ESG Approach

- LBA's Environmental, Social and Governance (ESG) analysis is seamlessly integrated into our fundamental research process and portfolio management decisions. There were no changes to this approach in 2019.
- Monitoring the integration of ESG issues is the responsibility of the investment team, the management committee and, ultimately, the Board of Directors.
- Our framework for ESG research and integration is the Sustainability Accounting Standards Board's (SASB) Materiality Map, which identifies a minimum set of sustainability issues most likely to impact the operating performance or financial condition of the typical company in an industry, regardless of location.
- LBA uses Sustainalytics and Glass Lewis as external service providers in support of its ESG and proxy voting efforts.

ESG Initiatives

- LBA is a member of the **Canadian Coalition for Good Governance (CCGG)** and a signatory of the United Nations-supported **Principles for Responsible Investment (PRI)**.
- Our ESG review process is spearheaded by LBA's ESG Lead, Mr. Terry Howard, who holds the Fundamentals of Sustainability Accounting (FSA) credential from SASB.
- Five additional investment professionals obtained the FSA credential in 2019 and six team members now hold the FSA credential, bringing the total to 6 out of 23 investment team members. It is our objective to have all analysts / portfolio managers obtain the FSA credential by the end of 2020.
- LBA established a Climate Change Committee in 2019 whose main objective is to:
  - Identify investment risks and opportunities arising from climate change, both in our portfolios and more broadly in capital markets.
  - Conduct climate change scenario analysis, beginning with potential global physical changes and how these, in-turn, impact the macroeconomic environment, policy and regulation, sector and industry dynamics, and individual company performance.

ESG Research & Engagement Highlights

We frequently engage with portfolio companies and prospective investments on ESG-related issues. The following describes a number of these engagement during 2019 (and is by no means exhaustive).

INTERNATIONAL EQUITIES

- **Atrium European Real Estate** – Atrium is an owner and operator of high-quality shopping centres located in Central and Eastern Europe. Atrium is exposed to the increasing consumption of the growing middle class in some of the fastest-growing economies in Eastern Europe, with retail sales projected to grow at approximately 5% per annum. LBA has been a shareholder of Atrium since 2011 and is Atrium's second-largest shareholder. Recently, Atrium's largest shareholder, Gazit Globe Ltd., made an offer to acquire the remaining 40% of Atrium's shares at €3.75 per share. LBA believed that this price significantly undervalued the company. As a result, LBA increased its position in Atrium, engaged with the company's management to voice our concerns, and issued two public press releases to object to the offer price. LBA succeeded in blocking the transaction.

- **Devon** – We engaged with the CEO of Devon, as well as other senior members of its management, regarding the company's executive compensation plan. We informed the company that their plan implied dilution that exceeded our policy threshold, and advised that, if implemented, we would consider voting against next year's compensation plan. We expressed reservations about two officers receiving additional age credits in their retirement plans. We also strongly encouraged the company to better align its executive pay with measurable environmental metrics, such as flaring.
- **Eastman Chemicals** – We engaged with Eastman Chemical's management to discuss their strategy with regards to plastic waste. We believe that, as a leading chemical company, Eastman has a responsibility to develop technologies that will help society deal with plastic waste. We discussed, in detail, their Carbon Renewal Technology and chemical recycling, which allows the company to utilize waste carpets as a raw material for its products. We understand that, at this point, these technologies have a limited impact on Eastman's profits and on the amount of recycled plastic waste in the US, as logistics chains for plastic waste are not yet well-developed in the US. However, we continue to communicate the importance of Eastman growing this segment of the business for our investment case.
- **Energias de Portugal (EDP)** – We met Energias de Portugal several times throughout the year to follow up on their strategy to accelerate growth in renewables. We asked them about plans to dispose of their coal power plant in Brazil. Additionally, we discussed the proxy resolutions to understand the proposals put forward by another shareholder that sought to expedite the decision by China Three Gorges as to whether to pursue the acquisition of EDP.
- **FLSmidth & Co. A/S** – FLSmidth is a market-leading supplier of engineering, equipment and service solutions to the global mining and cement industries. The company launched the MissionZero programme, an initiative whose goal is to make it possible for customers to operate zero-emission cement plants and manage zero-emission mining operations by 2030. It also aims to allow waterless or net-zero water use in mining processes. Current technologies would allow for 70% CO_2 reduction in cement production, with the remaining 30% to come from new solutions and partnerships developed by the company. Cement currently accounts for 8% of global CO_2 emissions. We engaged with the company to understand how they plan to develop and implement these technologies.
- **Freeport-McMoRan** – We have had ongoing discussions with management about the company's tailing disposal practices at its Grasberg mine in Indonesia, which were brought into question as being damaging to the environment. We had previously investigated this matter by conducting interviews with senior management. The company's stance was that the practices were in full compliance with government regulations, and they were developed specifically for the Grasberg mine to respond to a very complex environmental setting. We have known Freeport to be a very reputable and experienced miner with operations across numerous jurisdictions and mining settings. We remain invested in their shares and continue to monitor this issue.
- **Gazprom –** We voted against the non-independent members of the board to express our dissatisfaction with the lack of transparency in two equity private placements that occurred during 2019. We also voted against proposed changes to the company's articles of incorporation, amendments to the regulation of the board, and amendments to the regulation of the audit commission, due to lack of clarity on the rationale for the changes.
- **Kyocera Corporation** – We met with the CFO in Japan to address excessive cash balances and the independence of the board. The company committed to improve shareholder returns and introduce independent board members, albeit at a pace that we continue to find disappointing.
- **Total** – We met with company representatives to discuss certain resolutions in its proxy. We highlighted our preference for the separation of the CEO and Chairman of the Board roles, and our intention to continue voting against a staggered board. We also discussed the company's climate change strategy and

emphasized the importance of having a proactive approach to disclosures and a credible operational path to reducing GHG emissions over time.

EMERGING MARKETS EQUITIES

- **Cemex** – Cemex is a global building materials company based in San Pedro, Mexico. The company produces cement, aggregates and ready-mix concrete with a focus on Mexico and the United States. We observed that the board members of Cemex are elected as a slate, have long tenures, and that one of the independent directors serves on seven other public company boards. We voted against the board to express our dissatisfaction with the company's governance practices.
- **China Mobile and Beijing Enterprises Holdings** – We have been engaging with both Chinese companies regarding their capital deployment strategies. In our discussions with the management of China Mobile, we have frequently suggested that the company issue a special dividend or launch a share buy-back program. In the case of Beijing Enterprises, we expressed our concern with regards to its cash management strategy to pursue overseas acquisitions, as opposed to pay shareholders dividends.
- **DP World** – DP World is a global port operator based in Dubai, UAE. The company's strategy was to acquire logistics/distribution assets to enhance its position as a global trade enabler. While the strategy seemed to be a good one for DP World, management failed to properly communicate and disclose relevant information to shareholders. We pressed DP World to provide more transparency and as a result, the company's reporting standards have greatly improved.
- **First Pacific** – The company is a well-managed holding company. Given the weakness of its stock price due to some businesses temporarily underperforming in South East Asia, we have pressured the company to buy back more shares and reduce the level of top management's compensation.
- **Kingboard Laminates** – Despite its solid balance sheet, the company continues to borrow money to take advantage of the interest rate spread over "high-yield" bonds. We have been communicating to company representatives our disappointment regarding this practice.
- **Semen Indonesia** — We have engaged with management on several ESG issues (carbon emissions, waste management, safety, governance). We closely follow the progress of the company's environmental program. Our governance-related interactions have centered on the board's lack of independence and the need for improved disclosure.

CANADIAN EQUITIES

- **AGT Food and Ingredients** – We publicly opposed the go-private proposal by management, Fairfax and Point North Capital as we viewed the $18.00 offer price as inadequate. We were, ultimately, unsuccessful in blocking the privatization.
- **Air Canada** – Following a near-accident in California, we engaged with management concerning the company's safety practices.
- **Athabasca Oil** – We spoke with company management regarding our concern with excessive equity dilution arising from its executive compensation plan and withheld support from the Chairman and the Compensation Committee to express our opposition to the dilution.
- **Canfor Corporation** – We publicly opposed the buyout of the 49% minority shareholders by the company's majority owner as we viewed the $16.00 offer price to be inadequate. The proposed privatization was ultimately withdrawn when a majority of the minorities opposed the transaction.
- **Cenovus** – We spoke with the company regarding its carbon emissions and engaged with the company's ESG consultant to provide our input on how the company could provide better disclosure to investors regarding environmental and social issues.

- **Encana –** We publicly opposed the company's proposal to move its headquarters from Calgary to the U.S. We were concerned about the negative impact on investors holding Encana shares through Canadian index funds or investors with Canadian-only mandates, such as a number of our clients, who would be forced to sell their shares at very depressed prices. We spoke with two independent proxy advisory firms to explain our view, in the hope of convincing the firms to oppose the redomicile by the company. Ultimately, shareholders voted in favour of the proposal.
- **Hudbay Minerals** – We have engaged with the company on an ongoing basis to encourage management to use industry best practices concerning their relationships with local communities affected by their operations in Peru's remote areas. Following our engagement, Hudbay introduced its Code of Business Conduct and Ethics and Human Rights Policy, and the company has confirmed they are increasing their efforts to the highest industry standards. We closely follow these types of issues and engage with companies to encourage their adoption of best practices.
- **Husky Energy** – We continued our engagement with Husky management on the environmental and employee safety issues that have faced the company in the last decade. We received a letter from Husky outlining how they are working to address our concerns and we continue to closely monitor the situation.
- **Linamar** – We had an extensive discussion with top management of the company where we reviewed a number of ESG issues and heard the company's plan to respond to the issues. We were generally satisfied with the company's environmental initiatives, such as increasing the use of renewable energy, reducing water consumption and developing products for electrified vehicles. The company is proactive in increasing diversity, especially by empowering women in their organization and they are partnering with universities to offer scholarships to encourage women to study science and engineering. We voiced our concerns regarding what we considered to be excessive executive compensation and we encouraged the company to increase the size and independence of their board.
- **Lucara Diamonds** – We engaged with management on the sustainability and social impact of operating in Botswana. The company is a member of the Kimberley Process Certification Scheme, a program to remove conflict diamonds from the global supply chain. All rough diamond shipments must be certified. Also, Lucara is a member of the Diamond Producers Association, with a focus on employee health and safety, partnerships with local communities, environmental management, and financial transparency. Lucara supports community-owned farming initiatives in Botswana, where it operates.
- **Norbord** – We had discussions with Norbord about the sustainability of their products and the environmental impact of their production. The company's product, wood, is a renewable resource and its production process generates low net emissions, as it uses biomass as an energy source. During our discussions, the company mentioned that it will "prioritize improvements and allocate resources to sustainability projects. In 2020, Norbord is embarking on a project to objectively evaluate the known and potential Environmental, Social and Governance (ESG) factors pertinent to its business. Norbord is committed to producing an ESG report with further information later in 2020."
- **Pretium Resources** – The company's management briefed us on their plans to electrify the underground mining equipment fleet. A study is ongoing, with initial benefits identified from lower emissions from equipment, lower ventilation requirements for underground workers, and lower operating costs due to cheap BC hydro power source.
- **Transat** – We engaged with managements of Transat and Air Canada regarding Air Canada's proposed acquisition of Transat. We viewed the offer price of $13/share to be inadequate and, following our discussions, the price was increased by 38% to $18/share.

OTHER RESEARCH

The LBA Climate Change Committee has analyzed the main scientific models and claims made in relation to climate change and global warming. Our macroeconomist, along with industry specialists, have assessed the broad political and economic consequences of climate change and the mitigation thereof, including region- and country-specific regulatory / legislative environments and global collaborative initiatives.

Committee members have begun to delve into the technologies and solutions that are already being used to mitigate the effects of climate change, and those in development stages likely to be offered in the near future. An early area of focus has been Carbon Capture and Storage (CCS) technologies, currently widely used in industries such as cement production and power generation. Upcoming research topics include batteries, as well as industry-specific mitigation solutions.

Throughout its work, the Committee is mindful of our ultimate aim: to ensure that our client portfolios are well positioned to take advantage of opportunities linked to the adoption of new technologies and solutions, and to avoid undue risk from the direct and indirect consequences of climate change.

ESG-related investment decisions

INTERNATIONAL EQUITIES

Abstention from Purchase

Grupo Mexico and Glencore

- In 2019, metal prices were at moderate levels and we reviewed potential additions to our mining portfolio. We reviewed Glencore and Grupo Mexico, as these companies are large global copper producers, a basic material key to the grid transition to renewable energy.
    - We decided not to buy Glencore due to their major position in thermal coal mining and due to corruption and bribery investigations in the Democratic Republic of Congo by the U.S. Department of Justice.
    - We also did not invest in Grupo Mexico. We were very uncomfortable with the company's record on social issues. Specifically, at their Tia Maria copper project in Peru, major local opposition to project development led to violence. Subsequently, in October 2019, the permit to develop the mine was granted by the Peruvian government. However, due to the history of local opposition, we continue to avoid this investment. At this point, the fact that the Peruvian government approved the development is not sufficient for us to change our mind, and we continue to monitor the situation.

CANADIAN EQUITIES

Brookfield Property Partners

Modification of Valuation

- Brookfield Property Partners (BPY) owns some of the most iconic buildings in gateway markets and has a global presence and the expertise to identify, source, develop and capitalize on opportunities. Brookfield Asset Management owns 54% of BPY and is the company's external manager, receiving fees based on AUM, as well as dividends. The drawbacks of this arrangement are the high fees and potential conflict of interest. In addition to raising these issues with management, we include the full amount of these fees in calculating BPY's Net Asset Value, arriving at a much more conservative valuation for BPY and, therefore, increasing our return potential.

ESG News

INTERNATIONAL EQUITIES

- Some of our portfolio companies were recognized as model corporate citizens in *Corporate Knights* 2020 Global 100 list of the 100 most sustainable corporations in the world:
    - **Cisco** rose 10 places to #4 in the ranking, thanks to more than $25 billion in clean revenues from products with environmental core attributes.
    - **ING Groep** rose from #35 to #7 in the ranking. ING has a clear set of objectives and targets, including doubling their Climate Finance portfolio by 2022 and steering their €600 billion portfolio towards meeting the Paris Agreement's well-below two-degree goal. ING is also working towards having 'green' office buildings only in its Dutch portfolio by 2023.
    - **Hewlett Packard Enterprise** now ranks #15. HPE is committed to maintaining the highest standards of business conduct and corporate governance.
    - **Sanofi** ranked #28 and is included in the 2019 Clean 200 Index. Sanofi is tracking its contribution in improving access to care and reducing its environmental footprint. Sanofi ensures that Corporate Social Responsibility is embedded into all of its activities.
    - **BNP Paribas** ranked #31. The PRI has awarded them an A+ rating, the highest possible, for the last three consecutive years. In doing so, the PRI has highlighted their commitment to ESG integration and their high degree of involvement in bringing these issues to the attention of the companies and markets they invest in.
    - **Valeo** ranked #34. Valeo is the 11th largest automotive supplier globally, operating in 29 countries and is focused on providing solutions for electrification of vehicles and autonomous driving. The Board of Directors' 13 members have different backgrounds and enable the Group to benefit from their experience and skills in a variety of fields (42% of the Board's members are women and 92% are under 70).
    - **Siemens** ranked #41. **S**ince September 2015, Siemens has been the first global industrial company to commit to carbon neutrality by 2030. Their Environmental Portfolio supports their customers to increase their competitiveness and combat climate change.
    - **Merck** ranked #78. 14% of Merck's purchased electricity comes from renewable sources and, by 2040, 100% will come from renewables. Other notable statistics include 100% score on the Human Rights Campaign's Corporate Equality Index, 41% of management roles are held by women, $2.8 billion in total giving in 2018 and 15% reduction of water use since 2015.
    - **GlaxoSmithKline** ranked #79 and is singled out for transparency, mostly in terms of pricing.
    - **Samsung** ranked #80. Samsung's renewable energy usage reached 92% in the U.S., China and Europe. The company also took significant steps toward transitioning to a circular economy, which prioritizes utilizing sustainable materials and minimizes waste. In particular, disposable materials, such as plastic and vinyl, are gradually being replaced in packaging with sustainable resources, such as paper.
    - **Intel Corporation** ranked #81. Since 2012, the company invested more than $200 million in energy conservation projects in their global operations, resulting in the conservation of more than 4 billion kilowatt-hours and approximately $500 million in savings through the end of 2018. Intel also made significant progress toward its goal to restore 100% of global water use by 2025 and is on track to

achieve their 2020 water-use reduction goal. Also, because of their work to prevent forced and bonded labor in their supply chain, their suppliers have returned over $14 million in fees to workers since 2014.

  - **Panasonic Corporation** ranked #89. While reducing the energy used in its operations, Panasonic is promoting the creation and utilization of clean energy with its eco solution (lightning (LED)) and energy management systems divisions and through its battery systems for eco-cars, photovoltaic systems and fuel cells.

- **Bank of America**, which provides billions of dollars of financing to the low-carbon economy, offers a solid pension plan for its workers, and has relatively impressive gender diversity on its board, where a third of directors are women.
- **Smurfit Kappa** is a global leader in corrugated and cardboard packaging. Smurfit launched its *Better Planet Packaging Design* initiative, aimed at tackling one the greatest challenges facing the sector: reducing the amount of non-recyclable waste produced every day.
- **Samsung Electronics** America's Galaxy Upcycling project received the Environmental Leader's *Top Project of the year 2018* award. The judging panel commended the company for its "creative approach to reusing old materials that reduces landfill and electronics waste". Samsung's goal is for every Galaxy phone to be repurposed and upcycled without being discarded prematurely, leading to billions of devices with extended useful lives.

CANADIAN EQUITIES

- Some of our Canadian portfolio companies were recognized as model corporate citizens in *Corporate Knights* 2020 Influential Global 100:

  - **Bombardier** was ranked #44 and also listed on the 2019 Clean 200 Index. Bombardier creates smarter, more efficient ways to bridge distances and bring people together while recognizing that they must minimize the adverse impact of their products and operations on the environment.
  - **Bank of Montreal** was ranked #48, with a 30-year history of responsible investing.
  - **Cascades**, ranked #49, was also included in the 2019 Clean 200 Index, the only container and packaging company on the list and one of only 12 Canadian businesses.
  - **Sun Life Financial** was ranked #60. In 2019, Sun Life issued a $750 million sustainability bond, the first such issuance by a life insurance company globally. Distinguished from a green bond, a sustainability bond concerns both green and social assets.
  - **Cogeco Communication** was ranked #88.
  - **Teck Resources,** ranked #91, is one of the highest-ranked mining companies in the world. In addition to its strong carbon productivity scores and pension plan quality, Teck strong ranking was supported by its growing mix of metals that are essential to the low-carbon economy. Copper (critical in electric cars) and zinc now account for one-half the company's revenues.
  - **Telus** was ranked #96. Telus is a signatory to the United Nations Global Compact (UNGC) and reports on their contributions to the Sustainable Development Goals (SDGs), as well as their progress on human rights, labour, environment and anti-corruption principles.

- **Maple Leaf Foods** aims to be the most sustainable protein company on earth. In November 2019, Maple Leaf announced that it had become the first carbon-neutral major food company in the world.

- **Air Canada** was named eco-airline of the year (2018) by Air Transport World, recognizing the company's environmental accomplishments, in particular its commitment to emissions reduction through their support of the development of alternative fuels and its numerous green programs and partnerships.

ENERGY POSITIONS

Publicly traded oil and natural gas companies compete against major sovereign producers, such as state-owned companies in Russia and Saudi Arabia, which face little pressure for transparency or divestment. Independent resource companies produce only 30% of the world's oil and natural gas supply but the fact that they are publicly traded makes them significantly more vulnerable to societal pressures. Hence, the divestment of companies in this sector transfers market share from minority producers most obliged to act responsibly to monopoly producers without similar transparency requirements.

The major publicly traded oil and gas companies are investing heavily to reduce emissions and are focusing on transition-related research and development. The following highlights the progress towards environmental stewardship, including initiatives to reduce greenhouse gas (GHG) emissions and enhanced disclosures, undertaken by energy companies in the portfolio.

An update on the Canadian oil sands sector

- Upstream oil sands GHG emissions intensity fell by 21% between 2009 and 2017 and could fall by an additional estimated 16-23% over the coming decade, according to IHS Markit.
- The reductions over the last decade have been driven primarily by improvements in oil sands mining operations, with the comparatively young in-situ methods still in the early stages of optimization.
- Some projects already have GHG intensity that is at or near the average North American barrel (ranges from 1% below to 16% above), and the industry as a whole is well on its way to major reductions.

Energy holdings

In 2019, the oil and gas producing companies in our portfolio (representing over 98% of all our energy sector holdings) ranked in the top 15th percentile of the Oil & Gas Producers industry group for overall ESG Risk Rating by Sustainalytics. In terms of carbon-related indicators, our holdings ranked in the top quartile.

CANADIAN HOLDINGS

Canadian Natural Resources

- In 2009-2018, Canadian Natural Resources spent $3.1 billion on research and development.
- Leader in CO_2 Capture and Storage (CCS), with 2.7 million tons captured annually, equal to 576,000 cars off the road and making it the third largest global owner of CCS capacity:
  - Projects include Horizon, Quest CCS (70% interest), North West Upgrader (50% interest).
- In 2013-2017, Horizon Oil Sands GHG emissions were down 24%, primary heavy oil vent volumes down 71%.
- In 2017, 80% of water used at its Thermal in-situ oil sands assets was from recycled produced water.
- In 2012-2017, overall corporate GHG emissions intensity (CO_2 per barrel of oil equivalent) came down 25%.
- Canadian Natural Resources' oil sands and in-situ operations (65% of production) have only 5% higher emissions intensity than global average.

Suncor Energy

- Achievements include $400 million in technology and innovation R&D spending in 2018, 60% reduction in oil sands GHG emissions since 1990, 30% reduction in water use intensity at the Oil Sands Base in the last four years, and $700 million spent with Aboriginal businesses in 2018.
- Suncor published its Climate Change report in 2017 and is currently working to add the 2-degree Paris Accord scenario as per the Task Force on Climate-related Financial Disclosures (TCFD) and will publish an updated report in 2020.
- Examples of actions taken: new gas-fired cogeneration plant at the Base Plant which will displace burning petroleum coke (has advantages of lowering CO_2 emissions, obtaining heat and steam for free, and realizing cost savings), new wind farms, installation of EV chargers at its fuel stations.
- Suncor has committed to reducing its CO_2 intensity by 30% between 2015-2030 via gas cogeneration at its Base Plant (this alone gets the company half-way there); using solvents such as C3/C4 in future SAGD projects which will reduce the need for steam and thus CO_2 emissions; and using solvents in mining for primary extractions which will eliminate water use altogether.
- Suncor not only conduct extensive internal technology development; they also monitor and invest in technologies developed by others. Consider Suncor's partnership with Enerkem, which turns household garbage into biofuels. According to an article in the prestigious magazine Corporate Knights: "It's partnerships like these that combine the expertise from different sectors that will lead to breakthroughs, significant growth opportunities and provide the greatest opportunity for Canada to succeed on the world stage".[1]

Cenovus Energy

- One of the best thermal oil producers with the lowest steam-to-oil ratio leading to lower GHG emissions.
- Cenovus has reduced its GHG intensity by 33% since 2004.
- Plans to achieve additional reductions in emissions intensity via advancing solvents and applying more cogeneration.

Husky Energy

- Husky has long been committed to minimizing the impact their business has on the environment with methods that are socially responsible, scientifically based and economically sound. Many of their buildings fit into the natural landscape and have highly efficient lighting, heating, cooling and insulation. Husky utilizes the natural elements wherever possible. Some examples of this are day-lighting, ground cooling and solar energy. They recycle every waste stream possible and invest in products and technologies that support environmental sustainability.
- Examples include recycling 88% and 82% of water respectively at its Sunrise and Tucker SAGD facilities, implementing a water re-use project at the Lima refinery, increasing supply of cleaner-burning natural gas from its Liwan field to China, and performing gas re-injection in the Atlantic region.

Encana Corporation (Ovintiv)

- Encana operates exclusively in North America, where it faces some of the most stringent environmental, health and safety, and anti-corruption laws and regulations in the world.
- Encana has no oil sands exposure.

[1] Canada's oil sands are best positioned to lead the energy transformation, Mark Little and Laura Kilcrease, June 1, 2020
https://www.corporateknights.com/channels/energy/canada-oil-sands-lead-energy-transformation-15909912/

- Encana recycles 26% of its water and has electrified the three largest gas processing facilities in BC through the use of hydro-generated power, thus reducing GHG emissions by 860,000 tonnes per year.

Birchcliff Energy

- Birchcliff recycles 90% of the flowback water used in its wells.
- Company has installed heat recovery units at its Pouce Coupe gas processing plant in order to reduce emissions.
- Consults and collaborates with Indigenous groups.

Tourmaline Oil

- 85% of production is natural gas, the cleanest fossil fuel.
- 60% of water is recycled, including 95% of frac flowback water.
- Company has dramatically reduced GHG emissions associated with drilling and completions through the use of in-line well testing where associated gas is captured and not flared.

Enerflex Ltd.

- Enerflex enables the production, processing, transportation and use of clean natural gas, which has been responsible for displacing coal in power and heat generation, thus reducing GHG emissions.
- Enerflex operates globally and uses its best practices uniformly across all geographies, thereby ensuring a safe working environment for its employees.

Peyto Exploration & Development Corp.

- Peyto reduced emissions intensity by 24% over the 2013-2017 period.
- Company also reduced flaring and venting of methane by 25% over the same period.
- 30% of water is recycled, including 76% of frac flowback water.

INTERNATIONAL HOLDINGS

Royal Dutch Shell

- As part of its strategic ambitions, Royal Dutch Shell will respond to society's push for energy transition and sustain a societal license to operate.
- Shell aims to cut the net carbon footprint of its energy products by 50% by 2050 (by 20% in 2016-2035 period) and provide low-carbon electricity to 100 million people in the developing world by 2030.
- Company has several initiatives in place, including wind power generation, switching from coal to gas power generation, clean fuels and installing charging stations at its service stations.
- $1 billion was spent on R&D in 2018.
- Upstream flaring has been reduced by 60% over the 2014-2018 period and will be eliminated by 2030.
- In 2018, Shell bought a 44% stake in US solar power firm Silicon Ranch for $200 million and made a $20 million equity investment in India-based renewable power company Husk Power Systems. Shell's investment target for green energy projects was set between $4 billion and $6 billion for the period from 2016 until the end of 2020.[2]
- Company has reduced direct GHG emissions by 30% since 2010.

[2] How the six major oil companies have invested in renewable energy projects, James Murray ,16 Jan 2020 https://www.nsenergybusiness.com/features/oil-companies-renewable-energy/

Total SA

- Company spent $912 million on R&D in 2017 with 10% of the budget spent on carbon storage and sequestration.
- Total has ambitions to reduce its carbon intensity by 15% between 2015 and 2030.
- Total targets an 80% reduction in flaring between 2010 and 2020 with the aim of eliminating the practice by 2030.
- Total is building out an Integrated Gas and Power business in order to generate and distribute low-carbon electricity mirroring Paris Accord targets.
- Total's plan for renewables is to invest $500 million a year in clean energy technologies. Over the past 10 years, it has made a number of strategic investments, which included $1.4 billion being spent on acquiring a 60% stake in US solar firm SunPower in 2011. Total is aiming to become a global integrated leader in solar power and has 1.6 gigawatts (GW) worth of capacity and plans to increase that to 5 GW over the next five years. In 2016, it purchased French battery manufacturer Saft for $1.1 billon and bought Belgian green power utility Lampiris for $224 million. Total acquired a 74% stake in the French electricity retailer Direct Energie for $1.7 billon in 2018, propelling the company forward into being one of the top utility providers in France.

ConocoPhillips

- Company has reduced GHG emissions by 7 million tonnes of CO2 equivalent per year since 2009.
- Its current emissions reduction target is 5-15% by 2030.
- ConocoPhillips regularly monitors the impact of its operations on wildlife. For instance, they conduct annual infrared camera surveys prior to ice road construction in Alaska to identify polar bear dens and caribou herds to minimize environmental impact.

Hess Corporation

- Company is on track to reduce GHG emissions intensity by 25% and flaring intensity by 50% versus 2014 levels by 2020.
- Hess is recognized as a top employer and industry leader in sustainability (e.g. CDP Climate Change leadership status, Dow Jones Sustainability Index constituent).
- Company sponsors and participates in the Bakken Production Optimization Program that aims to improve Bakken system oil recovery and reduce the environmental footprint of Bakken oil and gas operations.
- Hess sponsors and participates in the Environmentally Friendly Drilling program that aims to develop science-based solutions to environmental issues associated with oil and gas development.

Devon Energy

- In June 2019, Devon announced a plan to lower its methane emissions intensity rate by 12.5% by 2025.

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