

STAKEHOLDER RELATIONS – NON ABORIGINAL

Performance Overview

- Liaising with Alberta Government regarding our proposed tailings management technology platform
- Continued participation in the Oil Sands Developers Group; active on committees related to transportation, health care, municipal affairs and Aboriginal relations
- Contributed to dialogue with the local Municipality for the development of express bus lanes entering Highway 63 from two Fort McMurray subdivisions

Our Communications and Stakeholder Relations Policy

Attaining objectives in social, economic and environmental performance from current operations and potential growth opportunities can only be achieved by earning and maintaining the consent and support of our stakeholders.

Syncrude will actively seek to establish long-term relationships with our stakeholders through consultation, collaboration and the provision of information, and will manage these processes with honesty and integrity.

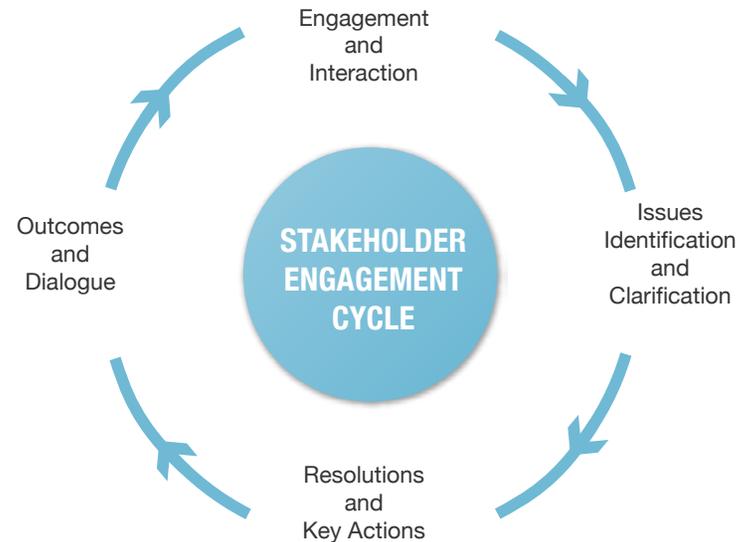
Syncrude will foster an environment that actively seeks stakeholder ideas, input and feedback in order to develop mutual trust and cooperation. We will participate in collaborative stakeholder processes to promote sustainable development and manage the cumulative impacts of industrial development. In addition, stakeholders will be encouraged to define the manner in which they wish to be consulted. Those acting on behalf of Syncrude will be receptive to stakeholder input and, where appropriate, will act on it, even if it necessitates changing our plans. When disagreements occur and remain unresolved, Syncrude and its employees will always demonstrate respect for the views presented.

Syncrude will engage with employees, contractors and the public, including governments and media, on a professional level, and be responsive to issues and provide information and insight as appropriate. Syncrude will also take a proactive approach to these relationships, as required, to ensure necessary information and understanding is fostered with our stakeholders.

Employees are a key stakeholder group for Syncrude. As such, we are committed to fully communicating business-related information that provides employees with an understanding of goals, plans and performance that enables them to function effectively in their roles.

Syncrude is committed to encouraging and sustaining the growth and well being of the communities in which it does business and in which our employees live. As such, Syncrude will make contributions to projects that enhance the quality of life, primarily within the Regional Municipality of Wood Buffalo and northeastern Alberta.

Stakeholder Engagement Cycle



Direct Stakeholder Engagement

Syncrude directly engaged with the following groups during the reporting period:

Alberta Conservation Association: this group received funds from Syncrude after Syncrude was directed to pay a creative sentence for environmental offences arising from the 2008 waterfowl incident on our site. The funds were used to purchase Alberta habitat for migrating waterfowl.

Government of Alberta: In response to the government's Directive 074 on tailings management, Syncrude is liaising with officials at Alberta Environment about our proposed tailings management technology platform and on a broader tailings management framework for the mineable oil sands industry.

Government of Alberta: Syncrude is in preliminary discussions with provincial regulators about our proposal to expand an area known as the W4 Dump, and to use it for long-term storage of centrifuged tailings reclamation material.

Regional Municipality of Wood Buffalo: Syncrude, along with two other oil sands operators, engaged with the Municipality to advance a proposal for the development of express bus lanes entering Highway 63 from two Fort McMurray subdivisions. The proposal was successful and one bus lane is now operating; the other remains under discussion.

Syncrude is also involved on the Municipality's Stakeholder Advisory Committee. This group meets several times per year to ensure exchange of information on key regional topics such as transportation, infrastructure planning, the Municipal Development Plan and sustainability initiatives. It is managed by the Municipality and includes participants from the Chamber of Commerce and the Oil Sands Developers Group.

Local School Boards and Keyano College: Syncrude had discussions with representatives from the local education community to learn about program and infrastructure need and opportunity areas. The dialogue helped identify projects Syncrude is supporting through our Community Investment program. (see [Community Involvement](#) chapter).

The Oil Sands Developers Group

Syncrude engaged with various stakeholders during the reporting period through our participation in the [Oil Sands Developers Group \(OSDG\)](#), which is a non-profit, industry-funded association that works to foster responsible oil sands development. Syncrude provides leadership to OSDG at the Board and Committee level to identify, advocate and champion solutions on various issues related to the regional impacts of oil sands development. Kara Flynn, Syncrude Vice President of Government and Public Affairs, serves as Vice-Chair of the OSDG Board. Syncrude employees also chair, or are active, on the following committees:

- **Transportation** works to identify issues and needs related to impacts of resource development on transportation within the Regional Municipality of Wood Buffalo, and recommend and implement strategies to address these. Syncrude is one of two OSDG representatives on the Government of Alberta's recently established Transportation Coordinating Committee, which is working under Ministerial appointment to identify long-term transportation needs in the Athabasca Oil Sands region.
- **Health Care** aims to promote mutual understanding of health care delivery issues and oil sands development impacts and to explore possible synergies between OSDG members and Alberta Health Services. The committee is currently seeking clarity from the Alberta government on the issue of health impacts caused by blowing tailings sands, and how this issue will be dealt with through the Alberta Occupational Health and Safety Act.
- **Municipal Affairs** works to develop sustainable policy frameworks in Wood Buffalo by engaging and partnering with a variety of stakeholders, including the Regional Municipality of Wood Buffalo, the Government of Alberta, the Fort McMurray Chamber of Commerce, the Canadian Association of Petroleum Producers, and the Canadian Property Tax Association.
- **Aboriginal Affairs** identifies issues related to the impacts of resource development on Aboriginal Peoples living within the Regional Municipality of Wood Buffalo, and recommends strategies to address Aboriginal issues.

- **Co-generation/Transmission** looks at accessing and addressing the electricity transmission needs of the oil sands producers in region and its linkages throughout the province. The committee provides a forecast report each year on co-generation and power infrastructure.
- **Communications** strives to create understanding and support for the OSDG among key stakeholders and to ensure that the OSDG is a credible, accurate, current and accessible source of information on oil sands development.
- **Regional Environmental & Regulatory Affairs** provides an industry member forum to discuss issues related to potential environmental impacts of oil sands development within the Regional Municipality of Wood Buffalo. It develops common industry positions on environmental and regulatory issues that arise over time.

The Canadian Association of Petroleum Producers

[The Canadian Association of Petroleum Producers \(CAPP\)](#) is the voice of Canada's upstream oil, oil sands and natural gas industry. It works to enhance the economic sustainability of the Canadian upstream petroleum industry in a safe and environmentally and socially responsible manner, through constructive engagement and communication with governments, the public and stakeholders in the communities in which we operate.

Syncrude is a member of its Executive Policy Group on Communications, which oversees the communications and reputation management strategy CAPP is executing on behalf of the oil sands industry.

CAPP also led the work toward the 2011 creation of the Canadian Oil Sands Innovation Alliance (COSIA), whose mandate to accelerate the pace of improvement in environmental performance in Canada's oil sands through collaborative action and innovation is supported by Syncrude. The alliance is focusing on the four environmental priority areas of tailings, water, land and greenhouse gases.

CAPP also leads industry efforts with respect to influencing climate change policy at the provincial and federal levels.

The Mining Association of Canada

[The Mining Association of Canada \(MAC\)](#) works to ensure the continued strength and sustainability of Canada's mining industry by representing a broad array of organizations spanning many sectors, either directly or indirectly associated with mining and mineral processing. Gord Ball, Syncrude Vice President of Strategic Projects, serves on its Board of Directors and Governance Team. Jim Carter, former Syncrude President and Chief Operating Officer, is an Honorary Life Director.

MAC executes much of its work through committees comprising functional experts from across the mining industry. They provide oversight and governance that guide mining-related policy and support continued innovation and alignment around programs such as the [Towards Sustainable Mining \(TSM\)](#) responsible development initiative. Kara Flynn, Syncrude Vice President of Government and Public Affairs, chairs the Public Affairs Committee and represents the organization on the TSM Initiative Leaders Committee. Syncrude employees are also active on the Environment and Science committees.

In the reporting period, MAC engaged with the Government of Canada on proposed changes to the Fisheries Act and the Canadian Environmental Assessment Act.