

PEOPLE

Performance Overview

- Recognized as one of Alberta's top employers and best workplaces
- \$2 million in scholarships awarded to children of employees
- President and CEO holds town hall meetings with over 5,000 employees
- 2011 employee attrition lowest in five years

Our Commitment

Syncrude's over 5,000 employees are key to our success and are our most valued asset. We encourage their achievement of high quality results by creating an environment that fosters teamwork, mutual respect and measured risk-taking. We make every effort to acknowledge their contributions and celebrate successes through highly competitive compensation, recognition and development programs.

Labour Pool Initiatives

Syncrude has a multi-staged approach to address its workforce needs.

It begins by raising awareness of career opportunities in the oil sands by participating in such initiatives as school and campus presentations, career fairs and other special events, and trades development programs like those promoted by [CAREERS: The Next Generation](#).

This is followed by support for initiatives that develop the available pool of skilled labour through college, technical and university-based programs. This then provides the foundation for comprehensive recruitment plans to address our ongoing labour requirements.

To address a shortage of available workforce skills caused by changing workforce demographics and a robust local economy, Syncrude is continuing its longstanding work to build workforce capacity. We focus on collaborative partnerships with educational institutions, businesses, industry associations and governments.

Process Operator Training

Syncrude's entry-level Process Operator Trainee Program encourages candidates to consider a career as a process operator. Developed by Syncrude in association with the [British Columbia Institute of Technology](#), the program consists of two months of intensive training, six months of evaluation in field-training situations, and two more months in the classroom. The experience rewards students by hiring them as paid casual employees during training, and as full-time permanent employees after successful completion of the program.

Oil Sands Extraction Process Program

This program, launched in the spring of 2010 with participating employees from Syncrude and another oil sands developer, aims to help increase the pool of talent in the region by enhancing the knowledge and skills of bitumen extraction process operators. The two developers worked with [Keyano College](#) to build the program and it continues to be adapted with a view to accommodating participants who are not currently employees of the partnering companies. The aim is to offer learning opportunities to both experienced and aspiring process operators. Since the program's inception, more developers have joined as program partners. Graduates earn an Extraction Technician Certificate.

High School Technology Centre

Supported by Syncrude, a technology centre that opened in September 2011 at Fort McMurray's [Father Patrick Mercredi High School](#) is enabling students to access equipment and learning opportunities not usually offered at the high school level. The centre gives the students insight into various engineering specialties and works to influence their future career path decisions. In particular, students can receive credits toward a high school diploma while, at the same time, have the opportunity to meet requirements for a 4th Class Power Engineering certificate.

Apprenticeships

Apprenticeships in recognized trades and technologies can be accessed through Syncrude directly or via two widely available programs in which Syncrude participates. The Community Cooperative Apprenticeship Program is an industry-driven education partnership providing training through annual rotating work

placements. The *Registered Apprenticeship Program* is offered to high-school students in the form of work experience courses, Career and Technology Studies courses, and part-time employment.

Introduced in 2009, the *Syncrude Aboriginal Trades Preparation Program* prepares participants to pursue trades apprenticeship training through academic upgrading and work experience placements at our operation. Upon successful completion, students are eligible to become indentured apprentices at Syncrude. The program is available at Keyano College in Fort McMurray, as well as learning centres in Janvier, Fort Chipewyan and Fort McKay. It is sponsored by Syncrude, Alberta Employment & Immigration (AEI), Alberta Human Services (AHS), Rupertsland Institute, Chipewyan Prairie First Nation, Fort McMurray #468 First Nation, Fort McKay First Nation and the Mikisew Cree First Nation. It has also received additional support from the Athabasca Tribal Council, the Métis Locals, and Alberta Apprenticeship & Industry Training.



The 2011 graduating class of the Syncrude Aboriginal Trades Preparation Program. Credit: Keyano College

Co-Op/Discipline students

Every year, Syncrude provides work terms of varying lengths for about 200 co-op/discipline students, who come to Syncrude from post-secondary schools across Canada. About 60 students are on-site at any given time. During their time with Syncrude, the students gain valuable work experience in their field of study, and work alongside knowledgeable experts. In addition to competitive wages, the students also receive paid transportation to and from Fort McMurray; along with paid accommodation, internet and cable.

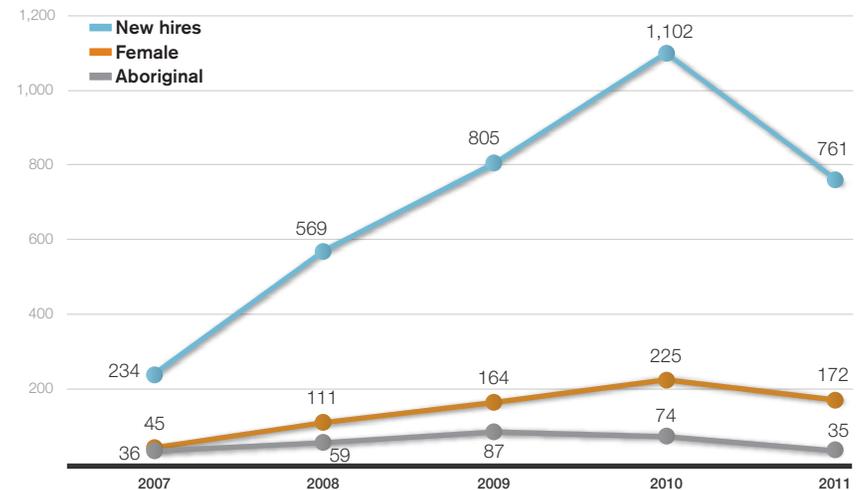


Each year, around 200 university students from across Canada have work terms in varied disciplines at Syncrude, including engineering and environmental sciences.

Syncrude Higher Education Awards Program

Children of Syncrude employees can qualify for up to \$2,400 for each year of their post-secondary degree or diploma education. About \$2 million in program scholarships was granted to 871 applicants (returning and new) in 2008-09, with another \$2 million to 924 applicants in 2010-11.

New Employees - Diversity



Syncrude invests in programs aimed at increasing the number of Aboriginal and female employees in our workplace. This includes the Aboriginal Trades Preparation Program at Keyano College and the Women in Scholarship, Engineering, Science and Technology program through the University of Alberta.

Workplace Development and Retention Initiatives

Syncrude offers a variety of education and training opportunities, and incentive programs, to our employees. These encourage people to commit to a career with the organization, and develop the specific skills that we need to run our operation.

Initial Professional Development Program

IPDP is a core Syncrude workforce strategy and opportunity for new employees to grow. It provides a better career development experience for the approximately 120 new graduates who join Syncrude each year. IPDP comprises networking opportunities with management and leaders, as well as mentoring, orientation and development assignments.

Education Tuition Refund Program

This program supports professional development for regular employees who desire learning opportunities in fields of study that are relevant to Syncrude's business. It provides a 100 percent refund on tuition, textbooks and materials, and mandatory fees for approved post-secondary courses.

Leadership Development Program

A new Leadership Excellence Training program was launched at Syncrude in 2009. This program is delivered in seven days over five months and aims to provide leaders with the skills needed to lead their departments effectively, model best practices and attitudes, inspire and communicate shared goals, challenge and improve processes, enable team members by delegating effectively, and offer timely encouragement and recognition. The program uses both real and hypothetical situations as learning tools.

Housing Support Program for Fort McMurray Employees

Syncrude launched a housing support program in June 2009 to help improve its ability to attract and retain employees in Fort McMurray, where the labour market is competitive and accommodation costs are high when compared to other regions in Alberta. The five-year program provides up to \$60,000 to eligible employees to offset the cost of mortgage interest. Eligible employees who rent accommodation may receive up to \$30,000 in rental cost offsets. To earn the maximum benefit employees make the commitment to stay with Syncrude for 10 years.

Impact 21 Incentive Program

Syncrude's Impact 21 program motivates all employees to reach business goals by paying financial rewards to them when corporate targets in safety, reliability, production, costs, energy efficiency and environmental performance are achieved or surpassed.

Retention Program for Fort McMurray Employees

To help secure and retain the skilled workforce required to sustain its operation, and to reward existing and future employees for their commitment and contributions to Syncrude, Syncrude has a retention program for Fort McMurray-based employees. It gives eligible employees three annual payments of 20 percent of their day-base salary up to a maximum of \$20,000 before statutory deductions, per program year. All Fort McMurray-based employees also receive a salary uplift of 14 percent over employees working in other locations.

CEO Engages with Employees

Syncrude President and CEO Scott Sullivan, who joined the company in July 2010, engaged with the company's entire employee population over the course of 23 meetings held in early 2011. The sessions were designed to foster feedback from employees as much as share information about corporate direction, goals and challenges. Employees raised a range of issues, including commuting, compensation and benefits, career development, plant reliability, environmental performance and future growth plans. In response, three committees were formed to assess and propose solutions to the issues most commonly raised: commuting & transportation; career and succession planning; and leadership communication. A second series of sessions occurred in early 2012 to provide an update on the work of these committees and to encourage continued dialogue.



Syncrude President and CEO Scott Sullivan speaks to employees at the 2011 forum.

Workforce by the Numbers

	2007	2008	2009	2010	2011
Total permanent workforce	4,733	5,284	5,580	5,689	5,515
% under age 20	0.2	0.4	0.2	0.1	0.1
% age 20-24	6.2	8.0	7.6	6.9	5.2
% age 25-29	12.9	13.1	13.9	14.2	14.3
% age 30-34	11.8	12.2	14.0	14.1	14.5
% age 35-39	10.6	11.6	11.5	12.1	11.8
% age 40-44	13.4	12.3	12.1	12.0	12.4
% age 45-49	15.4	14.2	14.1	13.7	14.0
% age 50-54	18.3	16.2	15.2	15.2	14.8
% age 55-59	8.9	9.4	9.1	9.0	10.9
% over age 60	2.3	2.3	2.4	2.6	2.1
Workforce – temporary and casual	144	160	109	102	145
Employees covered by collective bargaining agreements (%)	0	0	0	0	0
Permanent employees – all categories					
New permanent employees – all categories	761	1,102	805	569	234
Trades and operators	529	817	539	395	172
Administrative, professional & technical	232	285	266	174	62
New employees – diversity					
Aboriginal	35	74	87	59	36
Female	172	225	164	111	45
Recruiting effectiveness					
New hire acceptance rate	77	80	88	88	89
Local hires (% of all new hires)	70	68	68	72	71
Job applications received (#)	49,564	70,257	47,302	44,343	25,452 ¹
Ratio of standard entry level wage to minimum wage ²	3.3	3.5	3.5	3.6	3.5

¹ Fewer applications in 2011 reflect a reduced number of job postings during the year.

² Based on basic wage for entry level trades/operators position and Alberta hourly minimum wage of each reporting year.

Human Resources Score Card

	2007	2008	2009	2010	2011
Employee productivity					
Thousand barrels of SSB per employee	23,525	20,029	18,309	18,815	19,075
Average employee service (in years)	11.3	10.1	9.4	9.2	9.6
Leadership development					
% of leaders completed Leadership Excellence Program	79	78	53	57	60
% of leaders completed Diversity Workshop	78	55	61	64	69
% of leaders completed Harassment & Discrimination Workshop	65	53	51	64	73
Diversity					
Aboriginal representation:					
Number of employees	413	435	479	484	492
% of permanent Syncrude workforce	8.6	8.1	8.4	8.4	8.6
% of new hires	4.6	6.7	10.8	10.4	15.4
Aboriginal leaders (% of permanent Syncrude leaders)	6.0	5.6	5.9	5.8	5.5
Female representation:					
Number of employees	880	991	1,036	1,011	950
% of permanent Syncrude workforce	19.6	19.3	19.2	18.9	18.6
Female leaders (% of permanent Syncrude leaders)	10.1	10.6	9.8	10.6	11.8
Attrition (% of Syncrude workforce)					
All employees, including retirements	11.7	10.6	9.0	8.0	5.5
Employee initiated termination	7.4	7.2	4.2	4.0	2.6
Retirements	3.2	2.1	3.5	2.7	1.9
Aboriginal	9.8	11.9	9.8	10.2	5.6
Female	13.1	12.6	10.2	10.1	6.5
Trades and operators	10.8	10.0	9.1	6.9	4.9
Administrative, professional & technical	13.5	11.3	8.9	9.4	6.3
Employee & Family Assistance Program (EFAP) utilization					
# of clients as % of Syncrude workforce	11.2	7.3	13.7	16.7	18.5
Training					
% hours in training per employee/per annum	1.4	1.3	1.1	1.1	1.0
Employee recognition					
# of recognitions to employees ¹	9,971	10,902	12,143	5,912	6,415
Ethics					
Anonymous submissions to EthicsPoint	16	10	11	16	13

¹ Includes service and safety awards.

Scholarships, Bursaries and Endowments

	2007	2008	2009	2010	2011
Annual scholarships, bursaries and endowments (\$)	930,000	858,000	1,018,000	1,054,800	940,415
Number of employee student scholarships	395	443	428	461	516
Number of tuition refunds to Syncrude employees	153	155	82	84	144

Employee Awards & Appointments

Syncrude employees serve the community in many different ways and in many areas of need. Listed here are a selection of those who serve or have been recognized by their professions.



Kim Farwell was elected President of the Association of Professional Engineers, Geologists and Geophysicists for a one-year term in June 2010. A Syncrude Chemical Engineer and Organizational Effectiveness Advisor, Farwell has been a longtime volunteer with the organization and was awarded an honorary life membership in April 2011.

Mark Johnstone was honoured by the Alberta Apprenticeship and Industry Training Board as Alberta's Top Apprentice for 2010 in the Power Systems Electrician Trade. Johnstone has been a Syncrude employee since 2006.

Mel Holloway was honoured by the Canadian Society of Safety Engineering for his longtime service to the organization and his dedication to promoting safety awareness in the workplace, at home and in the community. Holloway is a Syncrude Safety, Health and Environment Coordinator who has played a key role in the development of various training programs, and organized an annual local safety conference with the Alberta Construction Safety Association.



Brent Hilscher was appointed Chair of the Canadian Mineral Processors Society Alberta/Northwest Territories/Nunavut Branch for a two-year term in June 2010. Hilscher is a Syncrude Senior Technology Development Engineer who has worked to raise the profile of oil sands operations in the mineral processing industry.

Corporate Awards

Syncrude is proud to have received several corporate awards in 2010-11. These reinforce our efforts to be a favoured employer and a responsible oil sands producer.



Canada's Top Employers of Young People 2011 –

adjudicators cited our apprenticeship, training & development programs, summer work placements for high school students, mentoring program and excellent starting benefits.

Canada's Top Employers of New Canadians 2010 & 2011 – adjudicators cited Syncrude for recognizing the foreign education and experience of qualified immigrants, its support of local English as a second language courses, and the assistance given to employees in obtaining Canadian professional accreditation.



Alberta's Top Employers 2010 & 2011 –

Syncrude was cited for hiring incentives, flexible health benefits, savings plans, maternity leave coverage, helping employees balance work and personal life, and encouragement of employee development through training, mentoring and scholarships.



Alberta Venture Magazine Best Workplaces Awards 2011 –

Syncrude earned honourable mentions in the categories of Best Workplace for Working Parents and Best Workplace for Diversity. For the former, judges cited company policies for parental leave and other programs; for the latter, judges cited programs to recruit and integrate immigrants, Aboriginal people and people with special needs.

Alberta Business Award of Distinction for Aboriginal Relations 2010 –

Syncrude's commitment to working with First Nations and Métis communities in the Wood Buffalo region earned recognition from the Alberta Chambers of Commerce. Adjudicators cited Syncrude for establishing and meeting commitments in six priority areas, including employment.

Syncrude Department Introduces *Pay It Forward* Award

Recognizing the value of peer-to-peer recognition, leaders in Syncrude's Mine Mobile Maintenance department introduced a Pay it Forward Award to recognize employees for going beyond their duties and providing outstanding leadership. Award winners get to choose the next recipient. One winner, Keith Maclean, says, "It's an honour to be recognized by my peers for the work I am doing in my area and through the team's efforts."