

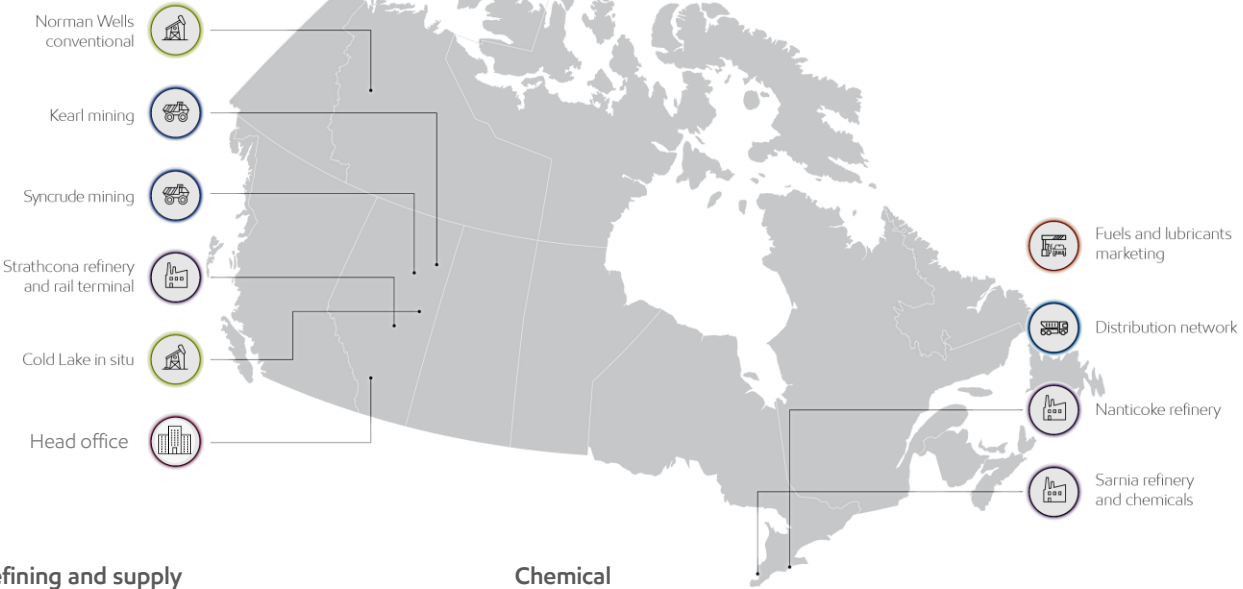
A Renewable Fuel Producer's Policy Perspective

Agricultural Policy Framework Summit
March 25, 2026



Imperial's Operations in Canada

Exploring for, producing, refining and marketing products essential to society



Production



Oil, natural gas

Refining and supply



Gasoline, diesel, fuel oil, jet fuel, asphalt, chemical feedstocks

Chemical



Basic chemicals, intermediates, plastics and resins



Renewable Fuel Primer

- Renewable fuels are those derived from renewable resources; examples include:
 - Ethanol derived from corn or sugar cane
 - Biodiesel or renewable diesel derived from vegetable oils or animal fats
 - Hydrogen derived from water and renewably-sourced power
- Renewable fuels generally have a lower carbon intensity than fossil fuel alternatives

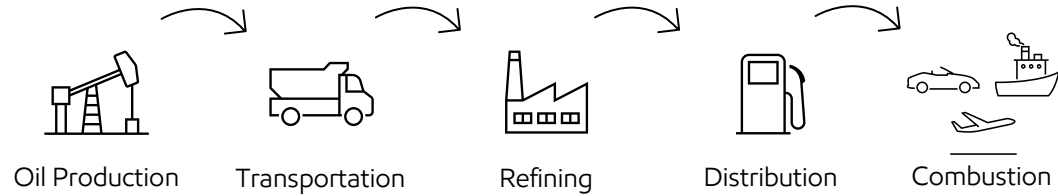
Not all renewable fuels are equivalent

- Biodiesel (BD): produced via transesterification, blend restrictions due to cold flow properties
- Renewable Diesel (RD): produced via hydrotreating, chemically very similar to fossil diesel
 - 100% drop-in replacement for fossil diesel
 - No cold flow restrictions
 - Energy density essentially identical to fossil diesel

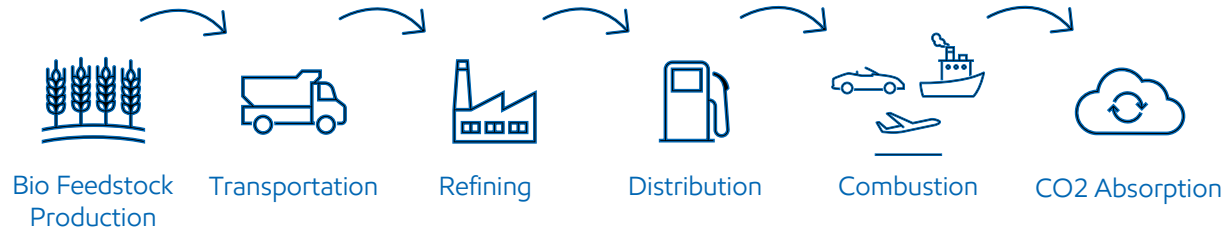
Life Cycle Assessment (LCA) and Carbon Intensity

- LCA is a tool used to assess the emissions that occur across the life of a product or service
 - For fuel, considers all stages from raw material extraction to final combustion
- GHG emissions over the life cycle of a product are measured in terms of Carbon Intensity (CI)

Fossil Fuel Lifecycle Example



Biofuel Lifecycle Example



What are the Clean Fuel Regulations?

Clean Fuel Regulations (CFR) Objectives¹

- Reduce greenhouse gas (GHG) emissions in the transportation sector
- Promote technological innovation and adoption of clean technologies
- Improve air quality and public health

1. Volume Standards

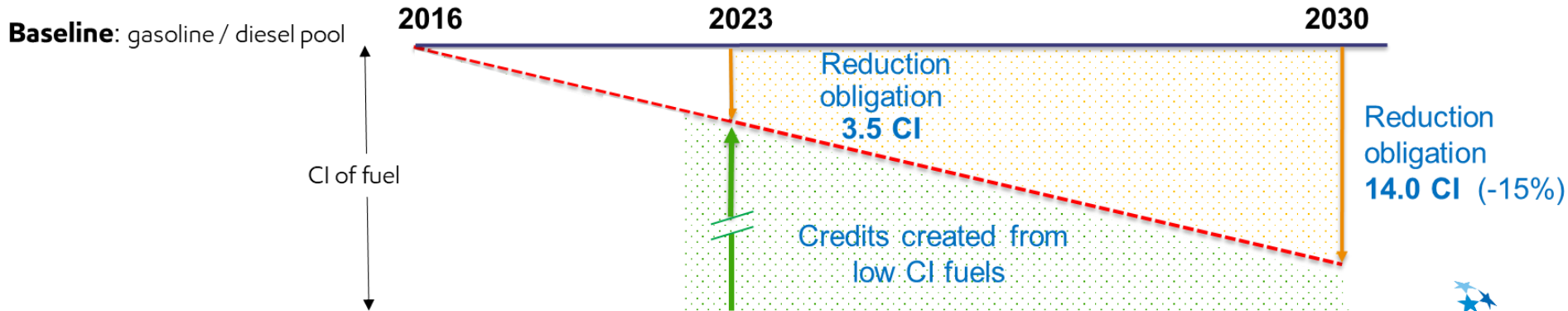
- Volume-based requirement that a minimum percentage of fuel is renewable
 - May or may not include a defined carbon intensity threshold
- Implemented federally and in most Canadian provinces
 - Federal: 5% renewable volume in gasoline, 2% renewable volume in diesel
 - SK: 7.5% renewable volume in gasoline, 2% renewable volume in diesel
- Conceptually similar to the RVO (Renewable Volume Obligation) in the US

¹Government of Canada Clean Fuel Regulations Overview

What are the Clean Fuel Regulations?

2. Fuel Carbon Intensity (CI) Reduction

- Clean Fuel Regulations (CFR) requires annual reduction in transportation fuel carbon intensity
 - Fuel producers and importers are the obligated parties
- CFR requires a 15% CI reduction vs. 2016 levels by 2030
- Similar to California or BC Low Carbon Fuel programs, creates a credit market
 - Offers multiple compliance pathways, promoting clean technology investment



Imperial Fuels Policy Principles

Policies should:

1

Support important societal goals*

- balance competing and pressing societal goals
- set achievable performance metrics that contribute to the goals

2

Have a clear basis

- be based on robust and transparent data that is grounded in science
- have a sound legal basis

3

Encourage multiple solutions

- should be inclusive to maintain choices for consumers and foster competition
- encourage innovation through early support of nascent technology

4

Promote wise use of resources

- have flexibilities such as credit trading to drive more efficient use of resources
- recognize long term and holistic implication of resources chosen

5

Provide sufficient clarity and certainty to encourage investment

- a stable price signal is needed to stimulate action in desired timeframe
- new policies should be complementary and consistent with other related policies



*for example: the UN Sustainable Development Goals

Source: ExxonMobil Policy Framework

Additional Reference: OECD Guiding Principles for Regulatory Quality and Performance, [OECD Directorate for Public Governance](#), 2005

Rational and Constructive Policy

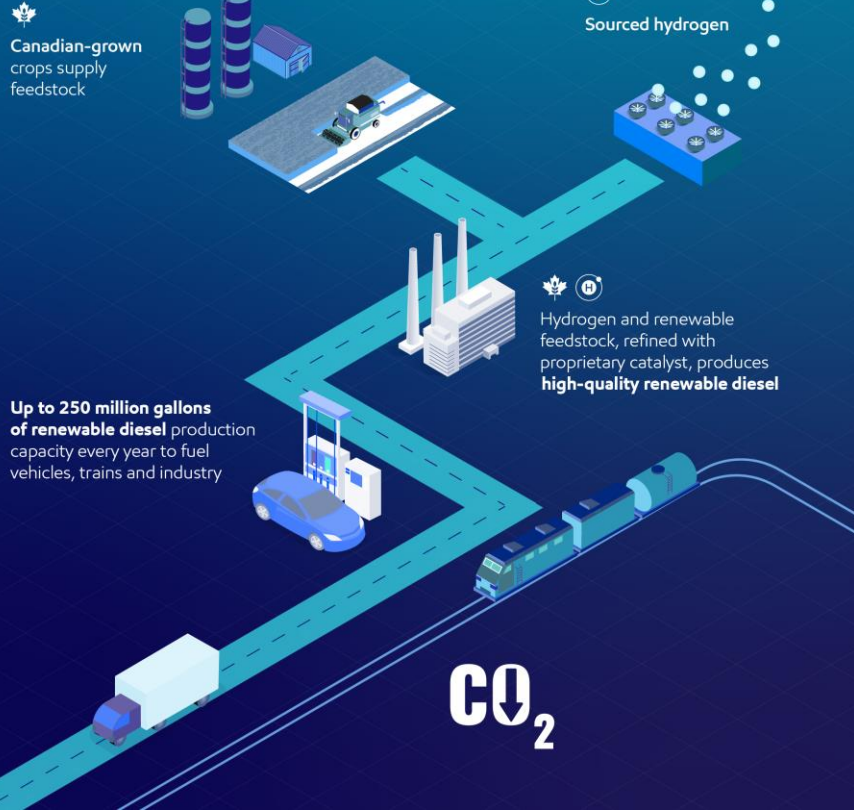
“To achieve a lower-emissions future, government GHG policy should set carbon-intensity standards on products. We believe this is the best way to engage the collective efforts of industry and leverage competitive market forces. To drive further innovation and reduce the most emissions at the lowest cost, policies must remain technology agnostic. Governments should not pick winners and losers. Intensity standards establish a level playing field and have a strong precedent.”

Darren Woods, ExxonMobil Chairman and CEO

Building Canada's largest renewable diesel facility

ExxonMobil | Imperial

Combining agriculture and technology to lower emissions to support Canada's ambition to net zero



Strathcona Refinery Producing Renewable Diesel

The refinery has a capacity to produce up to 20,000 barrels per day of renewable diesel

- **Reducing emissions:** This project has the potential to reduce CO₂ emissions in the Canadian transportation sector
- **Technology:** The renewable diesel production process will utilize hydrogen; the hydrogen and bio-feedstock will be combined with a proprietary catalyst to produce premium low-carbon diesel fuel
- **Big picture:** The Strathcona renewable diesel project is part of ExxonMobil's broader plans to produce low-emissions fuels globally

Fuel Co-Processing: Leveraging Existing Facilities

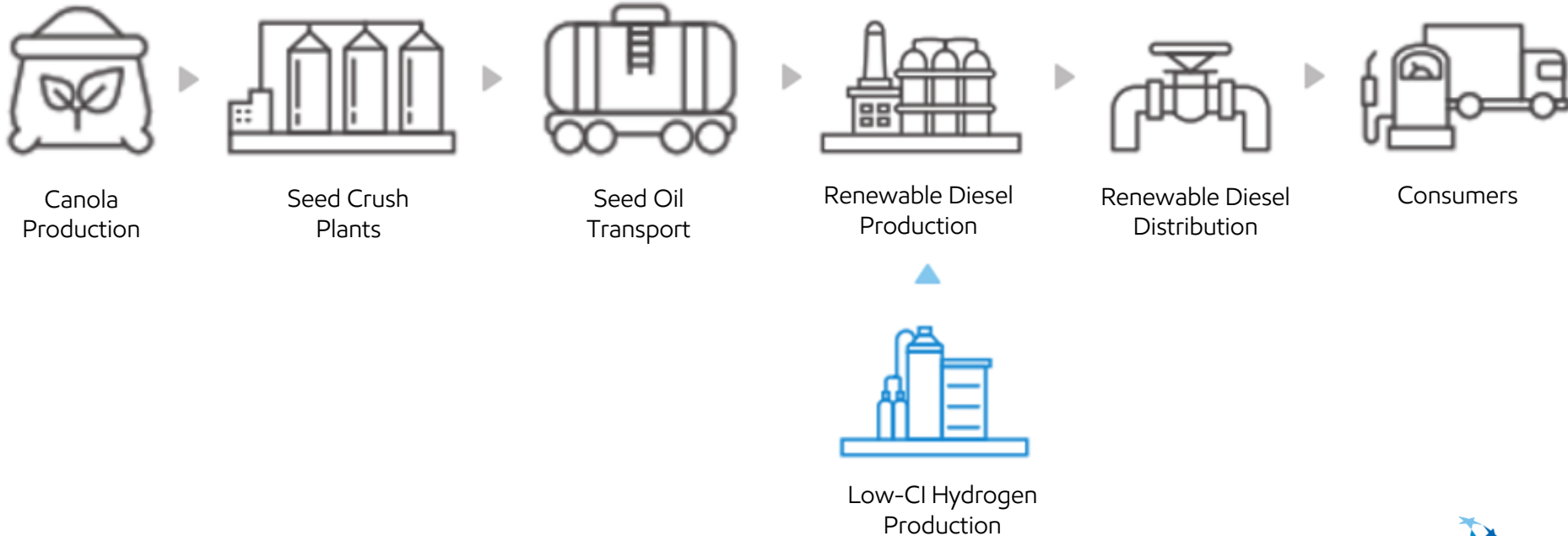
- Co-processing: simultaneous transformation of petroleum and renewable feedstocks through refining units producing fuels with incorporated renewable content
- Offers near-term opportunities to produce renewable fuel, leveraging existing, large scale operating industrial assets, technology, experience and logistics infrastructure
- Fully recognized by international agencies (e.g. ISCC, CORSIA)



- Investing in co-processing capability across our refining network

Canada's RD Value Chain Benefits

In addition to the transportation sector GHG emission reduction benefits of drop-in biofuels, Canadian produced renewable diesel provides significant value chain economic benefit to the Canadian economy



Example Benefits of a 20KBD RD Facility in Canada

2.5 million tonnes/yr
domestic canola
seed demand

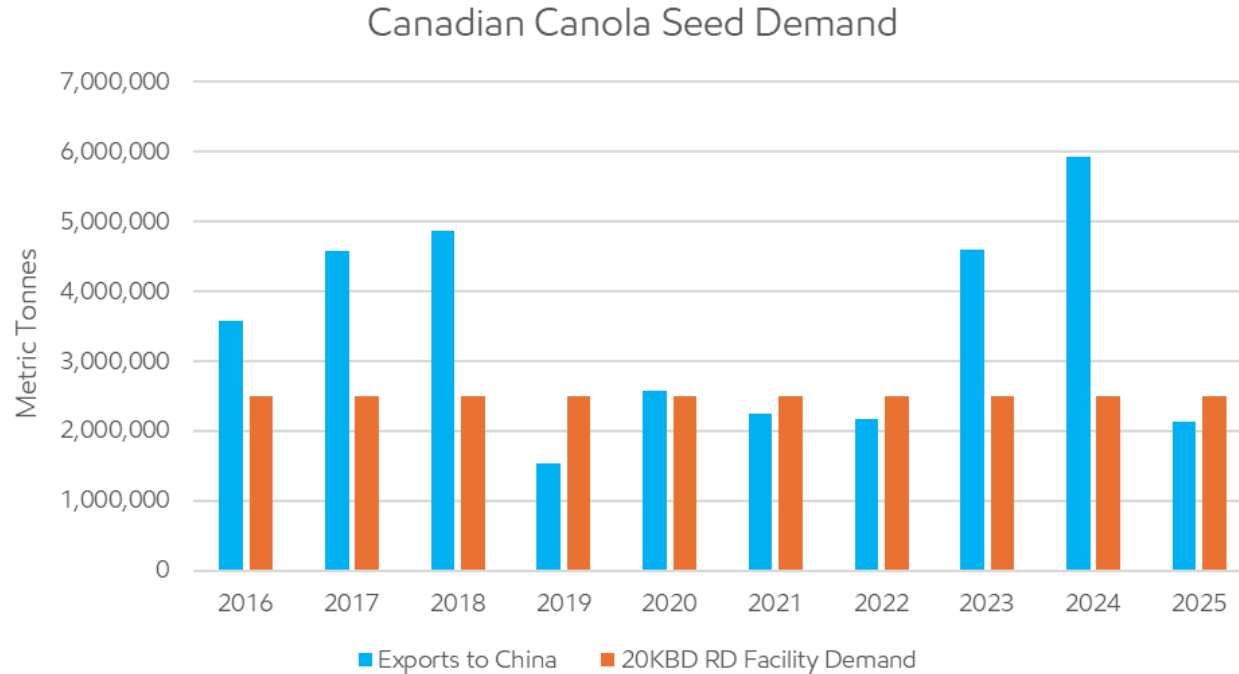


Canola Production

40,000+ Canadian
Canola farmers



Example Benefits of a 20KBD RD Facility in Canada



Example Benefits of a 20KBD RD Facility in Canada

1-1.5 B\$ capital investment

750+ construction jobs

80+ permanent jobs



Seed Crush Plants

2 – 3 crushing facilities



Example Benefits of a 20KBD RD Facility in Canada

Canola Production



Seed Crush Plants



Seed Oil Transport



Renewable Diesel Production



Consumers



2.5 million tonnes domestic
canola seed demand
40,000+ Canadian Canola
farmers

1-1.5 B\$ capital investment
750+ construction jobs
80+ permanent jobs
2 - 3 crushing facilities

11,000+ railcars / yr

700+M\$ capital investment
600+ construction jobs
20 - 30 permanent jobs

GHG emissions reductions



Low-Cl Hydrogen Production



1.6B\$ capital investment
2500 construction jobs
Long term permanent jobs

