

# ECONOMIC CONTRIBUTION

## Performance Overview

- Economic contribution of \$6.4 billion in 2010 and \$6.9 billion in 2011
- Purchased \$3.9 billion in goods and services in 2010 and \$4.1 billion in 2011
- Cumulative royalty payments now exceed \$8.6 billion

## Total Expenditures by Category

(\$ millions)

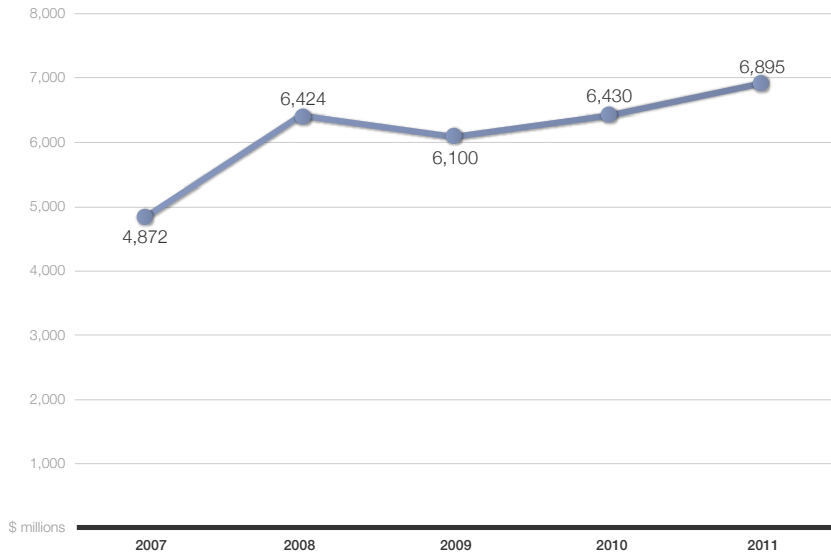
	2007	2008	2009	2010	2011
Royalties, payroll & municipal taxes	1,656	1,988	1,026	<b>1,204</b>	<b>1,269</b>
Purchased energy	585	878 <sup>1</sup>	432 <sup>1</sup>	458 <sup>1</sup>	528 <sup>1</sup>
Employees (net)	585	684	937	843	907
Materials and supplies	682	817	1,026	978	931
Contracted services	1,218	1,929	2,509	2,916	3,233
Other expenditures	146	128	170	30	27
<b>Total</b>	<b>4,872</b>	<b>6,424</b>	<b>6,100</b>	<b>6,430</b>	<b>6,895</b>

<sup>1</sup> Also includes expenditures related to purchased bitumen

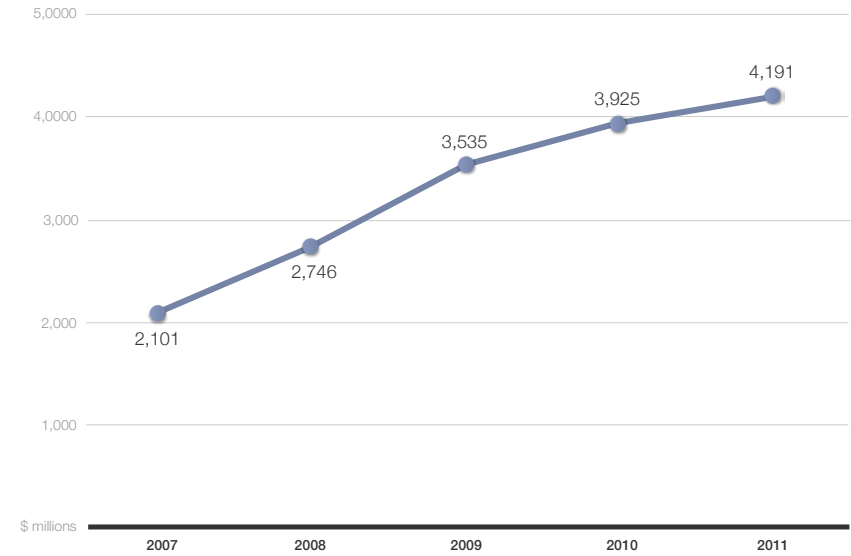
## Generate Economic Benefits

Syncrude recognizes that its procurement strategy must benefit all Canadians. While Alberta will remain Syncrude's primary supply hub, supply chain studies indicate substantial indirect flow-through to other provinces via subcontracting. The Canadian Energy Research Institute conducts occasional studies on the economic impacts of oil sands development. Visit their [website](#) for more information.

### Annual Economic Contributions



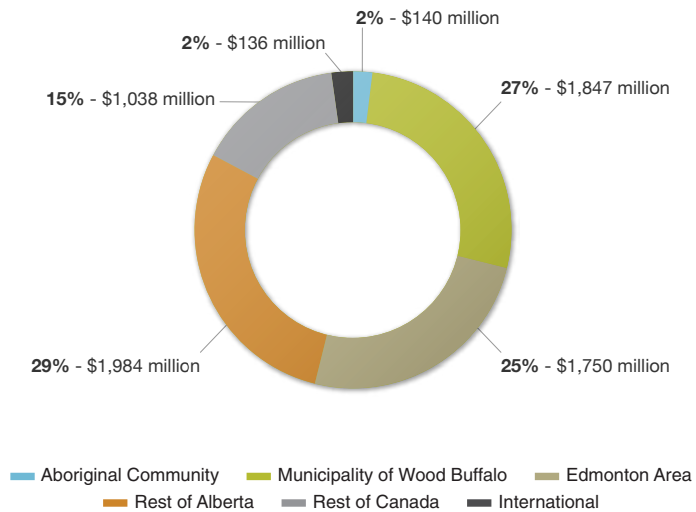
### Annual Procurement of Goods and Services



## Geographic Distribution of Expenditures<sup>1</sup>

	2011
Aboriginal community	140
Municipality of Wood Buffalo	1,847
Edmonton area	1,750
Rest of Alberta	1,984
Rest of Canada	1,038
International	136
<b>Total</b>	<b>6,895</b>

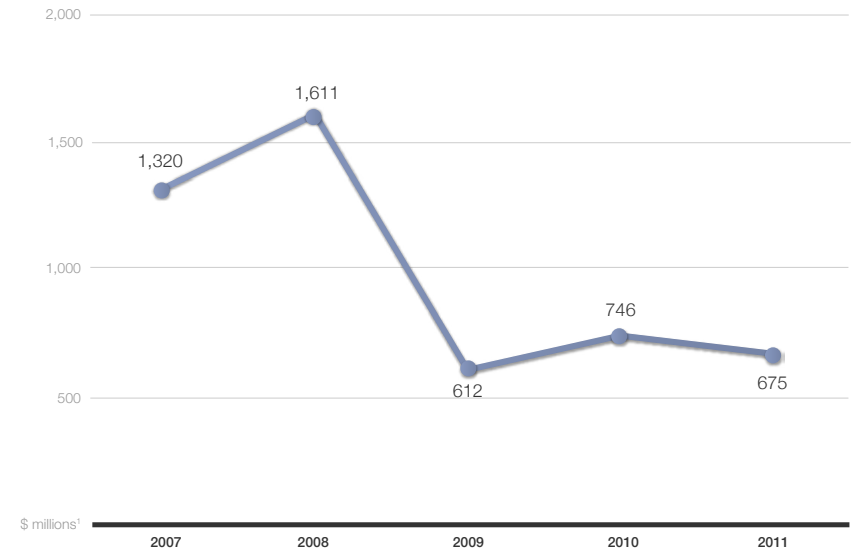
<sup>1</sup> Includes materials, supplies and contracted services



## Agreement on Crown Royalties

The Syncrude Joint Venture owners and the Government of Alberta signed two agreements in 2008 to amend the existing Crown Agreement and to transition the Syncrude Project to a new royalty framework based on the production of bitumen, not synthetic crude oil. For a detailed overview of these agreements and ongoing discussions with the Alberta government regarding bitumen valuation, please refer to the Canadian Oil Sands Annual Information Form available at [www.cdnoilsands.com](http://www.cdnoilsands.com).

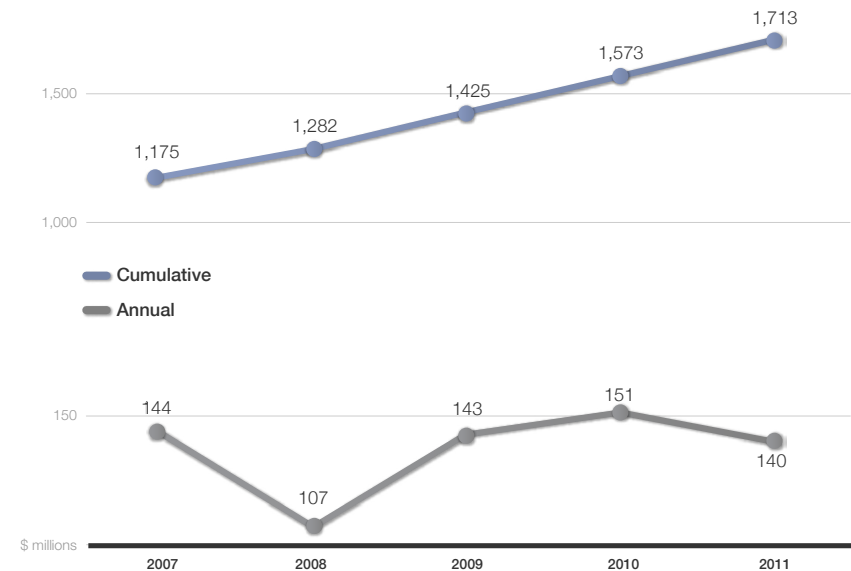
## Syncrude Royalty Payments



<sup>1</sup> Due to different accounting treatments, royalties as reported by Syncrude's Joint Venture owners may vary.

Syncrude has paid over \$8.6 billion in royalties since the start of operations.

## Aboriginal Business Expenditures



Over \$1.7 billion has been spent with Aboriginal companies since 1992.