

RESPONSIBLE ENERGY DEVELOPMENT →

# ABOUT NEXEN: IN CANADA

A CLOSER LOOK AT OUR CANADIAN OPERATIONS

# ABOUT NEXEN

## WHERE WE OPERATE, WHAT WE PRODUCE, HOW WE MEASURE UP

Canada is a nation with abundant natural resources and a strong record of reliable, responsible energy development. For more than 40 years, Nexen has been part of that success story, using technology, innovation and collaboration to grow Canadian oil and gas production and help supply the energy that fuels people's lives.

Nexen is a significant player in the Canadian oil sands and the country's

emerging shale gas industry. We are also active in conventional oil and gas, and power generation. Our Canadian-based team is committed to producing energy safely, reliably and with a shared commitment to excellence. For us, sustainable energy development is about engaging stakeholders, managing our environmental footprint and working with the communities where we operate.

**“AS A RESPONSIBLE ENERGY COMPANY, CNOOC LIMITED HAS SERVED THE ENERGY NEEDS OF SOCIETY AND CONTRIBUTED TO THE ECONOMIC DEVELOPMENT OF SOCIETY AND THE IMPROVEMENT OF PEOPLE'S LIVING STANDARDS IN A RESPONSIBLE WAY. WE GIVE TOP PRIORITY TO HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION AND EXPECT THE SAME LEVEL OF COMMITMENT FROM NEXEN IN ACHIEVING BEST IN CLASS HEALTH, SAFETY AND ENVIRONMENTAL (HSE) PERFORMANCE.”**

LI FANRONG  
CEO, CNOOC LIMITED

### NEXEN >>

The Nexen group of companies are wholly owned subsidiaries of CNOOC Limited. We are strategically focused on three businesses – conventional oil and gas, oil sands and shale oil and gas. In addition to our Canadian businesses, Nexen operates in many of the world's most significant basins, including the UK North Sea, offshore West Africa and the Gulf of Mexico.

### CNOOC LIMITED >>

CNOOC Limited is China's largest producer of offshore crude oil and natural gas and one of the largest independent oil and gas exploration companies in the world, with operations in more than 20 countries. In 2014, CNOOC Limited produced an average of 1.18 million boe/d.



## OVERVIEW: NEXEN'S CANADIAN BUSINESSES

Nexen's Canadian operations encompass the following:

### OIL SANDS >>

Currently, Nexen has an interest in more than 300,000 acres in the Wood Buffalo region of northern Alberta, with billions of barrels of contingent recoverable oil sands resources.

Our Long Lake oil sands facility uses steam-assisted gravity drainage (SAGD) to produce bitumen, which is then upgraded into Premium Synthetic Crude (PSC™) oil. We are continuing to accelerate our oil sands production by investing in expansion projects like Kinosis, an extension of our Long Lake SAGD project located 12 kilometres south of the Long Lake facility. Bitumen from Kinosis is upgraded and processed at Long Lake. Nexen also has a 25 per cent non-operating working interest in the Hangingstone SAGD project being developed by Japan Canada Oil Sands (JACOS), and manages CNOOC Limited's interest in MEG Energy, a Canadian oil sands developer. Nexen holds a 7.23 per cent interest in Syncrude Canada's oil sands mining and upgrading facility.

Nexen is strategically positioned for future in-situ oil sands development, with land holdings in a number of Wood Buffalo prospect areas including operated leases at Leismer and Cottonwood and non-operated leases at Meadow Creek, Corner and Chard.

### SHALE GAS >>

Nexen was also an early entrant in Canada's emerging shale gas industry. Starting in 2006, we began acquiring large blocks of acreage in the Horn River, Cordova and Liard basins of northeast British Columbia. Combined with our joint venture partners, we hold approximately 300,000 acres of high quality land in the region – making this asset an exciting prospect for delivering affordable, clean burning fuel.

### CONVENTIONAL OIL & GAS / POWER GENERATION >>

From 1961 to 2011, Nexen operated a sour gas processing plant located northeast of Calgary, Alberta near the town of Balzac. In 2011, the Balzac gas plant was decommissioned due to declining production in the surrounding gas field and urban encroachment. A stand-alone power plant remains operational on the plant site, supplying enough electricity to power 100,000 homes.

Nexen is also a 50 per cent partner in the 70.5 megawatt Soderglen Wind Farm in southern Alberta and we own 100 per cent of the carbon credits associated with its production. Credits are used to help meet our greenhouse gas compliance in our Alberta-based operations.

Nexen also manages an equity interest in Northern Cross (Yukon) Ltd., which owns oil and natural gas blocks in the Yukon and is evaluating both conventional and unconventional resource prospects.

**OUR CALGARY OFFICE**

*Our Calgary-based team supports operations in a number of locations—including the U.S., UK and offshore West Africa—and oversees our exploration business, which operates around the world.*



**“ WE HAVE SHIFTED THE WAY WE DO THINGS TO DELIVER SUPERIOR RESULTS BY TAKING ADVANTAGE OF NEW OPPORTUNITIES AND WORKING TO DRIVE A CULTURE OF ACCOUNTABILITY AND HIGH PERFORMANCE. OUR SUCCESS IS DEMONSTRATED BY OUR 2014 KEY RESULTS, WHERE WE ACHIEVED RECORD HSE PERFORMANCE AND STRONG PRODUCTION GAINS. ”**

FANG ZHI  
CEO, NEXEN

## OUR CANADIAN OPERATIONS: DRIVING ECONOMIC GROWTH

In Canada, Nexen is well positioned to grow in key resource sectors – including oil sands and shale gas, delivering economic and social benefits for decades to come.

### SHALE GAS >>

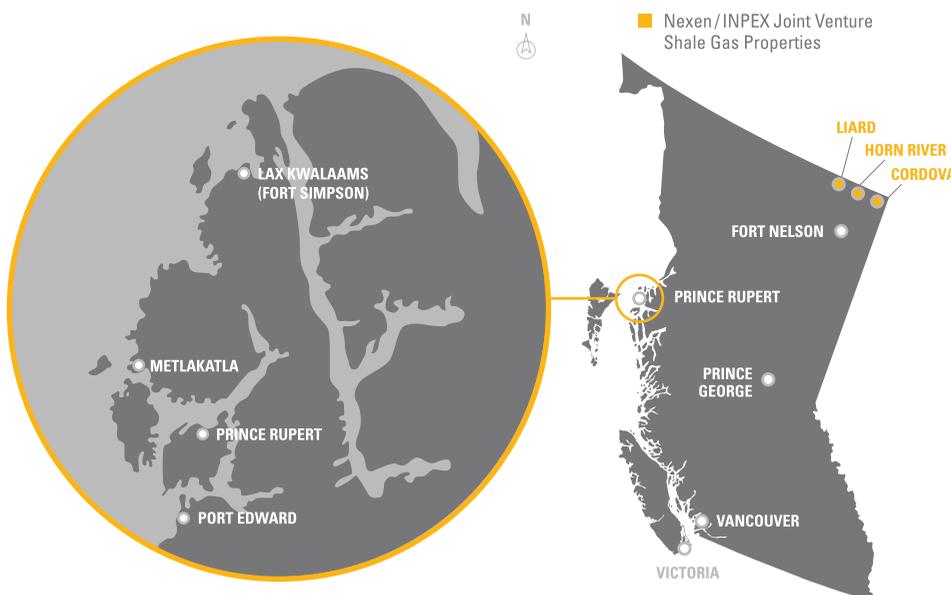
The advancement of drilling and fracturing technology has accelerated the cost-effective recovery of shale gas. With a focus on operational excellence, Nexen has built a reputation as a leader in shale gas development in Canada that has brought about international joint venture opportunities with INPEX Gas British Columbia Ltd. (IGBC) for shale gas development in northeast B.C.



### NEXEN'S LNG STRATEGY >>

World trade in LNG has grown dramatically over the past 15 years. Much of this increase is due to the expected growth in power generation using reliable, affordable and cleaner burning natural gas. With a focus on safety, environmental responsibility, technical feasibility and costs, Aurora LNG is studying the viability of building and operating an LNG facility and marine terminal on the coast of B.C.

The proposed LNG project will go through a comprehensive regulatory review process that will meet provincial and federal requirements. Project economics are crucial before a final investment decision is made.



### ABOUT AURORA LNG >>

Aurora LNG is a joint venture between Nexen and INPEX CORPORATION. Aurora LNG brings a wealth of proven experience, expertise and well-established relationships in all components of the LNG value chain including: upstream natural gas production; liquefaction; transportation; regasification; marketing; and, distribution of natural gas to end users.

### DID YOU KNOW? >>

#### A "LOCAL FIRST" PRINCIPLE GUIDES OUR INVESTMENTS

We believe in working with the people closest to our operations. It's a win-win for Nexen and neighbouring communities – that's because Nexen benefits from the proximity of local suppliers and working with people who know the local culture, community and environment. In turn, communities benefit from direct and indirect employment and the diversification of the local economy that our company generates.

### ECONOMIC CONTRIBUTION

In 2014, Nexen's Canadian-based operations accounted for:

#### CAPITAL EXPENDITURE >>

(CAD \$BILLIONS)



#### TOTAL ROYALTIES<sup>1</sup> AND INCOME TAXES FOR CANADIAN OPERATIONS >>

(CAD \$MILLIONS)



<sup>1</sup> Royalties are cash payments.

## OIL SANDS >>

Canada is home to the world's third-largest oil reserves. As much as 1.7 trillion barrels of oil is estimated to be contained in the oil sands, of which an estimated 169 billion barrels can be recovered using today's technology. According to the Canadian Association of Petroleum Producers, oil sands development generates over 100,000 jobs across Canada, a number expected to increase to more than 500,000 over the next 25 years.

In December 2014, Nexen confirmed steady bitumen production from Kinosis 1A (K1A), a new SAGD development approximately 12 kilometres south of our Long Lake oil sands facility. Kinosis consists of steam-generating equipment, surface and subsurface well pads and steam-assisted gravity drainage (SAGD) facilities, plus water and bitumen pipelines. Bitumen produced from Kinosis is transported via pipeline to Long Lake for processing and upgrading. This is a significant milestone in the company's oil sands development strategy and will contribute to Nexen's overall production targets.

## OIL SANDS GROWTH PROJECTS >>

### LONG LAKE:

We're investing capital to improve both operational reliability and environmental performance. With the ongoing addition of high-quality wells, we're steadily increasing bitumen production and making progress towards our goal of operating our upgrader at full capacity.

### KINOSIS:

The Kinosis area is planned to be developed in stages, with K1A as the first stage. K1B, the next development area, is currently in the planning phase.

### HANGINGSTONE:

Production from this joint venture SAGD project, located about 50 kilometres southwest of Fort McMurray, is expected to begin in 2016. Our joint venture partner, JACOS, is the operator of this facility.

### KINOSIS CONSTRUCTED IN RECORD TIME WITH EXCEPTIONAL SAFETY PERFORMANCE

*Construction of K1A was completed in October 2014 on an industry-leading schedule. Benchmarking of peer companies indicates that most projects the size of Kinosis require an average of 45 months to complete; it was constructed in 37 months.*

*The project was also developed with exceptional safety performance. Despite working to an aggressive schedule, with numerous work areas, night shifts and extreme weather conditions, there were no lost-time incidents (LTIs) during approximately 5 million hours needed to execute the project.*





## EMPLOYEE HEALTH AND WELLNESS

Nexen is committed to the well-being and health of our employees and contractors by providing access to various health and wellness programs, and resources.

### PSYCHOLOGICALLY HEALTHY AND SAFE WORKPLACE INITIATIVE >>

Nexen is taking new and proactive steps to protect and promote the psychological health of our employees. The company is thinking about mental health in the same way physical well-being is considered because when employees are mentally and physically healthy, company performance thrives.

As part of Nexen's Psychologically Healthy and Safe Workplace Initiative, supervisors received training on the Canadian and Nexen Standard for a psychologically healthy and safe workplace. This training aimed to expand awareness about mental health issues and how to implement both preventative and proactive measures to address psychological health & safety. Supervisory training sessions are to continue throughout 2015.

### WELLNESS CENTRE AWARDED LEADERSHIP IN ENERGY & ENVIRONMENTAL DESIGN >>

Nexen's new Wellness Centre was awarded Leadership in Energy and Environmental Design (LEED) silver level certification. LEED is an internationally-recognized green certification program that recognizes best-in-class building strategies and practices. Environmentally sustainable practices and LEED requirements were incorporated into the design and construction of the facility. Some green features of the Wellness Centre include:

- low-flow and sensor-activated lavatories to reduce water use;
- automatic blinds for light harvesting and occupancy sensors to shut off lights when spaces are vacant;
- the ability to switch from using air conditioning to outside air to help keep the Wellness Centre at a comfortable temperature; and
- re-using materials that would otherwise have been thrown out.

The Wellness Centre is part of Nexen's commitment to the well-being and health of our employees and contractors and provides easy access to fitness classes, massage therapy and personal training services.

**“WE WANT TO HELP EDUCATE SUPERVISORS ABOUT THE ISSUE OF MENTAL HEALTH SO THAT THEY ARE ABLE TO HELP THEMSELVES AND THEIR EMPLOYEES, AS WELL AS THEIR FAMILIES AND THE COMMUNITY.”**

**MARIE SOPKO**  
OCCUPATIONAL HEALTH AND INDUSTRIAL HYGIENE MANAGER

**SAFETY FIRST: A CORE VALUE**

Safety is a core value at Nexen and the success of every activity we undertake is measured on our ability to conduct our work safely, each and every day.

Nexen is focused on building a strong Safety First Culture. In 2014, Nexen achieved its best ever occupational safety performance, but we recognize that there is still work to do. We will continue to strive for improvement in our safety performance in 2015.

**CANADA-WIDE SAFETY PERFORMANCE >>**

(COMBINED EMPLOYEE AND CONTRACTOR)

**TOTAL RECORDABLE INJURY FREQUENCY (TRIF)\***



\* Total Recordable Injury Frequency represents the total number of fatalities, lost time injuries, medical treatment cases and modified work cases for every 200,000 hours worked.

**LOST TIME INJURY FREQUENCY (LTIF)\***



\* Lost Time Injury Frequency is a measure of safety performance calculated as the number of fatalities and lost time injuries recorded for every 200,000 hours worked.



**STAND UP FOR SAFETY >>**

Nexen's Stand Up for Safety is a company-wide discussion about taking action to ensure the safety of every employee and contractor. Two Stand Ups were held in 2014 on the topics of slips, trips and falls as well as working safely at height. Working safely at height is one of the main causes of fatalities and major injuries at the workplace in the oil and gas industry. Supervisors communicated information on how to prevent incidents when working at height and encouraged everyone to participate through the sharing of stories about near-misses. Fang Zhi, Nexen's CEO, shared his insights about the topic and closed the Stand Up for Safety event by sharing the CNOOC "5 Don'ts until Do's" Safety Rules in the workplace.

**OIL SANDS CELEBRATES SAFETY MILESTONE >>**

Nexen's Oil Sands Project Development & Execution (OSPDE) team demonstrated they put Safety First as they achieved a significant performance milestone: 10 million hours worked on projects with zero lost-time incidents (LTI). OSPDE has not had a single LTI since April of 2011. They achieved this milestone while conducting higher-risk construction work on several large-scale projects at the Long Lake oil sands facility.



## ENVIRONMENT

As a responsible energy developer, Nexen seeks to reduce our impact on air, water, land and ecosystems.

### NEXEN-LED ALGAR HABITAT RESTORATION PROJECT WINS PRESTIGIOUS EMERALD AWARD >>

Nexen is collaborating with other members of COSIA (Canada's Oil Sands Innovation Alliance) to actively restore vital caribou habitat with the Algar Habitat Restoration Project. The project is aimed at reclaiming linear disturbances from seismic lines and includes a five-year program to replant trees and shrubs in disturbed areas of the Algar Region, which covers an area of about 570 km<sup>2</sup> southwest of Fort McMurray. Our collective efforts were celebrated in 2014 as the project received an Emerald Award which recognizes outstanding environmental initiatives.

### OIL SANDS WINTER DELINEATION DRILLING PROGRAM ACHIEVES BEST-EVER ENVIRONMENTAL PERFORMANCE >>

The 2013-14 Oil Sands delineation drilling program wrapped up with an excellent safety record, lowest waste volumes on record and best-ever environmental performance. They were able to effectively recycle 5,787 cubic meters of drilling water, compared to 800 cubic meters the previous year. The Environmental group worked with rig supervisors and crews during training well exercises, boot camps and kickoff meetings to increase awareness about spill mitigation measures prior to the commencement of the drilling program. As a result of these efforts, the program experienced a 52 per cent decrease in the number of spills and a 64 per cent decrease in the volume of spills compared to the previous year.

### DEMONSTRATING LEADERSHIP IN WETLAND RECLAMATION >>

Wetlands comprise greater than half of the boreal forest landscape and their maintenance is an issue of concern for local stakeholders and Aboriginal groups. As a founding member of COSIA, Nexen is leading several reclamation research projects targeting the development of techniques specific to wetland restoration. In 2014, Nexen facilitated a wetland reclamation workshop attended by representatives from government, academia and fellow oil sands developers. Nexen also celebrated a reclamation milestone in 2014: one million trees planted in the Long Lake area.



## MANAGING GREENHOUSE GAS EMISSIONS

Nexen's climate change action plan includes using new technologies to be more energy efficient, investing in renewable energy, participating in carbon markets and engaging in public policy discussions on climate change.

We are taking measures to reduce our greenhouse gas (GHG) emissions and forging ahead with research and development projects that target energy efficiency and greenhouse gas intensity.

### CANADA-WIDE GREENHOUSE GAS EMISSIONS >>

Carbon Dioxide (CO<sub>2</sub>) Equivalent Emissions<sup>1</sup>  
(million tonnes)

<b>2012</b>	4.05
<b>2013</b>	4.60
<b>2014</b>	5.10

Emissions per cubic metre (t CO<sub>2</sub> / m<sup>3</sup> OE)

<b>2012</b>	1.12
<b>2013</b>	1.01
<b>2014</b>	1.07

<sup>1</sup> Emissions include direct emissions from operations plus indirect emissions from electric power consumption.

\* Detailed information about the action Nexen is taking to combat climate change as well as detailed information about company-wide GHG levels, can be found at [www.nexencnooclt.com/responsibledevelopment](http://www.nexencnooclt.com/responsibledevelopment).

In 2014, our GHG emissions increased over 2013 primarily due to the start of steaming of the reservoir at K1A.

#### LOOKING FOR MORE INFO?

Nexen posts data relating to air quality, water use, spills, habitat and waste management at

[WWW.NEXENCNOOCLTD.COM/RESPONSIBLEDEVELOPMENT](http://WWW.NEXENCNOOCLTD.COM/RESPONSIBLEDEVELOPMENT)

## RESPONSIBLE WATER MANAGEMENT

Nexen continues to take initiative to enhance the responsible stewardship of water resources. We are committed to meeting or exceeding regulatory expectations for protecting water sources such as lakes, rivers and aquifers.

### NEXEN SUPPORTS COSIA WATER TECHNOLOGY INITIATIVE >>

In collaboration with other COSIA members, Nexen is accelerating innovation in water management technologies by helping construct and operate a Water Technology Development Centre (WTDC). To be located at Suncor's Firebag in-situ oil sands facility, the WTDC will be designed to rigorously test water treatment and recycling technologies. The goal of the WTDC is to shorten the timeframe needed to develop and commercialize new technologies, as well as significantly enhance existing technologies. For Nexen, improving environmental performance means less disturbance to the environment, which leads to more efficient use of capital and moving towards our goal of becoming a top-quartile oil sands developer.

### REDUCING FRESH WATER USE >>

The NEBC Shale Gas Frac Program has been working hard to improve frac performance and minimize the amount of surface water used in the process. In a pilot project, they tried using sour (H<sub>2</sub>S) water from the Debolt aquifer in the Dilly Creek area. Pumping untreated sour water with conventional fracturing equipment is an industry first. Significant obstacles had to be overcome in order to pump Debolt water because of its H<sub>2</sub>S content and corrosive nature. As a result of the pilot, 7.6 per cent of the frac fresh water was substituted by Debolt formation water. Using sour water for a large portion of the stimulation program would mean greatly reducing our requirements for surface water. This is not just a noteworthy achievement for Nexen, but within the industry as well.



### ENVIRONMENTAL REGULATORY OR PERMIT VIOLATIONS >>

There was a 46 per cent decrease in the number of event-related environmental regulatory or permit violations between 2013 and 2014.

	2012	2013 <sup>1</sup>	2014
North America Gas and Tight Oil	1	1	1
Oil Sands	191	98	52
<b>Total</b>	<b>192</b>	<b>99</b>	<b>53</b>

<sup>1</sup> The indicator definition was revised in 2013. The revised definition includes any event-related violation of legislation (act/regulation/directive) or permit issued related to air, land or water management or environmental protection. Under the former indicator name (Environmental Exceedances) non-compliances with legislation were not included.

### WORKING TOWARDS ZERO SPILLS >>

Nexen continues to focus on reducing the number of spills in our operations. There was a 23 per cent reduction in the number of reportable spills between 2013 and 2014. Through historical trending and weekly event analysis, we are identifying common causes of events and using that information to help reduce the number and volume of spills. Improving our environmental performance remains a key objective for 2015 and beyond.

#### Number of Spills

	2012	2013	2014
North America Gas and Tight Oil	6	5	1
Drilling and Completions	9	10	9
Oil Sands	29	20	17
<b>Total</b>	<b>44</b>	<b>35</b>	<b>27</b>

#### Volume Released (m<sup>3</sup>)

	2012	2013	2014 <sup>2</sup>
North America Gas and Tight Oil	3	19	1
Drilling and Completions	27	30	18
Oil Sands	417	548	1509
<b>Total</b>	<b>447</b>	<b>597</b>	<b>1528</b>

<sup>2</sup> The majority of the 2014 reportable spill volume is due to one reportable release where just over 1400m<sup>3</sup> of fresh groundwater was released.



## NEXEN: INVOLVED IN OUR COMMUNITY

At Nexen, giving back to the communities where we live and work is deeply rooted in our values. Investing in communities is not just the way we do business; it's a point of pride for employees and contractors.

In 2014, our ReachOut community investment program, which helps support charitable organizations and employee volunteering, contributed over \$13.5 million with a significant portion of that investment being used to support non-profit organizations in Canada.

### GIVING, MATCHING AND HELPING

#### GIVING

Nexen contributed \$8.3 million to charitable and non-profit organizations primarily based in Alberta and British Columbia through our Giving program. Here are some of the notable contributions Nexen and CNOOC Limited made in Canada in 2014:

#### **SUPPORTING CALGARY'S ARTS SCENE**

Nexen supports a dynamic range of performing arts organizations as we strongly believe that one of the elements of a vibrant community is the quality and variety of the performing arts offered. We have a proud history of supporting arts organizations including the Alberta Ballet, Alberta Theatre Projects, Calgary Opera Association, Calgary Philharmonic Society, Honens, Lunchbox Theatre, One Yellow Rabbit Theatre, StoryBook Theatre Society, Theatre Calgary, Theatre Junction Society and Vertigo Mystery Theatre.

#### **HIGH-TECH UPGRADE FOR EMERGENCY RESPONSE HELICOPTER**

Nexen's support for the Shock Trauma Air Rescue Society "STARS" has a 20-year history. To date, we have contributed over \$1 million to help STARS service critically ill and injured patients in Alberta, British Columbia and Saskatchewan. Our current commitment helped support the redesign of their emergency medical services helicopter, including upgrading with cutting-edge medical equipment, increased room to simultaneously hold two critical patients and the ability to support pediatric patients.

#### **INCREASING FOOD ACCESS FOR REMOTE COMMUNITIES**

Nexen supports the Mobile Pantry Program. Launched in 2013 in conjunction with the Wood Buffalo Food Bank, it is an innovative solution for assisting people in need by directly addressing the geographically isolated and low income communities of Fort McKay, Janvier, Conklin and Fort McMurray No. 468 First Nations. In early 2015, the Anzac community was a new beneficiary of this service.

#### **ANZAC – REBUILDING LOCAL HEALTH CLINIC**

Nexen partnered with the Northern Lights Regional Health Foundation towards the

refurbishment of the local public health community clinic to ensure better patient care and improve the infrastructure of the building where the clinic is housed.

#### **FORT MCMURRAY – ADDRESSING DOMESTIC VIOLENCE**

Nexen's investment will help the Fort McMurray Family Crisis Society, which provides shelter and programs for women and children facing domestic violence. As part of their Stop the Hurting, Start the Healing Capital Campaign a new 45-bedroom Women and Children's Emergency Shelter is being built and will include a Child Development Centre.

#### **FORT NELSON – ENSURING ACCESS TO TRANSPORTATION FOR SENIORS**

Keeping up to the demand of seniors' access to public transit was a growing concern in the township of Fort Nelson, British Columbia. Nexen partnered with INPEX Gas British Columbia Ltd. (IGBC) to support the Northern Rockies Senior Society. A 2014 Para-Transit Minibus was unveiled in January 2015 and will run six days a week providing a critical service to seniors and people with disabilities in Fort Nelson and Fort Nelson First Nation.

**SUPPORTING ABORIGINAL COMMUNITIES >>**

Nexen is committed to working with indigenous communities to build capacity and support the development of sustainable businesses and future leaders. One means by which Nexen meets this commitment is through the Banff Centre’s Indigenous Leadership & Management certificate program that focuses on leadership development. To date, Nexen has supported 38 future community leaders.

Nexen has supported the Native Ambassador Post-Secondary Initiative (NAPI) since 2008. NAPI is a community-based Aboriginal youth outreach program designed to motivate and empower Aboriginal youth throughout Western and Northern Canada to become future leaders. The NAPI Program is designed for Aboriginal Youth aged 13-24 and consists of two main streams: Educational Outreach and Youth Leadership Training. Both avenues provide educational information, inspiration that helps youth to make informed decisions, develop vision for their future, and contribute positively to their community.

Nexen’s post-secondary Aboriginal Education Award program is in its 15th year. The program provides scholarships to Aboriginal students pursuing studies related to the oil and gas industry. In 2014, Nexen awarded \$22,000 in scholarships to students from 11 communities across Western Canada.

**UNITED WAY CAMPAIGN: SETTING A GUINNESS WORLD RECORDS® >>**

As part of the 2014 United Way campaign, Nexen raised just over \$1.1 million. Through employee donations and our employee matching program. The campaign theme was “From Suits to Super Heroes” and 542 Nexen employees came out on September 18, 2014 to set a GUINNESS WORLD RECORDS® achievement for the Largest Gathering of People Dressed as Batman. The goal was to show a unified spirit in kicking off Nexen’s annual United Way campaign and also to raise awareness for United Way of Calgary and Area.



**BENCHMARKING OUR COMMUNITY INVESTMENT**

*Nexen is a member of the London Benchmarking Group (LBG) Canada, a network of companies seeking to maximize the value of community investment, employee volunteering and employee giving programs – for communities, for employees, for the business.*

**“OUR EMPLOYEES ARE TRUE SUPER HEROES AND WE’RE VERY PROUD OF THE TEAMWORK AND SPIRIT THEY’VE DEMONSTRATED IN SUPPORTING THE COMMUNITY.”**

FANG ZHI  
CEO, NEXEN

**MATCHING**

In Canada in 2014, Nexen matched a total of \$1.4 million in employee and contractor donations to charitable and non-profit organizations. Nexen matches employee and contractor donations dollar-for-dollar to a maximum of \$20,000 per person.

MATCHING EMPLOYEE DONATIONS UP TO



**\$20,000 / PERSON**

**HELPING**

Employees receive two paid days off annually to volunteer and can qualify for a grant for volunteering 40 hours of personal time to a charitable or non-profit organization. In 2014, Nexen contributed over \$520,000 and 10,950 volunteer hours to support our communities.



## SUSTAINABILITY REPORTING: LEARN MORE

This publication highlights some of the sustainability initiatives underway at Nexen's Canadian operations. More detailed information is available at [www.nexencnooltd.com/responsible-development](http://www.nexencnooltd.com/responsible-development). CNOOC Limited also publishes a corporate social responsibility report which can be found at <http://www.cnooltd.com/csreport/en/index.html>.

## CAREER OPPORTUNITIES AT NEXEN >>

A career at Nexen is an opportunity to work for one of Canada's top employers. It's about contributing to a team that values diversity and integrity and strives to be the best. It's also about working towards a common goal – creating value through safe and environmentally responsible energy development. This creates value for all stakeholders, including our owners, Canadian governments, local communities and all Canadians. To learn more, visit Nexen Careers at <http://www.nexencnooltd.com/en/Careers.aspx>

## TSX LISTING >>

CNOOC Limited's listing on the Toronto Stock Exchange (TSX) on September 18, 2013 is a milestone that will benefit CNOOC Limited and the Canadian economy. The TSX listing makes CNOOC Limited more accessible to a wide range of investors.

## FORWARD LOOKING STATEMENTS >>

This report includes "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, including statements regarding expected future events, business prospectus or financial results. The words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate under the circumstances. However, whether actual results and developments will meet the expectations and predictions of the Company depends on a number of risks and uncertainties which could cause the actual results, performance and financial condition to differ materially from the Company's expectations, including but not limited to those associated with fluctuations in crude oil and natural gas prices, the exploration or development activities, the capital expenditure requirements, the business strategy, whether the transactions entered into by the Group can complete on schedule pursuant to their terms and timetable or at all, the highly competitive nature of the oil and natural gas industries, the foreign operations, environmental liabilities and compliance requirements, and economic and political conditions in the People's Republic of China. For a description of these and other risks and uncertainties, please see the documents the Company files from time to time with the United States Securities and Exchange Commission, including the 2014 Annual Report on Form 20-F filed on 22 April 2015.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realised or, even if substantially realised, that they will have the expected effect on the Company, its business or operations.

All financial information in Canadian dollars.

June 2015

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## FOLLOW US ON SOCIAL MEDIA >>

Learn about Nexen, the communities we invest in and what makes us an employer of choice. See photos of our operations, how we invest in communities and how we are a responsible energy developer.

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