. A security threat, terrorist attack or activist incident targeted at a facility or office owned or operated by Suncor could also result in the interruption or cessation of key elements of Suncor's operations and may result in property damage.

Land Claims and Indigenous Consultation

Indigenous Peoples have claimed Indigenous title and rights to portions of Western Canada. In addition, Indigenous Peoples have filed claims against industry participants relating in part to land claims, which may affect the company's business.

Consulting requirements with Indigenous Peoples in respect of oil and gas projects and related infrastructure have increased in recent years, and the Canadian federal government and the provincial government in Alberta have committed to renew their relationships with the Indigenous Peoples of Canada. In particular, on June 21, 2021, Canada's *United Nations Declaration on the Rights of Indigenous Peoples Act* (the UNDRIP Act) received Royal Assent and came into force. It is unknown how the UNDRIP Act will ultimately be implemented and interpreted as a part of Canadian law, and it therefore also remains unclear what its corresponding impact will be on the Crown's duty to consult with and accommodate Indigenous Peoples.

At this point Suncor is unable to assess the effect, if any, that any such land claims, consultation requirements with Indigenous Peoples or the implementation of the UNDRIP Act may have on Suncor's business.

Litigation Risk

There is a risk that Suncor or entities in which it has an interest may be subject to litigation and claims under such litigation may be material. Various types of claims may be raised in these proceedings, including, but not limited to, environmental damage, climate change and the impacts thereof, breach of contract, common law duties, product liability, antitrust, bribery and other forms of corruption, tax, regulatory enforcement actions, *Competition Act* enforcement actions, patent infringement, disclosure, employment matters and in relation to an attack, breach or unauthorized access to Suncor's information technology and infrastructure. Litigation is subject to uncertainty, and it is possible that there could be adverse developments in pending or future cases. Unfavourable outcomes or settlements of litigation could encourage the commencement of additional litigation. Suncor may also be subject to adverse publicity and reputational impacts associated with such matters, regardless of whether Suncor is ultimately found liable or at fault. There is a risk that the outcome of such litigation may be

adverse to the company and/or the company may be required to incur significant expenses or devote significant resources in defence against such litigation, the success of which cannot be guaranteed.

Control Environment

Based on their inherent limitations, disclosure controls and procedures and internal controls over financial reporting may not prevent or detect misstatements, and even those controls determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Failure to adequately prevent, detect and correct misstatements could have an impact on how Suncor's business, financial condition and results of operations are reported.

Insurance Coverage

Suncor maintains insurance coverage as part of its risk management program. However, such insurance may not provide comprehensive coverage in all circumstances, nor are all such risks insurable. The company self-insures some risks, and the company's insurance coverage does not cover all the costs arising out of the allocation of liabilities and risk of loss arising from Suncor operations.

In some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. Significantly increased costs could lead the company to decide to reduce, or possibly eliminate, coverage. In addition, insurance is purchased from a number of third-party insurers, often in layered insurance arrangements, some of whom may discontinue providing insurance coverage for their own policy or strategic reasons. Should any of these insurers refuse to continue to provide insurance coverage, the company's overall risk exposure could be increased.

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12. Other Items

Control Environment

Based on their evaluation as of December 31, 2024, Suncor's Chief Executive Officer and Chief Financial Officer concluded that the company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the United States *Securities Exchange Act of 1934*, as amended (the Exchange Act)), are effective to ensure that information required to be disclosed by the company in reports that are filed or submitted to Canadian and U.S. securities authorities is recorded, processed, summarized and reported within the time periods specified in Canadian and U.S. securities laws. There were no other changes in the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) that occurred during the period ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, the company's internal control over financial reporting. Management will continue to periodically evaluate the company's disclosure controls and procedures and internal control over financial reporting and will make any modifications from time to time as deemed necessary.

The effectiveness of our internal control over financial reporting as at December 31, 2024, was audited by KPMG LLP, an independent registered public accounting firm, as stated in their report, which is included in our audited Consolidated Financial Statements for the year ended December 31, 2024.

Based on their inherent limitations, disclosure controls and procedures and internal control over financial reporting may not prevent or detect misstatements, and even those controls determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Corporate Guidance

There have been no changes to the corporate guidance ranges previously issued on December 12, 2024. For further details and advisories regarding Suncor's 2025 corporate guidance, see www.suncor.com/guidance.

13. Advisories

Non-GAAP and Other Financial Measures

Certain financial measures in this MD&A – namely adjusted operating earnings (loss), adjusted funds from (used in) operations, measures contained in ROCE and ROCE excluding impairments and impairment reversals, price realizations, free funds flow, Oil Sands operations cash operating costs, Fort Hills cash operating costs, Syncrude cash operating costs, refining and marketing margin, refining operating expense, net debt, total debt, LIFO inventory valuation methodology and related per share or per barrel amounts or metrics that contain such measures – are not prescribed by GAAP. These non-GAAP financial measures are included because management uses the information to analyze business performance, leverage and liquidity, and it may be useful to investors on the same basis. These non-GAAP financial measures do not have any standardized meaning and, therefore, are unlikely to be comparable to similar measures presented by other companies. Therefore, these non-GAAP financial measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Except as otherwise indicated, these non-GAAP financial measures are calculated and disclosed on a consistent basis from period to period. Specific adjusting items may only be relevant in certain periods.

(a) Adjusted Operating Earnings (Loss)

Adjusted operating earnings (loss) is a non-GAAP financial measure that adjusts net earnings (loss) for significant items that are not indicative of operating performance. Management uses adjusted operating earnings (loss) to evaluate operating performance because management believes it provides better comparability between periods. For the years ended December 31, 2024, December 31, 2023, and December 31, 2022, consolidated adjusted operating earnings (loss) are reconciled to net earnings (loss) in the Financial Information section of this MD&A and adjusted operating earnings (loss) for each segment are reconciled to net earnings (loss) in the Segment Results and Analysis section of this MD&A. Adjusted operating earnings (loss) for the three months ended December 31, 2024, and December 31, 2023, are reconciled to net earnings (loss) below.

(b) Bridge Analyses of Adjusted Operating Earnings (Loss)

Throughout this MD&A, the company presents charts that illustrate the change in adjusted operating earnings (loss) from the comparative period through key variance factors. These factors are analyzed in the Adjusted Operating Earnings (Loss) narratives following the bridge analyses in specific sections of this MD&A. These bridge analyses are presented because management uses this presentation to evaluate performance. All reconciling items are presented on a before-tax basis and adjusted for income taxes in the Income Tax bridge factor.

- The factor for Sales Volumes and Mix is calculated based on sales volumes and mix for the Oil Sands and E&P segments and refinery production volumes for the R&M segment.
- The factor for Price, Margin and Other Revenue includes upstream price realizations before royalties, except for Libya, which is net of royalties, and upstream marketing and logistics. Also included are refining and marketing margins, other operating revenue, and the net impacts of sales and purchases of third-party crude, including product purchased for use as diluent in the company's Oil Sands operations and subsequently sold as part of diluted bitumen.
- The factor for Royalties excludes the impact of Libya, as royalties in Libya are taken into account in Price, Margin and Other Revenue as described above.
- The factor for Inventory Valuation is comprised of changes in the FIFO inventory valuation and the realized portion of commodity risk management activities reported in the R&M segment, as well as the impact of the deferral or realization of profit or loss on crude oil sales from the Oil Sands segment to Suncor's refineries reported in the Corporate and Eliminations segment.
- The factor for Operating and Transportation Expense includes project startup costs, OS&G expense and transportation expense.
- The factor for Financing Expense and Other includes financing expenses, other income, operational foreign exchange gains and losses, and changes in gains and losses on disposal of assets that are not adjusted operating earnings (loss) adjustments.

- The factor for DD&A and Exploration Expense includes depreciation, depletion and amortization expense, and exploration expense.

- The factor for Income Tax includes the company's current and deferred income tax expense on adjusted operating earnings, changes in statutory income tax rates and other income tax adjustments.

(c) Return on Capital Employed (ROCE) and ROCE Excluding Impairments and Impairment Reversals

ROCE is a non-GAAP ratio that management uses to analyze operating performance and the efficiency of Suncor's capital allocation process. ROCE is calculated using the non-GAAP financial measures adjusted net earnings and average capital employed. Adjusted net earnings is calculated by taking net earnings (loss) and adjusting after-tax amounts for unrealized foreign exchange on U.S. dollar denominated debt and net interest expense. Average capital employed is calculated as a twelve-month average of the capital employed balance at the beginning of the twelve-month period and the month-end capital employed balances throughout the remainder of the twelve-month period. Figures for capital employed at the beginning and end of the twelve-month period are presented to show the changes in the components of the calculation over the twelve-month period.

Year ended December 31 ($ millions, except as noted)		**2024**	2023	2022
Adjustments to net earnings				
Net earnings		**6 016**	8 295	9 077
Add (deduct) add after-tax amounts for:				
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt		**615**	(179)	679
Net interest expense		**279**	401	491
Adjusted net earnings[1]	A	**6 910**	8 517	10 247
Capital employed – beginning of twelve-month period				
Net debt[2][4]		**9 852**	10 627	13 299
Shareholders' equity		**43 279**	39 367	36 614
		53 131	49 994	49 913
Capital employed – end of twelve-month period				
Net debt[2][4]		**6 861**	9 852	10 627
Shareholders' equity		**44 514**	43 279	39 367
		51 375	53 131	49 994
Average capital employed	B	**52 972**	52 119	50 745
ROCE (%)[3][5]	A/B	**13.0**	16.3	20.2

(1) Total before-tax impact of adjustments is $1.042 billion for the year ended December 31, 2024, $344 million for the year ended December 31, 2023, and $1.575 billion for the year ended December 31, 2022.
(2) Net debt is a non-GAAP financial measure.
(3) For the twelve months ended December 31, 2024, there were no impairments or impairment reversals. As a result, ROCE excluding impairments was equal to ROCE. ROCE was impacted by the $1.125 billion non-cash gain on acquisition of TotalEnergies Canada for the twelve months ended December 31, 2023, and for the first nine months of 2024. For the twelve months ended December 31, 2022, ROCE was impacted by the impairment reversal of $715 million ($542 million after-tax) and impairment of $70 million ($47 million after-tax) in the second quarter of 2022, and the impact of the impairment of $3.397 billion ($2.586 billion after-tax) in the third quarter of 2022.
(4) Beginning in 2024, the company revised the definition of net debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.
(5) Beginning in 2024, the company revised the definition of ROCE to exclude lease liabilities from the calculation of average capital employed and interest on lease liabilities from net interest expense to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

(d) Adjusted Funds from (Used in) Operations

Adjusted funds from (used in) operations is a non-GAAP financial measure that adjusts a GAAP measure – cash flow provided by operating activities – for changes in non-cash working capital, which management uses to analyze operating performance and liquidity. Changes to non-cash working capital can be impacted by, among other factors, the timing of offshore feedstock purchases and payments for commodity and income taxes, the timing of cash flows related to accounts receivable and accounts payable, and changes in inventory that management believe reduces comparability between periods.

	Oil Sands			Exploration and Production			Refining and Marketing		
Year ended December 31 ($ millions)	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022
Earnings (loss) before income taxes	**6 607**	6 811	5 633	**867**	1 691	3 221	**2 596**	3 383	5 694
Adjustments for:									
Depreciation, depletion, amortization and impairment	**5 134**	4 902	7 927	**707**	483	(105)	**996**	934	844
Accretion	**514**	460	249	**67**	64	60	**11**	8	8
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**—**	—	—	**—**	—	—	**—**	—	—
Change in fair value of financial instruments and trading inventory	**(117)**	27	18	**3**	(3)	(6)	**(8)**	(29)	(50)
Bargain purchase gain and revaluations	**—**	(1 125)	—	**—**	—	—	**—**	—	—
(Gain) loss on disposal of assets	**(15)**	(39)	(7)	**—**	(600)	66	**(8)**	(28)	(11)
Loss on extinguishment of long-term debt	**—**	—	—	**—**	—	—	**—**	—	—
Share-based compensation	**(47)**	71	139	**12**	12	6	**(20)**	25	50
Settlement of decommissioning and restoration liabilities	**(385)**	(326)	(264)	**(47)**	(29)	(21)	**(56)**	(35)	(23)
Other	**151**	(56)	136	**1**	(6)	(43)	**27**	10	49
Current income tax expense	**—**	—	—	**—**	—	—	**—**	—	—
Adjusted funds from (used in) operations	**11 842**	10 725	13 831	**1 610**	1 612	3 178	**3 538**	4 268	6 561
Change in non-cash working capital									
Cash flow provided by operating activities									

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Year ended December 31 ($ millions)	Corporate and Eliminations			Income Taxes			Total		
	2024	2023	2022	**2024**	2023	2022	**2024**	2023	2022
Earnings (loss) before income taxes	**(1 883)**	(1 296)	(2 232)	**—**	—	—	**8 187**	10 589	12 316
Adjustments for:									
Depreciation, depletion, amortization and impairment	**117**	116	120	**—**	—	—	**6 954**	6 435	8 786
Accretion	**—**	—	(1)	**—**	—	—	**592**	532	316
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**714**	(184)	729	**—**	—	—	**714**	(184)	729
Change in fair value of financial instruments and trading inventory	**—**	—	—	**—**	—	—	**(122)**	(5)	(38)
Bargain purchase gain and revaluations	**—**	—	—	**—**	—	—	**—**	(1 125)	—
(Gain) loss on disposal of assets	**(2)**	(325)	(3)	**—**	—	—	**(25)**	(992)	45
Loss on extinguishment of long-term debt	**170**	—	32	**—**	—	—	**170**	—	32
Share-based compensation	**(2)**	—	133	**—**	—	—	**(57)**	108	328
Settlement of decommissioning and restoration liabilities	**—**	—	(6)	**—**	—	—	**(488)**	(390)	(314)
Other	**207**	143	(12)	**—**	—	—	**386**	91	130
Current income tax expense	**—**	—	—	**(2 465)**	(1 734)	(4 229)	**(2 465)**	(1 734)	(4 229)
Adjusted funds from (used in) operations	**(679)**	(1 546)	(1 240)	**(2 465)**	(1 734)	(4 229)	**13 846**	13 325	18 101
Change in in non-cash working capital							**2 114**	(981)	(2 421)
Cash flow provided by operating activities							**15 960**	12 344	15 680

(e) Free Funds Flow

Free funds flow is a non-GAAP financial measure that is calculated by taking adjusted funds from operations and subtracting capital expenditures, including capitalized interest. Free funds flow reflects cash available for increasing distributions to shareholders and reducing debt. Management uses free funds flow to measure the capacity of the company to increase returns to shareholders and to grow Suncor's business.

	Oil Sands			Exploration and Production			Refining and Marketing		
Year ended December 31 ($ millions)	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022
Adjusted funds from (used in) operations	**11 842**	10 725	13 831	**1 610**	1 612	3 178	**3 538**	4 268	6 561
Capital expenditures including capitalized interest[1]	**(4 340)**	(4 096)	(3 540)	**(907)**	(668)	(443)	**(1 190)**	(1 002)	(816)
Free funds flow (deficit)	**7 502**	6 629	10 291	**703**	944	2 735	**2 348**	3 266	5 745

	Corporate and Eliminations			Income Taxes			Total		
Year ended December 31 ($ millions)	**2024**	2023	2022	**2024**	2023	2022	**2024**	2023	2022
Adjusted funds from (used in) operations	**(679)**	(1 546)	(1 240)	**(2 465)**	(1 734)	(4 229)	**13 846**	13 325	18 101
Capital expenditures including capitalized interest[1]	**(46)**	(62)	(188)	**—**	—	—	**(6 483)**	(5 828)	(4 987)
Free funds flow (deficit)	**(725)**	(1 608)	(1 428)	**(2 465)**	(1 734)	(4 229)	**7 363**	7 497	13 114

(1) Excludes capital expenditures related to assets previously held for sale of nil in 2024, $108 million in 2023 and $133 million in 2022.

(f) Oil Sands Operations, Fort Hills and Syncrude Cash Operating Costs

Cash operating costs are calculated by adjusting Oil Sands segment OS&G expense for non-production costs and excess power capacity. Significant non-production costs include, but are not limited to, share based compensation adjustments, research costs, project startup costs and adjustments to reflect the cost of internal transfers in the receiving asset at the cost of production versus the cost of purchase. Non-production costs at Fort Hills and Syncrude also include, but are not limited to, an adjustment to reflect internally produced diesel from Oil Sands operations at the cost of production. Excess power capacity represents excess power revenue from cogeneration units that is recorded in operating revenues. Oil Sands operations excess power capacity and other also includes, but is not limited to, the natural gas expense recorded as part of a non-monetary arrangement involving a third-party processor. Oil Sands operations, Fort Hills and Syncrude production volumes are gross of internally consumed diesel and feedstock transfers between assets. Oil Sands operations, Fort Hills and Syncrude cash operating costs are reconciled in the Segment Results and Analysis – Oil Sands – Cash Operating Costs section of this MD&A. Management uses cash operating costs to measure operating performance.

(g) Refining and Marketing Gross Margin and Refining Operating Expense

Refining and marketing gross margins and refining operating expense are non-GAAP financial measures. Refining and marketing gross margin, on a FIFO basis, is calculated by adjusting R&M segment operating revenue, other income and purchases of crude oil and products (all of which are GAAP measures) for intersegment marketing fees recorded in intersegment revenues and the impact of inventory write-downs recorded in purchases of crude oil and products. Refining and marketing gross margin, on a LIFO basis, is further adjusted for the impacts of FIFO inventory valuation recorded in purchases of crude oil and products and short-term risk management activities recorded in other income (loss). Refinery operating expense is calculated by adjusting R&M segment OS&G for i) non-refining costs pertaining to the company's supply, marketing and ethanol businesses; and ii) non-refining costs that management believes do not relate to the production of refined products, including, but not limited to, share-based compensation and enterprise shared service allocations. Management uses refining and marketing gross margin and refining operating expense to measure operating performance on a production barrel basis.

Year ended December 31 ($ millions, except as noted)	**2024**	2023	2022
Refining and marketing gross margin reconciliation			
Operating revenues	**31 341**	31 068	36 728
Purchases of crude oil and products	**(24 915)**	(23 867)	(27 261)
	6 426	7 201	9 467
Other income (loss)	**255**	224	(60)
Non-refining and marketing margin	**(112)**	(50)	(20)
Refining and marketing gross margin – FIFO	**6 569**	7 375	9 387
Refinery production[(1)] (mbbls)	**180 356**	163 895	168 149
Refining and marketing gross margin – FIFO ($/bbl)	**36.40**	45.00	55.85
FIFO and risk management activities adjustment	**107**	330	(230)
Refining and marketing gross margin – LIFO	**6 676**	7 705	9 157
Refining and marketing gross margin – LIFO ($/bbl)	**37.00**	47.00	54.45
Refining operating expense reconciliation			
Operating, selling and general expense	**2 466**	2 558	2 427
Non-refining costs	**(1 277)**	(1 340)	(1 246)
Refining operating expense	**1 189**	1 218	1 181
Refinery production[(1)]	**180 356**	163 895	168 149
Refining operating expense ($/bbl)	**6.60**	7.45	7.00

(1) Refinery production is the output of the refining process and differs from crude oil processed as a result of volumetric adjustments for non-crude feedstock, volumetric gain associated with the refining process and changes in unfinished product inventories.

(h) Impact of FIFO Inventory Valuation on Refining and Marketing Net Earnings

GAAP requires the use of a FIFO inventory valuation methodology. For Suncor, this results in a disconnect between the sales prices for refined products, which reflect current market conditions, and the amount recorded as the cost of sale for the related refinery feedstock, which reflects market conditions at the time when the feedstock was purchased. This lag between purchase and sale can be anywhere from several weeks to several months and is influenced by the time to receive crude after purchase, regional crude inventory levels, the completion of refining processes, transportation time to distribution channels and regional refined product inventory levels.

Suncor prepares and presents an estimate of the impact of using a FIFO inventory valuation methodology compared to a LIFO methodology, because management uses the information to analyze operating performance and compare itself against refining peers that are permitted to use LIFO inventory valuation under U.S. GAAP.

The company's estimate is not derived from a standardized calculation and, therefore, may not be directly comparable to similar measures presented by other companies, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP or U.S. GAAP.

(i) Net Debt and Total Debt

Net debt and total debt are non-GAAP financial measures that management uses to analyze the financial condition of the company. Total debt includes short-term debt, current portion of long-term debt and long-term debt (all of which are GAAP measures). Net debt is equal to total debt less cash and cash equivalents (a GAAP measure).

At December 31 ($ millions, except as noted)	**2024**	2023	2022
Short-term debt	**—**	494	2 807
Current portion of long-term debt	**997**	—	—
Long-term debt	**9 348**	11 087	9 800
Total debt[1]	**10 345**	11 581	12 607
Less: Cash and cash equivalents	**3 484**	1 729	1 980
Net debt[1]	**6 861**	9 852	10 627
Shareholders' equity	**44 514**	43 279	39 367
Total debt plus shareholders' equity [1]	**54 859**	54 860	51 974
Total debt to total debt plus shareholders' equity (%) [1]	**18.9**	21.1	24.3
Net debt to net debt plus shareholders' equity (%) [1]	**13.4**	18.5	21.3

(1) Beginning in 2024, the company revised the definition of net debt and total debt to exclude lease liabilities to better align with how management and industry monitor capital structure. Prior period comparatives have been restated to reflect this change.

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(j) Price Realizations

Price realizations are a non-GAAP measure used by management to measure profitability. Oil Sands price realizations are presented on a crude product basis and are derived from the Oil Sands segmented statement of net earnings (loss), after adjusting for items not directly attributable to the revenues associated with production. E&P price realizations are presented on an asset location basis and are derived from the E&P segmented statement of net earnings (loss), after adjusting for other E&P assets, such as Libya, for which price realizations are not provided.

Oil Sands Price Realizations

For the year ended	December 31, 2024				December 31, 2023			
($ millions, except as noted)	Non-Upgraded Bitumen	Upgraded – Net SCO and Diesel	Average Crude	Oil Sands Segment	Non-Upgraded Bitumen	Upgraded – Net SCO and Diesel	Average Crude	Oil Sands Segment
Operating revenues	**9 924**	**19 336**	**29 260**	**29 260**	7 218	18 817	26 035	26 035
Other income (loss)	**142**	**34**	**176**	**176**	1 519	(50)	1 469	1 469
Purchases of crude oil and products	**(2 371)**	**(188)**	**(2 559)**	**(2 559)**	(1 758)	(177)	(1 935)	(1 935)
Gross realization adjustment[(1)]	**(130)**	**(199)**	**(329)**		(1 463)	(294)	(1 757)	
Gross realizations	**7 565**	**18 983**	**26 548**		5 516	18 296	23 812	
Transportation and distribution	**(636)**	**(589)**	**(1 225)**	**(1 225)**	(567)	(646)	(1 213)	(1 213)
Price realization	**6 929**	**18 394**	**25 323**		4 949	17 650	22 599	
Sales volumes (mbbls)	**95 447**	**187 844**	**283 291**		72 795	177 601	250 396	
Price realization per barrel	**72.65**	**97.91**	**89.41**		67.97	99.40	90.27	

For the year ended	December 31, 2022			
($ millions, except as noted)	Non-Upgraded Bitumen	Upgraded – Net SCO and Diesel	Average Crude	Oil Sands Segment
Operating revenues	7 892	22 539	30 431	30 431
Other (loss) income	(80)	27	(53)	(53)
Purchases of crude oil and products	(1 673)	(377)	(2 050)	(2 050)
Gross realization adjustment[(1)]	(119)	(420)	(539)	
Gross realizations	6 020	21 769	27 789	
Transportation and distribution	(438)	(772)	(1 210)	(1 210)
Price realization	5 582	20 997	26 579	
Sales volumes (mbbls)	65 960	176 632	242 592	
Price realization per barrel	84.63	118.88	109.57	

(1) Reflects the items not directly attributed to revenues received from the sale of proprietary crude and net non-proprietary activity at its deemed point of sale.

E&P Price Realizations

For the year ended	December 31, 2024				December 31, 2023			
($ millions, except as noted)	**E&P International**	**E&P Canada**	**Other(1)(2)**	**E&P Segment**	E&P International	E&P Canada	Other(1)(2)	E&P Segment
Operating revenues	**—**	**2 127**	**671**	**2 798**	306	1 689	694	2 689
Transportation and distribution	**—**	**(81)**	**(8)**	**(89)**	(9)	(58)	(9)	(76)
Price realization	**—**	**2 046**	**663**		297	1 631	685	
Sales volumes (mbbls)	**—**	**19 095**			2 729	15 149		
Price realization per barrel	**—**	**107.38**			109.00	107.62		

For the year ended	December 31, 2022			
($ millions, except as noted)	E&P International	E&P Canada	Other(1)(2)	E&P Segment
Operating revenues	1 222	2 464	645	4 331
Transportation and distribution	(24)	(61)	(16)	(101)
Price realization	1 198	2 403	629	
Sales volumes (mbbls)	9 453	18 753		
Price realization per barrel	126.61	128.07		

(1) Reflects other E&P assets, such as Libya, for which price realizations are not provided.

(2) Production from the company's Libya operations has been presented on an economic basis. In the Financial Statements, revenue and royalties from the company's Libya operations are presented on a working-interest basis, which is required for presentation purposes. In 2024, revenue included a gross-up amount of $510 million, with an offsetting amount of $271 million in royalties in the E&P segment and $239 million in income tax expense recorded at the consolidated level. In 2023, revenue included a gross-up amount of $528 million (2022 - $486 million), with an offsetting amount of $282 million (2022 - $266 million) in royalties and $246 million (2022 - $220 million) in income tax expense recorded at the consolidated level.

(k) Adjusted Operating Earnings (Loss) Reconciliations – Fourth Quarter 2024 and 2023

For the quarter ended December 31			Exploration and		Refining and		Corporate					
($ millions)	Oil Sands		Production		Marketing		and Eliminations		Income Taxes		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net earnings (loss)	**1 625**	2 660	**125**	133	**410**	598	**(1 070)**	(1)	**(272)**	(570)	**818**	2 820
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**—**	—	**—**	—	**—**	—	**514**	(199)	**—**	—	**514**	(199)
Unrealized gain on risk management activities	**(16)**	(9)	**—**	—	**—**	—	**—**	—	**—**	—	**(16)**	(9)
Gain on significant acquisition	**—**	(1 125)	**—**	—	**—**	—	**—**	—	**—**	—	**—**	(1 125)
Asset impairment	**—**	—	**—**	—	**—**	—	**212**	158	**—**	—	**212**	158
Loss on repayment of long-term debt	**—**	—	**—**	—	**—**	—	**144**	—	**—**	—	**144**	—
Income tax recovery on adjusted operating earnings adjustments	**—**	—	**—**	—	**—**	—	**—**	—	**(106)**	(10)	**(106)**	(10)
Adjusted operating earnings (loss)	**1 609**	1 526	**125**	133	**410**	598	**(200)**	(42)	**(378)**	(580)	**1 566**	1 635

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(I) Adjusted Funds from (Used in) Operations Reconciliations – Fourth Quarter 2024 and 2023

For the quarter ended December 31 ($ millions)	Oil Sands		Exploration and Production		Refining and Marketing		Corporate and Eliminations		Income Taxes		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Earnings (loss) before income taxes	**1 625**	2 660	**125**	133	**410**	598	**(1 070)**	(1)	**—**	—	**1 090**	3 390
Adjustments for:												
Depreciation, depletion, amortization and impairment	**1 390**	1 214	**162**	99	**269**	256	**30**	29	**—**	—	**1 851**	1 598
Accretion	**128**	116	**17**	15	**3**	2	**—**	—	**—**	—	**148**	133
Unrealized foreign exchange loss (gain) on U.S. dollar denominated debt	**—**	—	**—**	—	**—**	—	**514**	(199)	**—**	—	**514**	(199)
Change in fair value of financial instruments and trading inventory	**1**	(65)	**(7)**	(1)	**(53)**	(30)	**—**	—	**—**	—	**(59)**	(96)
Bargain purchase gain and revaluations	**—**	(1 125)	**—**	—	**—**	—	**—**	—	**—**	—	**—**	(1 125)
(Gain) loss on disposal of assets	**(6)**	—	**—**	8	**(5)**	(2)	**(1)**	(3)	**—**	—	**(12)**	3
Loss on extinguishment of long-term debt	**—**	—	**—**	—	**—**	—	**144**	—	**—**	—	**144**	—
Share-based compensation	**55**	30	**4**	4	**26**	10	**69**	24	**—**	—	**154**	68
Settlement of decommissioning and restoration liabilities	**(95)**	(70)	**(24)**	(24)	**(20)**	(16)	**—**	—	**—**	—	**(139)**	(110)
Other	**28**	(109)	**(3)**	(6)	**8**	(7)	**183**	160	**—**	—	**216**	38
Current income tax (expense) recovery	**—**	—	**—**	—	**—**	—	**—**	—	**(414)**	334	**(414)**	334
Adjusted funds from (used in) operations	**3 126**	2 651	**274**	228	**638**	811	**(131)**	10	**(414)**	334	**3 493**	4 034
Change in non-cash working capital											**1 590**	284
Cash flow provided by operating activities											**5 083**	4 318

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Measurement Conversions

Certain crude oil and natural gas liquids volumes have been converted to mcfe or mmcfe on the basis of one bbl to six mcf. Also, certain natural gas volumes have been converted to boe or mboe on the same basis. Any figure presented in mcfe, mmcfe, boe or mboe may be misleading, particularly if used in isolation. A conversion ratio of one bbl of crude oil or natural gas liquids to six mcf of natural gas is based on an energy-equivalency conversion method primarily applicable at the burner tip and does not necessarily represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, conversion on a 6:1 basis may be misleading as an indication of value.

Common Abbreviations

The following is a list of abbreviations that may be used in this MD&A:

Measurement

bbl	barrel
bbls/d	barrels per day
mbbls/d	thousands of barrels per day
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
mboe	thousands of barrels of oil equivalent
mboe/d	thousands of barrels of oil equivalent per day
mcf	thousands of cubic feet of natural gas
mcfe	thousands of cubic feet of natural gas equivalent
mmcf	millions of cubic feet of natural gas
mmcf/d	millions of cubic feet of natural gas per day
mmcfe	millions of cubic feet of natural gas equivalent
mmcfe/d	millions of cubic feet of natural gas equivalent per day
m^3	cubic metres
MW	megawatts
MWh	megawatt hour

Places and Currencies

U.S.	United States
U.K.	United Kingdom
B.C.	British Columbia
$ or Cdn$	Canadian dollars
US$	United States dollars
£	Pounds sterling
€	Euros

Financial and Business Environment

DD&A	Depreciation, depletion and amortization
WTI	West Texas Intermediate
WCS	Western Canadian Select
SCO	Synthetic crude oil
SYN	Synthetic crude oil benchmark
MSW	Mixed Sweet Blend
NYMEX	New York Mercantile Exchange

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Forward-Looking Statements

This MD&A contains certain forward-looking statements and forward-looking information (collectively, forward-looking statements) within the meaning of applicable Canadian and U.S. securities laws and other information based on Suncor's current expectations, estimates, projections and assumptions that were made by the company in light of information available at the time the statement was made and consider Suncor's experience and its perception of historical trends, including expectations and assumptions concerning: the accuracy of reserves estimates; commodity prices and interest and foreign exchange rates; the performance of assets and equipment; capital efficiencies and cost savings; applicable laws and government policies; future production rates; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour, services and infrastructure; the satisfaction by third parties of their obligations to Suncor; the development and execution of projects; and the receipt, in a timely manner, of regulatory and third-party approvals. All statements and information that address expectations or projections about the future, and statements and information about Suncor's strategy for growth, expected and future expenditures or investment decisions, commodity prices, costs, schedules, production volumes, operating and financial results, future financing and capital activities, and the expected impact of future commitments are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects", "anticipates", "will", "estimates", "plans", "scheduled", "intends", "believes", "projects", "indicates", "could", "focus", "vision", "goal", "outlook", "proposed", "target", "objective", "continue", "should", "may", "potential", "future", "opportunity", "would", "priority" and similar expressions.

Forward-looking statements in this MD&A include references to:

- *Suncor's strategy, including its aim to deliver competitive and sustainable returns to shareholders, its plans on how to achieve this strategy, and its expectation that execution of the company's strategy and key priorities will grow free funds flow per share and enable the delivery of industry-leading shareholder returns;*
- *Suncor's oil sands strategy and investments in 2025, including the strategy to continue to reduce cost structure and increase production, reliability and efficiency through the deployment of new AHS capable haul trucks, plans to continue the deployment of AHS at Base Mine, Syncrude and Fort Hills, the expectation of improved fleet productivity as a result of the use of the Mine Digital Connect Tool, the intention to leverage its integrated regional asset complex, and to continue its company-wide initiative to further improve turnarounds;*
- *The expectation that the Upgrader 1 coke drum replacement will be in service in late 2025 and is expected to extend the life of the upgrader by approximately 30 years;*
- *The expectation that MLX-W will sustain bitumen production levels after resource depletion at the North Mine using existing facilities and that first oil is expected from MLX-W in 2025;*
- *The expectation that two new sections in the North Pit at Fort Hills will begin delivering ore in 2026;*
- *Suncor's E&P investments in 2025, including the expectation of continued investment in development drilling and other activities at Hebron and Hibernia and the expectation that such activities will extend the production life of the existing fields, continued investment in the West White Rose Extension Project and that such investment will extend the production of the field, and the expectations that production at White Rose will restart in 2025 and will commence from the West White Rose Extension Project in 2026;*
- *Suncor's R&M strategy and investments in 2025 including, the continued enhancement of its retail business, the expansion of the Canadian Tire Partnership continuing through 2025 and beyond to eventually re-brand over 200 retail sites and the intention to continue the company wide initiative to further improve turnarounds and the expectation that this will reduce overall turnaround costs and durations and increase reliability;*
- *The commitment to execute its capital allocation framework, manage its balance sheet at current debt levels and return 100% of excess funds to shareholders; and*
- *The expectation that fluctuations in demand for refined products, margin volatility and overall marketplace competitiveness will continue for the company's R&M business.*

The anticipated timing, duration and impact of planned maintenance events, including:

- *planned turnaround activities at Syncrude, Upgrader 2, Firebag, the Edmonton refinery, the Sarnia refinery; and*

- *planned maintenance at Upgrader 1, Fort Hills, the Edmonton refinery, and the Montreal refinery.*

Also:

- *economic sensitivities;*
- *Suncor's belief that its indicative 5-2-2-1 index will continue to be an appropriate measure against Suncor's actual results;*
- *statements about Suncor's share repurchase program, including its belief that, depending on the trading price of its common shares and other relevant factors, purchasing its own shares represents an attractive investment opportunity and is in the best interests of the company and its shareholders, and Suncor's expectation that the decision to allocate cash to repurchase shares will not affect its long-term strategy;*
- *the company's belief that it does not have any guarantees or off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on the company's financial condition or financial performance, including liquidity and capital resources;*
- *Suncor's planned 2025 capital spending program of $6.1 billion to $6.3 billion and the belief that the company will have the capital resources to fund its planned 2025 capital spending program and to meet current and future working capital requirements through cash and cash equivalents balances, cash flow provided by operating activities, available committed credit facilities, issuing commercial paper and accessing capital markets;*
- *Suncor's expectations as to how its 2025 capital expenditures will be directed and the expected benefits therefrom;*
- *the objectives of the company's short-term investment portfolio and the expectation that the maximum weighted average term to maturity of the company's short-term investment portfolio will not exceed six months, and all investments will be with counterparties with investment grade debt ratings;*
- *Suncor's intention to adopt certain accounting standards, amendments and interpretations when they become effective; and*
- *expectations with respect to changes to law and government policy.*

Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to Suncor. Suncor's actual results may differ materially from those expressed or implied by its forward-looking statements, so readers are cautioned not to place undue reliance on them.

The financial and operating performance of the company's reportable operating segments, specifically Oil Sands, E&P and R&M, may be affected by a number of factors.

Factors that affect Suncor's Oil Sands segment include, but are not limited to, volatility in the prices for crude oil and other production, and the related impacts of fluctuating light/heavy and sweet/sour crude oil differentials; changes in the demand for refinery feedstock and diesel fuel, including the possibility that refiners that process the company's proprietary production will be closed, experience equipment failure or other accidents; Suncor's ability to operate its Oil Sands facilities reliably in order to meet production targets; the output of newly commissioned facilities, the performance of which may be difficult to predict during initial operations; Suncor's dependence on pipeline capacity and other logistical constraints, which may affect the company's ability to distribute products to market and which may cause the company to delay or cancel planned growth projects in the event of insufficient takeaway capacity; Suncor's ability to finance Oil Sands economic investment and asset sustainment and maintenance capital expenditures; the availability of bitumen feedstock for upgrading operations, which can be negatively affected by poor ore grade quality, unplanned mine equipment and extraction plant maintenance, tailings storage, and in situ reservoir and equipment performance, or the unavailability of third-party bitumen; changes in operating costs, including the cost of labour, natural gas and other energy sources used in oil sands processes; and the company's ability to complete projects, including planned maintenance events, both on time and on budget, which could be impacted by competition from other projects (including other oil sands projects) for goods and services and demands on infrastructure in Alberta's Wood Buffalo region and the surrounding area (including housing, roads and schools).

Factors that affect Suncor's E&P segment include, but are not limited to, volatility in crude oil and natural gas prices; operational risks and uncertainties associated with oil and gas activities, including unexpected formations or pressures, premature declines of reservoirs, fires, blow-outs, equipment failures and other accidents, uncontrollable flows of crude oil, natural gas or well fluids, and pollution and other environmental risks; adverse weather conditions, which could disrupt output from producing assets or impact drilling programs, resulting in increased costs and/or delays in bringing on new production; political, economic and socio-economic risks associated with Suncor's foreign operations, including the unpredictability of operating in Libya due to ongoing political unrest; and market demand for mineral rights and producing properties, potentially leading to losses on disposition or increased property acquisition costs.

Factors that affect Suncor's R&M segment include, but are not limited to, fluctuations in demand and supply for refined products that impact the company's margins; market competition, including potential new market entrants; the company's ability to reliably operate refining and marketing facilities in order to meet production or sales targets; and risks and uncertainties affecting construction or planned maintenance schedules, including the availability of labour and other impacts of competing projects drawing on the same resources during the same time period.

Additional risks, uncertainties and other factors that could influence the financial and operating performance of all of Suncor's operating segments and activities include, but are not limited to, changes in general economic, market and business conditions, such as commodity prices, interest rates and currency exchange rates (including as a result of demand and supply effects resulting from the actions of OPEC+ or the impact of changes to U.S. government economic policy); fluctuations in supply and demand for Suncor's products; the successful and timely implementation of capital projects, including growth projects and regulatory projects; risks associated with the development and execution of Suncor's projects and the commissioning and integration of new facilities; the possibility that completed maintenance activities may not improve operational performance or the output of related facilities; the risk that projects and initiatives intended to achieve cash flow growth and/or reductions in operating costs may not achieve the expected results in the time anticipated or at all; competitive actions of other companies, including increased competition from other oil and gas companies or from companies that provide alternative sources of energy; labour and material shortages; actions by government authorities, including the imposition or reassessment of, or changes to, taxes, fees, royalties, duties, tariffs, quotas and other government-imposed compliance costs, and mandatory production curtailment orders and changes thereto; changes to laws and government policies that could impact the company's business, including environmental (including climate change), royalty, tariff and tax laws and policies; the ability and willingness of parties with whom Suncor has material relationships to perform their obligations to the company; the unavailability of, or outages to, third-party infrastructure that could cause disruptions to production or prevent the company from being able to transport its products; the occurrence of a protracted operational outage, a major safety or environmental incident, or unexpected events such as fires (including forest fires), equipment failures and other similar events affecting Suncor or other parties whose operations or assets directly or indirectly affect Suncor; the potential for security breaches of Suncor's information technology and infrastructure by malicious persons or entities, and the unavailability or failure of such systems to perform as anticipated as a result of such breaches; security threats and terrorist or activist activities; the risk that competing business objectives may exceed Suncor's capacity to adopt and implement change; risks and uncertainties associated with obtaining regulatory, third-party and stakeholder approvals outside of Suncor's control for the company's operations, projects, initiatives, and exploration and development activities and the satisfaction of any conditions to approvals; the potential for disruptions to operations and construction projects as a result of Suncor's relationships with labour unions that represent employees at the company's facilities; the company's ability to find new reserves that can be developed economically; the accuracy of Suncor's reserves and future production estimates; Suncor's ability to access capital markets at acceptable rates or to issue other securities at acceptable prices; maintaining an optimal debt to cash flow ratio; the success of the company's risk management activities using derivatives and other financial instruments; the cost of compliance with current and future environmental laws, including climate change laws; risks relating to increased activism and public opposition to fossil fuels and oil sands; risks and uncertainties associated with closing a transaction for the purchase or sale of a business, asset or oil and gas property, including estimates of the final consideration to be paid or received; the ability of counterparties to comply with their obligations in a timely manner; risks associated with joint arrangements in which the company has an interest; risks associated with land claims and Indigenous consultation requirements; the risk that the company may be subject to litigation; the impact of technology and risks associated with developing and implementing new technologies; and the accuracy of cost estimates, some of which are provided at the conceptual or other preliminary stage of projects and prior to commencement or conception of the detailed engineering that is needed to reduce the margin of error and increase the level of accuracy. The foregoing important factors are not exhaustive.

Many of these risk factors and other assumptions related to Suncor's forward-looking statements are discussed in further detail throughout this MD&A, including under the heading Risk Factors, and the company's 2024 AIF and Form 40-F on file with Canadian securities commissions at www.sedarplus.ca and the United States Securities and Exchange Commission at www.sec.gov. Readers are also referred to the risk factors and assumptions described in other documents that Suncor files from time to time with securities regulatory authorities. Copies of these documents are available without charge from the company.

The forward-looking statements contained in this MD&A are made as of the date of this MD&A. Except as required by applicable securities laws, we assume no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing risks and assumptions affecting such forward-looking statements, whether as a result of new information, future events or otherwise.

EXHIBIT 99-4

Consent of KPMG LLP

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors of Suncor Energy Inc.

We consent to the use of:

- our report dated February 26, 2025, on the consolidated financial statements of Suncor Energy Inc. (the "Entity") which comprise the consolidated balance sheets as at December 31, 2024 and December 31, 2023, the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the related notes (collectively the "consolidated financial statements"), and

- our report dated February 26, 2025, on the effectiveness of the Entity's internal control over financial reporting as of December 31, 2024

each of which is included in our combined report included in the Annual Report on Form 40-F of the Entity for the fiscal year ended December 31, 2024.

We also consent to the incorporation by reference of such report in the Registration Statements (No. 333-87604, 333-112234, 333-118648, 333-124415, 333-149532, 333-161021 and 333-161029) on Form S-8, and No. 333-279937 on Form F-10 of the Entity.

/s/ KPMG LLP

Chartered Professional Accountants
February 26, 2025
Calgary, Canada

EXHIBIT 99-5

Consent of GLJ Ltd.

LETTER OF CONSENT

TO: Suncor Energy Inc.
The Securities and Exchange Commission
The Securities Regulatory Authorities of Each of the Provinces and Territories of Canada

Dear Sirs/Mesdames:

Re: Suncor Energy Inc. ("Suncor")

We refer to the following reports (the "**Reports**") prepared by GLJ Ltd. ("**GLJ**"):

- Reserves Assessment and Evaluation of In Situ Oil Sands Properties – Corporate Summary dated February 18, 2025;
- Reserves Assessment and Evaluation of Oil Sands Mining Properties – Corporate Summary dated February 18, 2025; and
- Reserves Assessment and Evaluation of the P&NG Reserves of Suncor Energy Inc., Newfoundland Offshore Areas dated February 18, 2025,

which provide GLJ's reports on proved and probable reserves evaluations of Suncor's Canadian mining and in-situ leases, Canadian offshore conventional assets and international operations that were evaluated as at December 31, 2024.

We hereby consent to being named and to the use of, reference to and excerpts and information derived from the said Reports by Suncor in its:

1. Annual Report on Form 40-F for the year ended December 31, 2024 (the "**Form 40-F**") and the incorporation by reference in the registration statements on Form S-8 (File No. 333-87604), Form S-8 (File No. 333-112234), Form S-8 (File No. 333-118648), Form S-8 (File No. 333-124415), Form S-8 (File No. 333-149532), Form S-8 (File No. 333-161021), Form S-8 (File No. 333-161029) and Form F-10 (File No. 333-279937) of Suncor, of our Reports;
2. Annual Report for the year ended December 31, 2024 (the "**Annual Report**") to be filed with the securities regulatory authorities of each of the provinces and territories of Canada; and
3. Annual Information Form dated February 26, 2025 (the "**AIF**"), which is incorporated by reference into the following prospectuses (collectively, the "**Prospectuses**"): (i) the short form base shelf prospectus of Suncor dated June 4, 2024 relating to the sale and issue of debt securities, common shares, preferred shares, subscription receipts, warrants, units, share purchase contracts and share purchase units from time to time, and (ii) the short form base shelf prospectus of Suncor dated June 4, 2024 relating to the sale and issue of medium term notes, from time to time.

We have read the Form 40-F, Annual Report, AIF and Prospectuses and have no reason to believe that there are any misrepresentations in the information contained therein that is derived from our Reports or that are within our knowledge as a result of the services which we performed in connection with the Reports.

Yours very truly,
GLJ LTD.

"*Tracy K. Bellingham*"

Tracy K. Bellingham, P. Eng.
Executive Vice-President & COO

Dated: February 26, 2025
Calgary, Alberta, Canada

EXHIBIT 99-6

CERTIFICATION

I, Richard M. Kruger, certify that:

1. I have reviewed this annual report on Form 40-F of Suncor Energy Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

DATE: February 26, 2025

/s/ RICHARD M. KRUGER

Richard M. Kruger
President and Chief Executive Officer

EXHIBIT 99-7

CERTIFICATION

I, Kris P. Smith, certify that:

1. I have reviewed this annual report on Form 40-F of Suncor Energy Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

DATE: February 26, 2025

/s/ KRIS P. SMITH

Kris P. Smith
Chief Financial Officer

EXHIBIT 99-8

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Suncor Energy Inc. (the "Company") on Form 40-F for the fiscal year ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, RICHARD M. KRUGER, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ RICHARD M. KRUGER

Richard M. Kruger
President and Chief Executive Officer
Suncor Energy Inc.
DATE: February 26, 2025

EXHIBIT 99-9

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ENACTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Suncor Energy Inc. (the "Company") on Form 40-F for the fiscal year ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, KRIS P.SMITH, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ KRIS P.SMITH

Kris P. Smith
Chief Financial Officer
Suncor Energy Inc.
DATE: February 26, 2025

Supplementary Oil and Gas Disclosures (unaudited)

The following disclosures are presented in accordance with United States Financial Accounting Standards Board ("FASB") Topic 932 — "Extractive Activities — Oil and Gas" and the U.S disclosure requirements of the Securities and Exchange Commission ("SEC").

Disclosures pertaining to the audited consolidated financial statements of Suncor Energy Inc. ("Suncor" or the "company") were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The 2024 Consolidated Financial Statements are attached as Exhibit 99.2 to Suncor's annual report on Form 40-F for the year ended December 31, 2024 (the "Form 40-F").

Reserves Data

Reserves data are estimates only and can be significantly impacted by a variety of internal and external factors. For more information on the risks involved when estimating reserves, see the discussion in the "Statement of Reserves Data and Other Oil and Gas Information — Advisories – Reserves Data" section in Suncor's 2024 Annual Information Form (the "2024 AIF"), which is attached as Exhibit 99.1 to the Form 40-F. Readers should also see Suncor's Management's Discussion and Analysis for the year ended December 31, 2024, which is attached as Exhibit 99.3 to the Form 40-F (the "2024 Management's Discussion and Analysis").

The reserves data presented herein, with an effective date of December 31, 2024, may differ in relation to the format and the basis from which volumes are economically determined under National Instrument 51-101 — "Standards of Disclosure for Oil and Gas Activities" ("NI 51-101"), as disclosed in the 2024 AIF. SEC requires disclosure of net proved reserves, after royalties, using the average of the first-day-of-the-month prices for the twelve-month period prior to the end of the reporting period, whereas NI 51-101 requires disclosure of gross and net reserves, estimated using forecast prices and costs. In 2024, Suncor's reserves were economic utilizing both constant pricing permitted by SEC, as well as forecast pricing permitted by NI 51-101.

Net Proved Oil and Gas Reserves [(1)(2)]

To align with the company's business segments, the company presents the following supplementary oil and gas disclosures by showing its Oil Sands segment, which is exclusively in Canada and produces synthetic crude oil ("SCO") and bitumen, separate from other Canadian operations (collectively, "Exploration and Production") which produce crude oil. Exploration and Production reserves are in offshore Canada.

At December 31, (net reserves, constant prices and costs)	SCO (mmbbls)		Bitumen (mmbbls)		Crude Oil (mmbbls)		Total (mmbbls)	
	2024	2023	2024	2023	2024	2023	2024	2023
Proved Developed								
Oil Sands	1,494	1,571	1,037	1,364	—	—	2,531	2,935
Exploration and Production	—	—	—	—	59	64	59	64
	1,494	1,571	1,037	1,364	59	64	2,591	2,999
Proved Undeveloped								
Oil Sands	983	987	358	462	—	—	1,341	1,449
Exploration and Production	—	—	—	—	54	52	54	52
	983	987	358	462	54	52	1,395	1,501
Proved								
Oil Sands	2,477	2,558	1,395	1,826	—	—	3,872	4,384
Exploration and Production	—	—	—	—	114	116	114	116
	2,477	2,558	1,395	1,826	114	116	3,986	4,500

Reconciliation of Net Proved Oil and Gas Reserves

(net reserves, constant prices and costs)	Balance at December 31 2022	Revisions of Previous Estimates[3]	Acquisitions[4]	Extensions and Discoveries[5]	Production	Dispositions[6]	Balance at December 31 2023
Oil Sands							
SCO (mmbbls)	2,098	342	88	178	(148)	—	2,558
Bitumen (mmbbls)	1,139	94	594	68	(69)	—	1,826
Exploration and Production							
Crude oil (mmbbls)	162	4	—	—	(18)	(31)	116
Natural gas (bcf)	1	—	—	—	—	(1)	0
Total (mmboe)	3,399	439	682	246	(235)	(32)	4,500

(net reserves, constant prices and costs)	Balance at December 31 2023	Revisions of Previous Estimates[3]	Acquisitions[4]	Extensions and Discoveries[5]	Production	Dispositions[6]	Balance at December 31 2024
Oil Sands							
SCO (mmbbls)	2,558	84	—	—	(165)	—	2,477
Bitumen (mmbbls)	1,826	(360)	—	7	(79)	—	1,395
Exploration and Production							
Crude oil (mmbbls)	116	12	—	—	(15)	—	114
Natural gas (bcf)	0	—	—	—	—	—	—
Total (mmboe)	4,500	(263)	—	7	(259)	—	3,986

Notes to Reserves Data:

(1) Definitions

a. Net reserves, in relation to Suncor's production and reserves, represents the company's working interest share after deduction of royalty obligations, plus the company's royalty interests in production and reserves.

b. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty (at least a 90% probability that the quantities actually recovered will equal or exceed the estimate) to be economically producible, from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations.

c. Proved developed oil and gas reserves are those quantities that can be expected to be recovered through existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and can be expected to be recovered through extraction equipment and infrastructure installed and operational at the time of the reserves estimate for projects that extract oil by means not involving a well.

d. Proved undeveloped oil and gas reserves are those quantities that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion; and can be expected to be recovered through extraction equipment and infrastructure to be installed for projects that extract oil by means not involving a well.

(2) Reserve data tables may not add due to rounding.

(3) Revisions of previous estimates include changes to reserves, resulting from new information (except for an increase in proved acreage) normally obtained from development drilling and production history or resulting from a change in economic factors, and changes in constant prices used for the reserve evaluation. In 2024, negative technical revisions of bitumen were made at Fort Hills, Syncrude, and Firebag partially offset by positive revisions in MacKay River. Positive technical revisions of SCO at Fort Hills and Firebag, partially offset by downward revisions at Syncrude, Millenium and North Steepbank Extension.

(4) Acquisitions in 2023 are due to Suncor increasing its interest in Fort Hills by 14.65% during the first quarter and by 31.23% in the fourth quarter, making Suncor the sole owner of Fort Hills. There were no acquisitions in 2024.

(5) Extensions and discoveries are additions to proved reserves from proved acreage of previously discovered reservoirs through additional drilling periods subsequent to discovery or discovery of new fields with proved reserves or of new reservoirs of proved reserves in old fields. Proved undeveloped reserves associated with Firebag were added in 2023. Proved undeveloped reserves associated with Mackay River were added in 2024.

(6) Dispositions in 2023 are due to Suncor divesting its U.K. assets which included a 29.89% working interest in Buzzard. There were no dispositions in 2024.

Capitalized Costs

($ millions)	At December 31, 2024 Oil Sands	Exploration and Production	Total	At December 31, 2023 Oil Sands	Exploration and Production	Total
Exploration and evaluation assets[1]	1,742	—	1,742	1,742	16	1,758
Oil and gas properties[2][3]	25,014	17,384	42,398	24,035	17,066	41,101
Plant and equipment[2][3]	69,497	1,040	70,537	65,192	298	65,490
- accumulated provision[2]	(42,601)	(12,771)	(55,372)	(37,629)	(11,750)	(49,379)
Total	53,652	5,653	59,305	53,340	5,630	58,970

(1) Exploration and evaluation assets largely represent amounts associated with unproved properties, but may include properties with proved reserves for which Suncor's Board of Directors have not sanctioned development. See note 18 of the 2024 Consolidated Financial Statements.

(2) Oil and Gas Properties, Plant and Equipment and the accumulated provision largely represent amounts associated with proved properties. See note 15 of the 2024 Consolidated Financial Statements. Includes amounts capitalized to Property, Plant and Equipment on the Consolidated Balance Sheets of the 2024 Consolidated Financial Statements that relate to the company's right-of-use assets under IFRS 16. See note 17 of the 2024 Consolidated Financial Statements.

(3) Includes amounts capitalized to Property, Plant and Equipment on the Consolidated Balance Sheets of the 2024 Consolidated Financial Statements that relate to the company's decommissioning and restoration activities.

Costs Incurred for Property Acquisition, Exploration and Development Activities

($ millions)	Year ended December 31, 2024 Oil Sands	Exploration and Production	Total	Year Ended December 31, 2023 Oil Sands	Exploration and Production	Total
Unproved property acquisition	—	—	—	—	—	—
Proved property acquisition[1]	—	—	—	3,322	—	3,322
Exploration[2]	86	7	93	63	106	169
Development[3]	5,224	907	6,131	4,091	702	4,793
Total	5,310	914	6,224	7,476	808	8,284

(1) In 2023 proved property acquisitions are primarily due to Suncor increasing its interest in Fort Hills by 14.65% during the first quarter and by 31.23% in the fourth quarter, making Suncor the sole owner of Fort Hills. No Proved property acquisitions in 2024.

(2) Includes amounts capitalized to Exploration and Evaluation on the Consolidated Balance Sheets as well as those charged to Exploration Expense on the Consolidated Statements of Comprehensive Income (Loss), of the 2024 Consolidated Financial Statements.

(3) Includes amounts capitalized to Property, Plant and Equipment on the Consolidated Balance Sheets of the 2024 Consolidated Financial Statements that relate to the company's decommissioning and restoration activities.

Results of Operations for Oil and Gas Producing Activities

($ millions)	Year ended December 31, 2024 Oil Sands	Exploration and Production	Total	Year Ended December 31, 2023 Oil Sands	Exploration and Production	Total
Operating revenues, net of royalties	25,615	2,251	27,866	23,412	2,198	25,610
Other income (loss)	176	16	192	1,469	10	1,479
	25,791	2,267	28,058	24,881	2,208	27,089
Purchases of crude oil and products	2,559	—	2,559	1,935	(1)	1,934
Operating, selling and general	9,428	524	9,952	9,329	476	9,805
Transportation and distribution	1,225	89	1,314	1,213	76	1,289
Depreciation, depletion, amortization and impairment	5,134	707	5,841	4,902	483	5,385
Exploration	86	6	92	60	14	74
(Gain) loss on disposal of assets	(15)	—	(15)	(39)	(600)	(639)
Financing expenses	767	74	841	670	69	739
Earnings before income taxes	6,607	867	7,474	6,811	1,691	8,502
Income tax expense	1,595	335	1,930	1,324	519	1,843
Net earnings	5,012	532	5,544	5,487	1,172	6,659

Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves [1]

The standardized measure of discounted future net cash flows relating to Suncor's proved oil and gas reserves are calculated in accordance with FASB Topic 932 — "Extractive Activities — Oil and Gas". Future cash inflows are estimated using the average of the first-day-of-the-month prices for the twelve-month period prior to the end of the reporting period. The appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, were applied to the future pretax net cash flows, less the tax basis of the properties involved. A prescribed rate of 10% is applied to discount the future net cash flows.

The calculation of the standardized measure of discounted future net cash flows is based upon information prepared by the company's independent qualified reserves evaluator (which includes decommissioning and restoration activities), and adjusted for future income taxes.

It should not be assumed that the estimates of future net cash flows represent the fair market value of the reserves or the actual results of operations. Future changes to income tax, royalty and environmental regulations could also have a significant impact on the respective assumptions. The Company does not believe the standardized measure of discounted future net cash flows accurately represents actual future cash flows or the fair value of crude oil properties.

Year	Brent North Sea	WTI Cushing Oklahoma	WCS Hardisty Alberta	Light Sweet Edmonton Alberta	Pentanes Plus Edmonton Alberta	AECO Gas
	US$/bbl	US$/bbl	Cdn$/bbl	Cdn$/bbl	Cdn$/bbl	Cdn$/mmbtu
2024	78.78	74.83	82.61	96.65	99.24	1.33
2023	82.83	78.10	81.33	100.98	104.05	2.76

	At December 31, 2024			At December 31, 2023		
($ millions)	Oil Sands	Exploration and Production	Total	Oil Sands	Exploration and Production	Total
Future cash inflows	337,455	12,098	349,553	388,522	12,670	401,192
Future production costs	(148,004)	(3,102)	(151,106)	(179,553)	(2,822)	(182,375)
Future development costs	(79,890)	(4,053)	(83,943)	(89,763)	(4,497)	(94,260)
Future income tax expenses	(25,864)	(1,039)	(26,903)	(28,515)	(1,150)	(29,666)
Future net cash flows	83,697	3,904	87,601	90,691	4,201	94,892
10% Discount Factor	(40,342)	(679)	(41,021)	(44,748)	(921)	(45,670)
Standardized measure of discounted future net cash flows	43,355	3,225	46,580	45,943	3,279	49,222

Changes in Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves

($ millions)	2024	2023
Standardized measure of discounted future net cash flows - beginning of year	49,222	61,469
Sales and transfers of oil and gas produced	(12,563)	(15,323)
Net changes in sales prices and operating costs related to future production	2,282	(29,494)
Net change due to extensions, discoveries and improved recovery	131	5,682
Net change due to acquisition and dispositions	0	6,555
Net change due to revisions in quantity estimates	(5,221)	9,981
Previously estimated development costs incurred during the period	5,249	4,833
Changes in estimated future development costs	767	(7,449)
Accretion of discount	5,902	7,307
Net change in income taxes	811	5,661
Standardized measure of discounted future net cash flows - end of year	46,580	49,222

(1) Tables may not add due to rounding.