**About this report**  This report is a comprehensive discussion about the social, economic and environmental impacts of Syncrude’s business activities. On the following pages we review our progress toward sustainable oil sands development, as well as our plans going forward. Data and information in this report is increasingly subject to either Syncrude’s own rigorous controls, internal audit, is gathered by or reviewed by external parties, or is subject to regulatory review. Some data also is subject to external benchmarking.

*Actions taken by Syncrude in response to stakeholder concerns raised during our stakeholder engagement processes are noted throughout this report; these actions are indicated by the $^*$ symbol.*

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Syncrude Canada Ltd. is a leader in Canada’s oil sands industry, producing approximately 13 per cent of the nation’s crude oil requirements. Incorporated in 1964, our company is today the world’s largest producer of crude oil from oil sands, with cumulative crude oil production surpassing 1.6 billion barrels.

Our mission is to create wealth for our stakeholders from Canada’s oil sands through the 21st century by safely, reliably and profitably producing high quality crude oil and other products in an environmentally and socially responsible manner.
Our Vision and Values
Help Us Realize It

We are securing Canada’s energy future with the vision to lead, the knowledge to succeed, the commitment to do better and the heart to win the race.

We will achieve this by encouraging learning and innovation in everything we do, pushing the limits of what technology can accomplish and working together to make Syncrude the best place to work.

In this way, we will be safe, reliable and profitable, and all of our stakeholders will want to invest in our future.

To achieve our vision, we:
• are safe, reliable and profitable
• create our own future
• realize our potential
• respect competence and value contribution
• have the courage and conviction to do what is right
• interact with care, honesty and respect
• are a participative organization
• continuously improve

More crude oil production to meet growing energy needs. Syncrude production increases 45% to 350,000 barrels per day in 2006. Long-life oil sands leases provide further growth opportunities.

(see P 24, 27)
Opportunity 
growth

Agreements with third parties to produce products from waste materials. 
(see P 63)

Growth in Canada’s economy through Syncrude’s procurement of goods and services and payment of taxes and royalties. 
(see P 27)

Collaborative relationships with suppliers to advance equipment and technology. 
(see P 29)
Our Sustainability Commitment Means We Will Do It Responsibly

Syncrude's sustainability credo promises responsible development built on a foundation of operational excellence. We employ people, technology and management systems to ensure a safe working environment, create a reliable and profitable operation, and to reduce potentially adverse environmental effects.

Lower downstream emissions thanks to Syncrude Sweet Premium, a higher quality, cleaner burning crude oil product. (see P 24)

Cooperative monitoring of regional effects, including water and air quality. (see P 39, 59)
New technologies to reduce use of fresh water and increase use of recycled water. (see P 59)

Reduced emissions of sulphur compounds. 20% lower than current levels by late 2006 and 60% lower by 2010. (see P 24, 55)

Productive new landscapes created from land formerly used for mining. (see P 61)
Our Path Forward is Creating Opportunity for a New Generation

Syncrude has been generating opportunity for people since its earliest days. We are a major employer in Alberta. We procure large volumes of goods and services from Canadian companies. We have well-established relationships with the Aboriginal people of our region. We have helped our community grow and prosper. Today, our growing oil sands operation is creating opportunity for a whole new generation.

Education and training programs that provide opportunities to new generations.
(see P 33)

Rewarding careers with one of Canada’s most highly regarded employers.
(see P 31)
Greater participation by Aboriginal people in our workforce and the regional economy through a strong and focused Aboriginal Development program. (see P 43)

A safe and healthy workplace for people. (see P 51)

Investment in community projects and programs that improve people’s lives. (see P 47)
full cycle opportunity

The Syncrude operation from end to end.

STAKEHOLDER CONSULTATION
Syncrude consults with a wide range of interested groups and individuals about our plans. The input and expectations of stakeholders are integral to the decisions we make today and how we plan for the future. Learn more on page 38.

CUSTOMER CONSULTATION
Syncrude and its owners work continuously to understand present and future requirements for refinery customers that process Syncrude Sweet Blend. These requirements are influenced by regulators and by end-use customers.

RESEARCH AND DEVELOPMENT
Science and technology provide the keys to unlocking the potential of the oil sands resource. In this area, Syncrude leads the way with one of the few dedicated corporate R&D programs in the oil sands industry. We invest more than $40 million annually in the pursuit of new and better ways and currently hold 21 active Canadian and U.S. patents. More than 80 scientists and technologists work at our Research Centre in Edmonton, and many more are engaged in research at a fundamental level through their work at universities and research institutes.
To Create Positive Outcomes

MINING
Shovel and truck operations at Syncrude’s Mildred Lake and Aurora sites mine the oil sand from large surface mines. The oil sand is then mixed with warm water to create a slurry that is pumped using a patented hydrotransport technology to extraction facilities.

EXTRACTION
The bitumen slurry is fed into separation vessels where the bitumen floats to the surface as froth. This froth is diluted with naphtha and then fed into centrifuges that further separate liquids and solids. Finally, the naphtha is removed, leaving only pure bitumen.

UPGRADING
Bitumen is fed into either a fluid coker or a hydrocracker. The bitumen is thermally cracked into hydrocarbon gases, naphtha and gas oil. The hydrocarbon gases are treated for use as a refinery fuel, and the naphtha and gas oils are treated and blended into a high quality light, sweet crude oil called Syncrude Sweet Blend. The oil is then transported via pipeline to refineries throughout North America.

UTILITIES
Syncrude’s utilities operations produce steam, electricity and air, and treat the water required to run plant operations. Syncrude is self-reliant in electrical power generation and is a net exporter of electricity to the Alberta power grid.

RECLAMATION
After mining is complete, work commences to reclaim the land. Syncrude’s vision is to create a landscape that sustains an integrated mosaic of land uses that meet stakeholder expectations. To date, we have reclaimed about 22 per cent of our Mildred Lake site and planted nearly four million tree and shrub seedlings. Ongoing research is finding ways to incorporate tailings into reclaimed landscapes. We have also successfully developed wood bison habitat in cooperation with the Fort McKay First Nation.

SYNCRUDE SWEET BLEND
Refineries process our signature product to make high quality gasoline and diesel fuels, jet fuels and chemical feedstocks. The completion of Syncrude’s upgrader expansion will introduce an even higher quality product called Syncrude Sweet Premium.

BENEFITS TO PEOPLE
Through our work to produce Syncrude Sweet Blend, Syncrude directly and indirectly employs many thousands of people. Through our community investment activities, we help sustain a high quality of life in our local communities.

BENEFITS TO THE ECONOMY
Syncrude helps sustain local and regional economies through our procurement of goods and services; in 2005, non-energy procurement amounted to $3.3 billion. Governments also benefit through Syncrude’s payments of taxes and royalties—more than $6.6 billion since 1978.
Syncrude’s Leadership

L to R:
Marcel Coutu
Chairman

Charles Ruigrok
Chief Executive Officer

Jim Carter
President and
Chief Operating Officer
As business leaders, we aim to generate wealth from the Syncrude operation by cost effectively producing Syncrude Sweet Blend, our signature crude oil product.

As responsible producers, we see value in minimizing impacts of the Syncrude operation on air, land and water through the application of best practices, and new technologies and processes.

As citizens of our communities, we try to be involved in the things that make them better places for all who live there.

And, as parents, we make every effort to shape a promising future for our children.

To us, these are all important sustainability measures. Each demands our collective attention and influence and that is why we discuss them in the pages of this report. As readers will learn, opportunity—and challenge—is presented in many forms.

On the business front, for example, 2005 provided ample doses of both for Syncrude and our stakeholders.

We closed the year with Syncrude Sweet Blend production of 78.1 million barrels, down from 87.2 million barrels in 2004, due to extensive maintenance turnarounds on key operating units and operational difficulties on other units.

Operating costs were higher than anticipated at $26.59 per barrel, as compared to $18.61 in 2004. This was due to lower than planned production, higher costs for purchased energy and catalyst, and higher costs for maintenance activity.

Substantial progress was made on Syncrude’s Stage 3 expansion, the largest component of which is a nearly 50 per cent increase in production capacity at our Mildred Lake upgrader. Construction on the upgrader is now complete, and most of the new units have been placed into service.

The Stage 3 expansion will enable an increase in Syncrude’s production of our value-added product for decades to come and, at the same time, reduce costs by capturing volume efficiencies.

It also fuels a continued positive impact on the Alberta and Canadian economies. Indeed, the procurement of contracted services, materials and supplies comprised nearly 70 per cent of Syncrude’s total spending of $4.7 billion in 2005, while payments to governments totalled $281 million. Our payroll was valued at about $564 million. As these indicators suggest, a broad range of stakeholders see economic benefit from our business activities.
At the same time, continued investment in research and new technologies—Syncrude operates one of the oil sands industry’s few dedicated research facilities—is helping reduce Syncrude’s impact on our shared environment. By the end of 2006, for example, total emissions of sulphur compounds are expected to fall by 20 per cent from current regulated levels as a result of a major investment in flue gas scrubbing technology. By the end of the decade, these emissions will be reduced further, by 60 per cent from current approved levels, even as crude oil production rises. Emissions of particulate matter also will be significantly reduced.

Syncrude continues to become more efficient in its use of fresh water by increasingly relying on recycled water. In fact, about 85 per cent of our water needs are met by a continuous recycle system. This has reduced fresh water intake to about 2.3 cubic metres per cubic metre of crude oil produced, making Syncrude the industry leader in this area.

Our commitment to return former mining land to a natural state is also moving forward, with 22 per cent of total land disturbed now reclaimed. Toward continued progress, Syncrude regularly consults with local stakeholders to develop sustainable end land use designs. These designs reflect the best that traditional environmental knowledge and modern science have to offer.

Reclamation is just one subject among many that come to the fore through Syncrude’s ongoing work with local stakeholders. We seek input on all aspects of our development plans and are extensively involved in multi-party mechanisms to manage the regional effects of oil sands development.

Recently, one of the most topical subjects has been around the capacity of regional infrastructure to cope with rapid industrial growth. Syncrude, through the Regional Issues Working Group, and in cooperation with community leaders, has worked closely with the provincial government to take action on a variety of infrastructure needs. This includes provincial government funding commitments for roads and highways, the release of Crown land for housing and bridge financing for a wastewater treatment plant.

While stresses will continue to be felt for a few more years, Fort McMurray remains a thriving community. This is due in large part to a strong culture of voluntarism, which Syncrude employees help foster through their own extensive volunteer activities. The Syncrude Good Neighbours program encourages their involvement in community betterment by providing grants to the organizations for which they volunteer.

Similarly, Syncrude’s community investment program directed significant funding in 2005 to projects that will improve health care, put food on the table for the less fortunate and enhance educational outcomes, among other initiatives.

At Syncrude, we measure opportunity through our sustainability scorecard:

• Health & Safety
• Environment
• Stakeholder Relations
• Workforce and Contractor Relations
• Community Development
• Aboriginal Relations
• R&D, Capital & Intellectual Investment
• Financial Performance
• Business Ethics
We also work with the region’s Aboriginal communities to create positive impacts from Syncrude’s presence. Recently, they helped shape a continued sustainable relationship with Syncrude through their involvement in a major review of our Aboriginal Development program. This review will ensure the program is targeted, focused and appropriately resourced, providing maximum benefit for Aboriginal people in the areas of employment, business procurement, community development, education and the environment.

In our view, the future holds much promise for the people of our company and our region. Syncrude is working to provide them with opportunity—and sustain our growing operation—by investing in initiatives that enhance the capability of people to contribute to our success.

In fact, our success in welcoming more than 550 new employees in 2005, about 70 per cent of who were hired locally, can be attributed in part to our ongoing work to build workforce capacity through many collaborative partnerships with educators, businesses, industry associations and governments.

During the year, Syncrude also provided scholarships for post-secondary studies to 409 children of current employees, and to other deserving students. As well, we supported the ongoing learning of 136 employees through tuition refunds.

Syncrude’s continuing efforts to be a good employer extend to many other areas, including an industry-leading compensation and benefits program, career development initiatives, and perhaps most important of all, a safe and healthy workplace. Toward the latter, diligence among employees and contractors once again resulted in stellar safety performance; in fact, our lost-time injury rate was the lowest ever, at 0.05 injuries per 100 person years worked, despite constructing major new units in and around an active operating environment.

Syncrude made substantial progress on enhancing internal business controls in 2005, and this work will be largely complete by the end of 2006 to ensure compliance with regulatory requirements. We also conducted a thorough review of all policies and procedures related to ethics and business conduct. As part of this, a new Corporate Conduct Committee was formed to steward their application. We are confident that these efforts will continue to ensure the highest level of ethical conduct within the Syncrude organization.

For opportunity to be realized, it must first be identified and then pursued. At Syncrude, that’s what we are doing in all our areas of endeavour. We recognize that opportunity means different things to different people, whether it is a challenge to overcome or simply the opportunity to do better.

Indeed, our corporate Vision and Values guide us on making responsible decisions that always respect our local communities, investors, customers, the environment and our people. To us, opportunity is the driving factor that will encourage all of our stakeholders to invest in our future.

Marcel Coutu
Chairman

Charles Ruigrok
Chief Executive Officer

Jim Carter
President & Chief Operating Officer
corporate governance
Corporate Governance and Business Controls

Governance and Management Committee
Syncrude Canada Ltd. is a private company incorporated under the Business Corporations Act of Alberta and is an organization similar to other corporations with a Board of Directors.

Syncrude’s by-laws stipulate that shares in the corporation may only be held by the shareholders in proportion to their interest in the Syncrude Joint Venture, and that Syncrude Canada Ltd. may not carry on business or activities other than to act as contract operator of the Syncrude Project on behalf of the shareholders.

The structure and governance of the Syncrude Project includes a Management Committee, which meets regularly and oversees the project on behalf of the joint venture participants. Each joint venture participant has two representatives, one of which is an alternate on this committee, and votes its percentage interest in the project.

The Management Committee reviews and approves the Syncrude Project’s strategic plans, business plans, annual budget, and major capital appropriations. In addition, it reviews overall performance, both operationally and financially. The Management Committee is chaired by one of the joint venture participants’ representatives.

Board of Directors
Syncrude’s Board of Directors is responsible for governing the statutory affairs of the corporation. It meets formally on an annual basis to complete statutory requirements and to review the results of the corporation. The Board functions on a more frequent basis through several active Board committees including a CEO Committee, an Environment, Health and Safety Committee, an Audit and Pension Committee and a Compensation Committee.

The Board and its committees are composed of Directors appointed by the shareholders of the corporation.

The Board of Directors takes its duties and responsibilities seriously with respect to the principles of good corporate governance. It is the Board’s view that its approach to directing the business of Syncrude Canada Ltd. is comprehensive, effective, and consistent with generally accepted standards of Canadian corporate governance.

Board Committees
The primary role of the CEO Committee, which is comprised of a senior executive of each Syncrude Canada Ltd. shareholder company, is to oversee the performance of Syncrude’s Chief Executive Officer and Chief Operating Officer, approve compensation of company Officers, review senior management appointments and succession plans, and review and provide input to Syncrude’s annual strategic and business planning processes.

The Environment, Health and Safety Committee consists of four Directors. The role of this committee is to confirm that policies, procedures and controls with respect to environment, health and safety exposures and risks are in place and are implemented, maintained, effective and audited. In addition, the committee monitors and assesses corporate performance in the areas of environment, health and safety matters and makes recommendations for change where appropriate.

The Audit and Pension Committee consists of four directors who review the adequacy and scope of Syncrude’s internal control systems, as well as the scope and results of both internal and external audit efforts. It also oversees administration of Syncrude’s pension plan. At every meeting of the Audit and Pension Committee, the committee holds private and separate sessions with internal auditors, external auditors and Syncrude management. The committee also provides oversight on many other matters related to Syncrude’s financial affairs, policies and practices. All members of the Audit and Pension Committee are independent and are neither Officers nor employees of Syncrude Canada Ltd.

The Compensation Committee consists of four Directors and deals with matters related to compensation and benefits, senior management succession planning, and other human resources programs.
Syncrude’s Management Framework
Syncrude’s Framework of Management Control is a system that ensures our business and operations are properly governed and managed, and comply with all regulatory requirements. The Framework of Management Control is supported by our Corporate Policies, Delegation of Authority Guidelines, and three management systems.

Corporate Policies
Syncrude policies, policy applications and programs provide direction to employees on issues that have broad organizational impact. Corporate policies provide context for all decision-making and are intended to ensure consistent and fair management and leadership practices across our entire operation. Policies fall into five broad categories:

- Business Purpose, Core Values and Principles
- Code of Ethics and Business Conduct
- Safe and Reliable Performance
- Human Resources
- Services

Delegation of Authority
In 2005, Syncrude completed a thorough review of all delegation of authority levels. The intent was to develop a more consistent application and update of authority levels across the organization and provide a single reference source for all review and approval authorities.
Management Systems
Three key management systems ensure Syncrude maximizes its potential, while minimizing risk, throughout the organization. These include our Environment, Health and Safety Management System, Maintenance and Operations Reliability Management System, and Controls Integrity Management System. Each provides a framework for decision making, managing risk, and protecting our assets.

Environment, Health and Safety
This system, which was updated and approved in 2005, comprises our approach to excellence in environment, health and safety. It consists of 10 management elements that are focused on continuous improvement and are fully integrated into all business functions. This integrated and proactive approach to managing and minimizing risk ensures that we assess our risks, implement appropriate controls, and manage our monitoring activities appropriately.

Reliability
Currently, each Syncrude department manages the maintenance and reliability of their equipment. Syncrude has future plans to implement a comprehensive corporate maintenance and reliability program to further enhance these efforts.

Controls Integrity
In 2005, Syncrude began to implement an improved and more comprehensive business controls program known as the Controls Integrity Management System (CIMS). It provides a structured approach to assessing financial control risks, establishing procedures for mitigating identified risks, monitoring compliance with standards, and reporting these results to management.

Consisting of six management elements and 12 business process elements, CIMS enhances our controls systems as we continue to grow our business while also complying with new regulatory requirements. CIMS is also intended to create an environment that maximizes efficiencies and realizes cost savings.

Code of Ethics and Business Conduct
While already an industry leader in the area of ethics and business conduct, Syncrude conducted a thorough review of all related policies and procedures in 2005. In addition, a new Corporate Conduct Committee was formed to steward the application of the Code of Ethics and Business Conduct policies. This committee reports periodically to the Syncrude Executive Audit Committee and the Audit and Pension Committee of the Board of Directors. In addition, all corporate conduct policies were reviewed, revised where appropriate and approved by senior management.

These include policies on Ethics, Conflict of Interest, Directorships, Corporate Disclosure and Trading in Securities, and Gifts and Entertainment. A process for reporting and investigating irregularities and potential conflicts of interest also was developed and approved.

Communicating to managers about our revised program and expectations around business conduct was a primary focus in 2005. Managers participated in a Business Practices Review session that outlined relevant corporate conduct policies and expectations, and were required to sign a Certification and Declaration letter that disclosed any potential conflicts of interest or irregularities.

A new video and brochure were also developed to help educate all staff on this important topic.

In 2006, all non-management employees will be required to participate in a similar Business Practices Review session and sign declaration letters. Enhancements around Code of Ethics and Business Conduct also will be made to our internal and external websites in 2006. The addition of an independent external ethics reporting system will further enhance our existing process for employees, contractors and the general public to report concerns they may have regarding our conduct.
financial reporting
Letter from Syncrude’s Chief Financial Officer

Syncrude’s business activities are restricted to the operation of the Syncrude Project, a joint venture, and as such Syncrude does not sell or receive revenue from its production. Accordingly, Syncrude is not able to provide conventional financial statements. Syncrude incurs operating costs and capital expenditures associated with its operations.

Certain additional costs, liabilities and obligations are carried directly by each joint venture participant. These include reclamation and site restoration obligations, hedging of commodity prices and foreign exchange, owner marketing and administrative costs, and pension costs dependent on market performance and changes in discount rates. Each joint venture participant accounts for their proportionate share of Syncrude’s costs in accordance with their stated accounting policies.

Financial information presented here has been prepared by management in accordance with accounting principles generally accepted in Canada and includes certain amounts based on estimates and management’s best judgments. This information is presented in un-audited form.

Management maintains a system of internal controls over financial reporting that provides reasonable assurance that all transactions are recorded, that the information provided realistically portrays the operating and business results, and that the assets of the Syncrude Project are safeguarded. Syncrude’s internal auditors review and evaluate compliance with internal controls. The Board of Directors of Syncrude is responsible for ensuring that management meets the requirements for internal controls over financial reporting.

The Audit and Pension Committee of the Board of Directors discharges this responsibility and engages an external auditor to conduct an independent review of the financial reports.

Syncrude’s policy and practice is to meet the highest standard of ethical conduct in all of its activities, and to continuously improve its systems of internal business controls. Toward this end, the Syncrude organization is now upgrading its control systems and processes to ensure effective compliance with Bill C198 and related CSA regulation MI52-109 by year-end 2006.

Philip C. Lachambre
Executive Vice President and Chief Financial Officer

Philip C. Lachambre
Executive Vice President and Chief Financial Officer
Participants in the Syncrude Joint Venture

- Canadian Oil Sands Limited: 31.74%
- Canadian Oil Sands Limited Partnership: 5%
- Imperial Oil Resources: 25%
- Petro-Canada Oil and Gas: 12%
- ConocoPhillips Oilsands Partnership II: 9.03%
- Nexen Oil Sands Partnership: 7.23%
- Mocal Energy Limited: 5%
- Murphy Oil Company Ltd.: 5%

Further information about Syncrude’s business performance, and the Syncrude joint venture participants, can be obtained through the web sites listed below. Canadian Oil Sands Limited is the largest participant in the joint venture with a 35.49 per cent working interest, and is an open-ended investment trust.

**Canadian Oil Sands Limited**
(COS.UN/TSX)
[www.cos-trust.com](http://www.cos-trust.com)

**ConocoPhillips Oilsands Partnership II**
(COP – NYSE)
[www.conocophillips.com](http://www.conocophillips.com)

**Imperial Oil Resources**
(IMO – TSX/AMEX)
[www.imperialoil.ca](http://www.imperialoil.ca)

**Mocal Energy Limited**
[www.noex.co.jp](http://www.noex.co.jp)

**Murphy Oil Company Ltd.**
(MUR – NYSE)
[www.murphyoilcorp.com](http://www.murphyoilcorp.com)

**Nexen Oil Sands Partnership**
(NXY – TSX/NYSE)
[www.nexeninc.com](http://www.nexeninc.com)

**Petro-Canada Oil and Gas**
(PCA – TSX/PCZ – NYSE)
[www.petro-canada.ca](http://www.petro-canada.ca)
2005 Results

**Syncrude Sweet Blend** shipments in 2005 of 78.1 million barrels, or approximately 214,000 barrels per day, were 10 per cent below 2004 shipments of 87.2 million barrels, or approximately 238,000 barrels per day. Reliable operations and the absence of a coker turnaround led to record shipments in 2004. During the first half of 2005, Syncrude conducted the largest maintenance turnaround in its history and also experienced feed restrictions in its vacuum distillation unit. The 2005 maintenance work included the planned turnaround of Coker 8-2, and associated upgrading and environmental units, as well as major repairs to Hydrogen Plant 9-3. These repair and turnaround activities took longer than expected due to a shortage of available labour caused by competing oil sands projects and the need for additional repairs.

A turnaround and revamp of the vacuum distillation unit was completed as planned in early November 2005. The design capacity of the unit has been increased to 285,000 barrels per day from 180,000 barrels per day.

Joint venture operating costs in 2005 were $26.59 per barrel, up from $18.61 per barrel in 2004, mainly as a result of higher purchased energy and production costs, and lower production volumes.

Syncrude’s capital expenditures totalled over $2.5 billion in 2005, the third highest in the company’s history. Construction of the upgrader component of the Stage 3 expansion was 98 per cent complete at year-end, up from 75 per cent at the end of 2004. At year-end, 70 per cent of the new/revamped units for the upgrader expansion had been placed in service. Mechanical completion is expected in early 2006, and start-up of all remaining units is scheduled for completion by mid 2006.
## Financial and Operating Summary

Dollar amounts in Cdn dollars

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<td><strong>Total SSB Production</strong></td>
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<tr>
<td>Millions of barrels per year</td>
<td>78.1</td>
<td>87.2</td>
<td>77.3</td>
<td>83.8</td>
<td>81.4</td>
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<tr>
<td>Thousands of barrels per day</td>
<td>214</td>
<td>239</td>
<td>212</td>
<td>230</td>
<td>223</td>
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<tr>
<td><strong>Annual Average WTI at Cushing</strong></td>
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<tr>
<td>(per barrel US$)</td>
<td>56.70</td>
<td>41.47</td>
<td>30.99</td>
<td>26.15</td>
<td>25.90</td>
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<tr>
<td><strong>Total Operating Costs</strong></td>
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<tr>
<td>Millions of dollars</td>
<td>2,077</td>
<td>1,623</td>
<td>1,629</td>
<td>1,429</td>
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<td><strong>Per barrel of SSB</strong></td>
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<tr>
<td>Millions of dollars</td>
<td>26.59</td>
<td>18.61</td>
<td>21.07</td>
<td>17.05</td>
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<td><strong>Capital Program</strong></td>
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<tr>
<td>Millions of dollars</td>
<td>2,533</td>
<td>2,749</td>
<td>2,553</td>
<td>1,946</td>
<td>910</td>
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</tbody>
</table>

1 SSB Production is Syncrude Sweet Blend shipped
2 Operating costs are ongoing costs related to the mining of oil sand, the extraction and upgrading of bitumen into Syncrude Sweet Blend (SSB) and maintenance of facilities; they also include purchased energy costs, administration costs, and research. There is no generally accepted accounting definition as to what constitutes “Operating Costs”. The accounting treatment of certain costs may vary significantly between different producers. Some producers may elect to capitalize or defer and amortize certain expenditures that are recorded as an expense by other producers.
3 Capital program costs include development expense related to sustaining capital and major capital projects.

**Note:**

The figures above may differ from those reported by any one of the joint venture participants due to differences in reporting, conventions and methodology.
Joint Venture Operating Costs

Joint venture operating costs were $2,077 million in 2005, up from $1,623 million in 2004. The increase in operating costs was largely due to higher energy costs and higher production costs for maintenance turnarounds and catalyst purchases.

Purchased energy costs, comprising imported natural gas and electric power, were up 49 per cent year over year, driven by record high natural gas prices and higher import volumes of natural gas and power.

Natural gas prices increased 34 per cent to $8.40 per gigajoule in 2005, while Syncrude’s imported natural gas volumes rose by 17 per cent. Increased natural gas imports were required to meet the new demand for the start-up of several Stage 3 expansion facilities, and to offset lower internally generated fuel gas production during the maintenance turnaround of Coker 8-2.

The increased costs for turnarounds and catalyst purchases reflect the extensive turnaround work completed in 2005, higher catalyst utilization, and higher prices for precious metals, which are a key component of catalysts. Turnaround work completed in 2005 included the revamp of several existing upgrading units as part of the Stage 3 expansion project, as well as a number of project related tie-ins.

Capital Program

Growth/Major project capital expenditures decreased slightly in 2005. Spending on the Stage 3 expansion, which will increase the output capacity of Syncrude’s upgrading facilities at Mildred Lake by almost 50 per cent, represented the majority of major project capital expenditures in 2005.

Other major projects in 2005 included the South West Quadrant Mine Replacement project. This project, now completed, replaces bitumen production from the base mine at Mildred Lake and provides additional feed for Syncrude’s expanded upgrader through new mining trains in the Mildred Lake North and Aurora mines. The new North Mine Auxiliary Production System was commissioned in May 2005, and a third mining train at Aurora finished construction and began start-up in December 2005.

Development engineering work continued on the Syncrude Emissions Reduction project, which reached 14 per cent completion of engineering design at year-end. This project will reduce total emissions of sulphur dioxide by 60 per cent and particulate emissions by 50 per cent from current levels, and is targeted for completion and start-up in 2009.

(Read more about this project on P 55)

Business Controls Project

In 2005, Syncrude initiated an extensive project to upgrade its business controls. The project involves the development of new management tools and systems that will help Syncrude improve all aspects of its business controls and financial reporting, and also support the joint venture participants in meeting regulatory requirements for disclosure controls and internal controls over financial reporting. The project will be fully implemented by year-end 2006.

(Also see discussion in Governance section, P 17)
**Tire Shortage**

Syncrude has taken internal action to mitigate the shortage of off-road tires for large heavy equipment caused by robust activity in global resource industries. Tire suppliers have been unable to keep pace with demand and, as a result, Syncrude’s tire allocation for 2006 could be less than required. Syncrude also continues to work closely with our tire suppliers, with whom we have an excellent relationship, in an effort to ensure the shortage does not negatively impact our production.

**Marketing Syncrude Sweet Blend**

Syncrude does not directly market *Syncrude Sweet Blend*. Each joint venture participant is responsible for independently marketing its own share of Syncrude product and associated byproducts such as sulphur. To ensure compatibility with customer needs, joint venture participants engage in ongoing consultation with refinery customers. This communication ensures crude oil product quality evolves to meet changing needs and expectations. Our new *Syncrude Sweet Premium*, a cleaner burning product to be introduced in 2006, will help North American refiners meet new environmental requirements.

**Stage 3 Upgrader Expansion Project**

The Stage 3 expansion project reached 98 per cent completion by year-end 2005. Following a scheduled phase-in and start-up, all Stage 3 processing units are expected to be on line in the second quarter of 2006. Stage 3 will ultimately raise Syncrude’s production capacity to 128 million barrels per year (350,000 barrels per day) of *Syncrude Sweet Premium*, a premium light synthetic crude oil. This new and cleaner burning crude oil product is expected to be in high demand by refineries throughout North America. A major environmental benefit of the Stage 3 investment will be a reduction in total sulphur dioxide emissions of about 20 per cent from current levels, despite a 50 per cent increase in plant capacity.

As the Stage 3 expansion nears completion, many of the units associated with this project are being commissioned and handed over to operations. The ready-for-operations team, which is responsible for this process, was increased in 2005 to handle the increased volume of start-up activity and this resulted in higher non-production costs compared to 2004. Non-production costs consist primarily of development expenditures relating to capital programs, which are expensed, and include commissioning costs, pre-feasibility engineering, technical and support services, research and development, and regulatory and stakeholder consultation expenditures.
Diesel Fuel
Faced with increased needs for diesel fuel, Syncrude expects to purchase additional volumes from external suppliers beginning in 2006. Syncrude has been self-sufficient in meeting its diesel fuel needs for many years, and produces a diesel product that is already in compliance with new ultra low-sulphur specifications.

2006 Outlook
Syncrude’s largest joint venture participant, Canadian Oil Sands Trust, provides regular updates on production outlook, capital expenditures and operations. These updates can be found on the Canadian Oil Sands website at www.cos-trust.com.

Purchased energy consumption is expected to rise following the completion of Stage 3 because additional hydrogen will be used to increase product quality from Syncrude Sweet Blend to Syncrude Sweet Premium. As well, bitumen will increasingly be sourced from the Aurora mine, which relies mainly on purchased natural gas for its energy needs. It is expected that long-term natural gas consumption going forward will be about 0.85 gigajoules per barrel versus historical consumption of about 0.75 gigajoules per barrel.

Syncrude Helps Local Company Meet with Success
Sorge Welding has come a long way since Richard and Janet Sorge founded the company in 1989 with a single mobile welding rig they operated themselves. The company landed its first contract with Syncrude in 2001, thanks to ongoing advice and coaching from Les Diachinsky, Syncrude’s Aboriginal Business Coordinator. Les introduced the Sorge’s to the right people and helped them demonstrate their company’s ability to meet Syncrude’s strict criteria for safety, quality and financial stability. Today, the company continues to do business with Syncrude, most recently on our upgrader expansion project. It has 20 full-time employees and a fleet of mobile rigs.
The Syncrude joint venture participants hold 102,000 hectares of high quality, long-life oil sands leases, providing them with a sound platform for continued growth. All of the leases can be mined and are among the best in the Athabasca deposit for quality of ore, low stripping ratios, and low total volume-to-bitumen in place, all of which enhance the economics of the Syncrude project. Syncrude uses the Dean & Stark extraction quality assurance method to test core samples and provide an accurate assessment of the oil contained within its leases.
As operator of the world’s largest integrated oil sands mining and bitumen upgrading facilities, Syncrude is helping to secure Canada’s energy future and has a long and proud history of contributing to the economic well being of Canadians through the provision of employment, the payment of royalties, corporate, property and payroll taxes and the procurement of goods and services.

Syncrude’s newly expanded production capacity, post Stage 3 start-up, will represent about 20 per cent of Canada’s domestic crude oil needs. Our long life, high quality resource base, stable regulatory regime and competitive taxation environment provide our joint venture participants with a sound platform for continued growth. Capital investment and research initiatives focus on the best of new technologies that promise lower emissions, lower operating and capital costs per barrel, improved energy efficiency, more efficient water use, and the development of higher quality, cleaner burning crude oil products.

Syncrude continues to be a major engine of growth for the Alberta and Canadian economies with over $4.7 billion in total spending during 2005. Approximately 4,300 employees and 1,500 contractors support current operations. Our Stage 3 expansion project created an estimated 43 million field hours of work.

Syncrude’s direct spending in Alberta also translates into economic benefits outside the province. A 2005 study by the Canadian Energy Research Institute indicates that the effect on gross domestic product of oil sands industry spending is felt 72 per cent in Alberta, 17 per cent in other parts of Canada, and 11 per cent outside of Canada.
**2005 Economic Indicators**

Since start-up in 1978, Syncrude has made payments in excess of $6.6 billion to governments for royalties, payroll and municipal taxes and other Crown charges. Royalties paid to the Province of Alberta by Syncrude’s joint venture participants over this period amounted to over $3.2 billion. In 2005, total payments to governments were $281 million, compared with $253 million in 2004.

**Geographic Distribution of Economic Contribution**

Overall benefits to the Alberta economy exceeded $4.1 billion, including more than $2.9 billion in non-energy procurement. Business volume with Edmonton area companies was approximately $1,395 million, while business with other Alberta firms totalled a further $690 million. Companies in other parts of Canada received business in excess of $480 million, and contracts with international suppliers were valued at $122 million.

Businesses in Syncrude’s immediate trading area, the Wood Buffalo region of Alberta, received $1,397 million in contracts during the year, an increase of 30 per cent of total procurement. This includes $134 million in business with Aboriginal firms in the Wood Buffalo area, an increase of 25 per cent over 2004.

The majority of Syncrude’s 4,327 employees reside in the Wood Buffalo region. Their support of local businesses, combined with Syncrude’s procurement of goods and services from local and Aboriginal firms, support the economic base of the region.

---

**Total Expenditures**

$4,721 Million

- Capital Program 54%
- Operating Costs 44%
- Royalties and Other 2%

In 2005, Syncrude’s capital program and operating expenditures totalled approximately $4.7 billion.

**Total Expenditures by Category**

$4,721 Million

- Royalties, Payroll & Municipal Taxes 6%
- Purchased Energy 12%
- Employees (net) 12%
- Materials and Supplies 13%
- Contracted Services 56%
- Other Expenditures 1%

Contracted services comprised 56% of Syncrude’s total expenditures in 2005.

**Geographic Distribution**

$4,721 Million Expenditure

- Aboriginal Community 3%
- Municipality of Wood Buffalo 27%
- Rest of Alberta 57%
- Rest of Canada 10%
- International 3%

Syncrude creates widespread economic impacts.
Payment of Royalties to Increase in 2006

Syncrude’s current expansion project was enabled in part by the new oil sands fiscal regime that was implemented by the Alberta government in 1996. Under this arrangement, a minimum one per cent royalty is paid until project capital costs have been recovered.

Recent high crude oil prices have greatly accelerated the recovery of capital costs by Syncrude’s joint venture participants and, as a result, the minimum royalty period is expected to end at approximately the same time Syncrude’s Stage 3 expansion project becomes operational in 2006. At that time, royalty payments to the Province of Alberta will return to 25 per cent of deemed net income, similar to the basis on which they were paid by Syncrude prior to the Stage 3 expansion.

Future Growth Potential

Syncrude’s Stage 3 expansion will be followed by completion of the Syncrude Emissions Reduction project in 2009. This project will ultimately reduce SO2 emissions to less than 100 tonnes per day, 60 per cent lower than current average daily emissions.

Syncrude has additional opportunities to grow beyond Stage 3. Total recoverable resources are sufficient for Syncrude to increase production to over 500,000 barrels per day on a sustained basis for several decades. Development of further growth projects will be contingent on meeting strict economic, capital cost, operating cost and environmental performance criteria.

Syncrude has to date produced more than 1.6 billion barrels of crude oil from its oil sands leases, and aims to remain at the forefront of oil sands research and sustainable resource development. Ongoing investment in physical and human resources, industry-leading land reclamation practices, environmentally friendly technologies and energy conservation initiatives will maintain Syncrude’s position as a major contributor to social and economic development in Alberta and Canada for decades to come.

Supplier-Customer Relationship Lauded

Syncrude and two of its key suppliers received international recognition in 2005 for a long-term collaboration that has made significant advances in the development of heavy equipment.

The Canadian-American Business Council honoured Syncrude, Caterpillar Inc. and Finning International Inc. for a more than 25-year relationship that has, among other achievements, led to the introduction of the world’s largest off-road mining truck, the Caterpillar 797B, and improved the productivity and reliability of many other Caterpillar products used by Syncrude. Judges noted the relationship has also enhanced prospects for Canada’s oil sands industry and other equipment users in the global mining industry.

Procurement of Goods and Services

Non-energy procurement of goods and services from Canadian and international companies was just over $3.3 billion, about 68 per cent of total expenditures.
our people
Syncrude’s 4,327 employees are our company’s most valued asset. Skilled, flexible and highly motivated, they take measured risks to meet our business objectives and demonstrate respect for their co-workers. Accordingly, we make every effort to recognize their contributions to our success through industry-leading reward systems and programs that help them develop to their full potential.

Workforce by the Numbers

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<tbody>
<tr>
<td>Total Permanent Workforce</td>
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<td>4,180</td>
<td>4,026</td>
<td>4,004</td>
<td>3,874</td>
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<td>New Permanent Employees – all categories</td>
<td></td>
<td></td>
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<tr>
<td>Trades and Operators</td>
<td>384</td>
<td>251</td>
<td>148</td>
<td>189</td>
<td>399</td>
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<tr>
<td>Administrative, Professional &amp; Technical</td>
<td>173</td>
<td>132</td>
<td>88</td>
<td>161</td>
<td>143</td>
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<td>New Employees – diversity</td>
<td></td>
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<tr>
<td>Aboriginal</td>
<td>50</td>
<td>27</td>
<td>23</td>
<td>34</td>
<td>44</td>
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<tr>
<td>Female</td>
<td>129</td>
<td>87</td>
<td>45</td>
<td>95</td>
<td>118</td>
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<tr>
<td>Recruiting Effectiveness</td>
<td></td>
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<tr>
<td>New hire acceptance rate:</td>
<td></td>
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<tr>
<td>% of job offers accepted</td>
<td>78</td>
<td>86</td>
<td>90</td>
<td>80</td>
<td>86</td>
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<tr>
<td>Local hires (% of all new hires)</td>
<td>70</td>
<td>66</td>
<td>61</td>
<td>78</td>
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<tr>
<td>Job Applications Received (#)</td>
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<td>18,166</td>
<td>19,777</td>
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</table>
Workforce Supply

In a highly competitive environment, ensuring an adequate workforce supply is an ongoing concern at Syncrude. Our strategy is to ensure we attract and retain the best and brightest while also growing the pool of available talent.

Attraction and Retention

Syncrude believes strongly in developing the talent pool within its Canadian sphere of influence. In fact, 99.5 per cent of our new hires in 2005 were Canadian residents.

Syncrude was successful in attracting 557 new permanent and 450 new casual employees in 2005, about 70 per cent of who were hired locally. Surveys of new employees indicate our recruitment success can be attributed to four main factors: our reputation in the oil sands industry; opportunity for career advancement; employees’ desire to be part of a successful oil sands operation; and our comprehensive compensation and benefits program. Of note, Syncrude has filled over 800 new positions in the last five years, and recruited a further 1,300 individuals in the same time frame to address retirements and other attrition.

The opinions of newly hired employees concur with the findings of national public opinion research commissioned by Syncrude in 2005. It found that Syncrude is well regarded as an employer, with 75 per cent favourable responses on such attributes as compensation and benefits, safety, career advancement, employment security and corporate leadership.

Syncrude’s workforce gains in 2005 were partially offset by workforce attrition of 372 people, an increase of 60 per cent over 2004. About one-third of attrition was due to retirements, while half was employee initiated. To better understand the causes for employee-initiated attrition, Syncrude conducts employee exit surveys.

Syncrude will continue to refine attraction and retention strategies in support of our overall workforce strategies. This will include holding a series of employee focus groups in 2006 to ensure Syncrude consistently delivers on its commitment to be the workplace of choice in the oil sands industry. Syncrude also reviews annually its compensation and benefits to ensure they are competitively positioned.

Labour Pool Initiatives

Syncrude takes a three-stage approach to addressing its workforce needs. It begins by raising awareness of career opportunities in the oil sands through programs such as Take Our Kids to Work Day and trades development initiatives.
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 specific labour requirements on an ongoing basis.

To address a shortage of available workforce skills caused by a robust local and provincial economy and changing workforce demographics, Syncrude is continuing work that has been underway for more than a decade to build workforce capacity. We focus on collaborative partnerships with educational institutions, businesses, industry associations and governments. We are currently involved in many different development programs, including:

- Co-op/Discipline programs with over 60 universities and colleges across Canada;
- Trades development initiatives such as the Registered Apprenticeship Program, Community Co-op Apprenticeship Program, Alberta Aboriginal Apprenticeship Program and CAREERS: The Next Generation;
- Operator training programs at Keyano College and the Saskatchewan Indian Institute of Technologies;
- General summer student programs and the CareerPrep initiative.

Members of the Syncrude family enjoy access to a variety of social, recreational and sports activities through Club 63 North, the Syncrude social club. The 30-year-old organization is governed by employees and welcomes both active and retired employees and their families as members. Club 63 North is popular for its seasonal events and group activities, and for the discounts it provides to many other sports, recreation and entertainment offerings.
Workforce Productivity

Syncrude strives to meet its business goals by working with our people to enhance organization effectiveness and increase the contribution of individual employees.

**Employee Performance Management**

A new system to identify contribution objectives, assess the performance of administrative, professional and technical staff, and to link the development needs of these employees with expectations, has been introduced in response to employee feedback.

The Syncrude Performance Management and Development System provides an improved framework for employees and their leaders to set clear performance expectations, provide feedback and foster continuous improvement, while supporting Syncrude’s core values. It will also improve the linkage between performance, compensation and advancement.

**Employee Career Development**

The internal transfer of over 400 employees to new assignments in 2005 demonstrates Syncrude’s commitment to the ongoing career development of our workforce. These transfers helped Syncrude grow key competencies for large project management skills, offer career development opportunities for our employees, and develop and define programs that address key skill shortages.

One program developed to address skill shortages in Syncrude’s upgrading area resulted in the successful moves of 29 people into new careers as process operators after receiving training at Keyano College and on-the-job mentorship. As well, a new internal transfer process involving the posting of certain positions was introduced in mid-2005. In total, 60 internal postings for work in new areas were made available to Syncrude employees, resulting in 47 of the positions being filled internally. Internal promotion of job vacancies is a direct result of feedback from employees, who said they wanted to be kept informed of available career opportunities.

**Job Shadowing**

A new job shadowing program in Syncrude’s bitumen production areas is helping employees better understand the critical interdependence between mining and bitumen extraction functions. Participants say that the opportunity to learn about elements of Syncrude’s business they don’t normally work in fosters greater cooperation and more productive relationships among people with different operational responsibilities.

**Mentoring Program**

Through workplace mentoring, we reduce the loss of knowledge caused by higher attrition due to retirements, and help new employees establish social connections and a sense of belonging in their new position. Across the organization, workers with 15-plus years of experience are mentoring newer recruits in such areas as operational excellence and reliability & maintenance to enhance their level of talent, knowledge and experience.

Mentors are ensuring that people who are new to our operation get the hands-on training and mentoring they need to run our operation in a safe and reliable way.

**Healthy Workforce Initiatives**

Syncrude offers a number of company-wide initiatives to foster the emotional and physical well-being of our employees and reduce the risk of injuries on or off-the-job. These include programs that support physical activity, healthy eating, smoking cessation, stress management, fatigue management, responsible use of drugs and alcohol, and occupational health and safety.

Syncrude’s on-site health centres allow employees and contractors to conveniently address their health issues, whether work related or not. The majority of health centre visits are for preventative health surveillance and evaluative testing and monitoring of employees in key occupational areas. Nearly one-third of health centre visits are for non-occupational reasons.
Scholarships, Bursaries and Endowments

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<tbody>
<tr>
<td>Annual Contributions</td>
<td>$961,200</td>
<td>$1,060,805</td>
<td>$1,145,935</td>
<td>$1,105,887</td>
<td>$685,000</td>
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<tr>
<td>Number of Employee Student Scholarships</td>
<td>409</td>
<td>415</td>
<td>424</td>
<td>407</td>
<td>399</td>
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<tr>
<td>Number of Tuition Refunds to Syncrude Employees</td>
<td>136</td>
<td>96</td>
<td>128</td>
<td>141</td>
<td>n/a</td>
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In support of our efforts to promote ongoing learning, Syncrude provides post-secondary scholarships to the dependent children of Syncrude employees. To enhance employee contribution and career development, we provide tuition refunds to employees for relevant studies.

Trades Training Program Grows

The Community Careers Cooperative, a local high school career preparation and trades training program supported by Syncrude, had 139 participating students in 2005, up from 88 in 2003. The Cooperative allows students to explore career options and gain creditable work experience in a variety of trades. During high school, students can enter formal trades training through the Registered Apprenticeship Program (RAP), which pairs students with employers that sponsor them through the course of their apprenticeship, while they complete their high school education.

In 2005, 27 new students entered the RAP program, for a total program participation of 43. An additional 36 students are active in the Career Prep program and a further 23 students are in Health Services summer internship programs. In all, 241 students are participating in trades training and career development programs supported by Syncrude.
Employee Recognition

Syncrude congratulates the valued employees whose work has received well-deserved accolades:

President and Chief Operating Officer
Jim Carter was named Resource Person of the Year by the Alberta Chamber of Resources in recognition of his contributions to responsible resource development in Alberta.

Senior Loss Management Advisor
Peter Dunfield received the Don Currie Award from the Construction Owners Association of Alberta for his work to make Alberta construction sites safer for workers. Peter has led the Association’s safety committee for more than seven years.

Senior Research Associate
Craig McKnight was honoured as a 2005 Hero of Chemistry by the American Chemical Society for his work with colleagues from ExxonMobil to reduce the sulphur content of gasoline.

Senior Research Associate
Patrick Dougan received kudos from the Alberta Science and Technology Leadership Foundation for his work to develop new sensors and measurement systems for the oil sands industry.

Syncrude’s Instrumented Watersheds Research Team, comprised of Neil Rutley, Marie-Jose Keys, Clara Qualizza, Martin Fung, Howard Ellis, David Hardisty, Earl Anderson, Audrey Lanoue, Terry Van Meer, Bruce Friesen, Norm Jeffs, Lori Cyprien, Jennifer Fudge, Leni Courtoreille, Janelle Scott, Gray Kampala, Darryl Ramsarran, Norm Doyle, Fred Yakiwchuk and Dave Lennon received an Emerald Award for Environmental Excellence for their work to rebuild watersheds on reclaimed land. As well, Clara Qualizza was honoured for lifetime achievement in land remediation and reclamation by the Alberta Chamber of Resources. Martin Fung was named a Pioneer in Reclamation by the American Society of Mining and Reclamation.
# Human Resources Score Card

## Employee Productivity

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<tbody>
<tr>
<td>Thousand barrels of SSB per employee</td>
<td>18,049</td>
<td>20,861</td>
<td>19,200</td>
<td>20,929</td>
<td>21,012</td>
</tr>
<tr>
<td>Average employee service (in years)</td>
<td>13.2</td>
<td>13.7</td>
<td>14.1</td>
<td>13.9</td>
<td>14.1</td>
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## Leadership Development

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<tbody>
<tr>
<td>% of Leaders completed Leadership Basics Workshop</td>
<td>89</td>
<td>85</td>
<td>82</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>% of Leaders completed Diversity Workshop</td>
<td>82</td>
<td>85</td>
<td>71</td>
<td>n/a</td>
<td>n/a</td>
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<tr>
<td>% of Leaders completed Harassment &amp; Discrimination Workshop</td>
<td>81</td>
<td>82</td>
<td>76</td>
<td>n/a</td>
<td>n/a</td>
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## Diversity

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<tbody>
<tr>
<td>Aboriginal representation (% of permanent Syncrude workforce)</td>
<td>9.2</td>
<td>9.1</td>
<td>9.4</td>
<td>9.6</td>
<td>9.7</td>
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<tr>
<td>Aboriginal Leaders (% of permanent Syncrude workforce)</td>
<td>4.9</td>
<td>4.8</td>
<td>3.6</td>
<td>3.5</td>
<td>2.2</td>
</tr>
<tr>
<td>Female representation (% of permanent Syncrude workforce)</td>
<td>18.6</td>
<td>17.7</td>
<td>17.3</td>
<td>17.4</td>
<td>16.5</td>
</tr>
<tr>
<td>Female Leaders (% of permanent Syncrude workforce)</td>
<td>9.7</td>
<td>9.7</td>
<td>9.8</td>
<td>9.1</td>
<td>8.9</td>
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## Attrition

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<tr>
<td>All employees (% of Syncrude workforce, including retirements)</td>
<td>8.6</td>
<td>5.4</td>
<td>4.4</td>
<td>5.0</td>
<td>5.5</td>
</tr>
<tr>
<td>Employee initiated termination (% of Syncrude workforce)</td>
<td>4.5</td>
<td>2.6</td>
<td>1.7</td>
<td>2.6</td>
<td>2.6</td>
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<tr>
<td>Retirements (% of Syncrude workforce)</td>
<td>2.8</td>
<td>2.0</td>
<td>1.7</td>
<td>1.4</td>
<td>1.1</td>
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<tr>
<td>Aboriginal</td>
<td>8.0</td>
<td>7.0</td>
<td>6.2</td>
<td>6.6</td>
<td>6.1</td>
</tr>
<tr>
<td>Female</td>
<td>7.4</td>
<td>5.9</td>
<td>5.9</td>
<td>4.9</td>
<td>6.8</td>
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<tr>
<td>Trades and Operators</td>
<td>8.6</td>
<td>4.9</td>
<td>4.3</td>
<td>5.0</td>
<td>4.7</td>
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<tr>
<td>Administrative, Professional and Technical</td>
<td>8.7</td>
<td>6.0</td>
<td>4.6</td>
<td>4.9</td>
<td>6.5</td>
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## Employee & Family Assistance Program (EFAP) Utilization

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>(# of clients as % of Syncrude workforce)</td>
<td>13.4</td>
<td>14.2</td>
<td>13.2</td>
<td>16.5</td>
<td>17.5</td>
</tr>
</tbody>
</table>

## Training

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</tr>
</thead>
<tbody>
<tr>
<td>% hours in training/per employee/per annum</td>
<td>2.5</td>
<td>3.1</td>
<td>2.8</td>
<td>2.6</td>
<td>3.0</td>
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</table>

1 The increase in 2005 attrition over historical rates is primarily due to retirements and employee initiated terminations.
Syncrude’s stakeholder engagement cycle helps us understand the concerns and beliefs stakeholders have about potential impacts of proposed Syncrude activities. Our consultation processes can be either formal (designed to shape an outcome) or informal (information sharing and dialogue) and are determined by both Syncrude and the affected stakeholder. They are guided by an overarching set of consultation principles (view the consultation principles at www.syncrude.com/community) Also see discussion on consultation with our employees, page 32-34.
Syncrude continuously engages external stakeholders to learn about their diverse needs and to ensure we make decisions that are fully informed. Our consultation strategy is based on stakeholder relevance and impact.

**Environmental Consultations**
Eighteen formal consultations and 31 discussions and information sharing meetings were held with the Wood Buffalo Environmental Association. Among the topics of discussion were terrestrial environmental effects monitoring, the Human Exposure Monitoring Program, and ambient air monitoring.

Twenty-nine days of formal consultation were conducted with the Regional Aquatics Monitoring Program, including 17 person-days of fieldwork. Syncrude also participated in an additional 14 days of discussions and information sharing meetings on technical, science and communications issues related to the work of the Program.

One hundred and seventeen days of formal consultations were held with the Cumulative Effects Monitoring Association. Topics included work on air emissions management, surface water management, sustainable ecosystems, trace metals and air contaminants, vegetation, wetlands and aquatics, and the Watersheds Integrity Task Group.

**First Nations and Métis Meetings**
Building on the success of a 2004 series of consultations with Aboriginal Elders that helped enhance Syncrude’s understanding of environmental concerns, Syncrude held 19 formal consultations and seven reclamation tours with local First Nations and Métis groups.

**Regulatory License Renewal Meetings**
In support of Syncrude’s application seeking renewal of its licenses under the Alberta Environmental Protection and Enhancement Act, which will be filed in 2006, a series of discussions were held with representatives of Alberta Environment and the Industry Relations Corporations of the Wood Buffalo region’s five First Nations. Participants agreed on a transparent and inclusive process to meet stakeholder information needs and answer questions arising from the application.
Stakeholder Engagement Actions

A summary of actions taken as a result of stakeholder engagement.

Aboriginal Preservation Pamphlet
In an effort to encourage dialogue with stakeholders about the historical and cultural significance of ancient artifacts found near Syncrude’s Aurora South site, a pamphlet was produced for local First Nations and Métis groups to aid discussion on this topic. The findings shed light on the ways of life of very early generations of Aboriginal people and suggest a stone quarry was once active on the site. Plans are also underway for interpretive exhibits in Fort McKay and Fort Chipewyan.

Aboriginal Human Resources Development Council
Syncrude is working with the Aboriginal Human Resources Development Council of Canada on a national agenda to encourage Aboriginal entry into trades occupations. This includes taking the successful Alberta Aboriginal Apprenticeship Project model into other provinces, and organizing trades symposia in 2006 and 2008 to educate human resources practitioners, businesses and other organizations about successful practices that can increase and accelerate First Nation, Inuit and Métis entry into trades occupations. Syncrude was a founding member of the Council and our President Jim Carter continues to serve as a Council Champion.

Regional Infrastructure
Thanks to the efforts of Syncrude and other regional stakeholders, the Wood Buffalo region has begun to see action on a variety of infrastructure needs brought on by rapid expansion in the oil sands industry. Throughout 2005, the stakeholders worked actively to make a business case for provincial government funding for transportation, utilities, health and education infrastructure, and more land for housing. In July, the regional community hosted tours and briefings for a group of 30 provincial Cabinet Ministers and MLAs. A number of government commitments were made in 2005 as a result of stakeholder efforts:

- $530 million over five years for road and highway infrastructure
- planned release of 1,000 acres of Crown land to housing developers in three stages
- bridge financing for a wastewater treatment plant
- $2 million for an MRI diagnostic machine for the regional Health Centre

Aboriginal Development Program
Syncrude is strengthening its Aboriginal Development Program following an extensive stakeholder consultation process in 2005. Stakeholders offered comments and suggestions for improvement in each of Syncrude’s six Aboriginal Development commitment areas, and these are enabling Syncrude to plan targeted responses to expectations and concerns.

An extensive discussion of this topic appears in Syncrude’s 2005 Aboriginal Review, at www.syncrude.com
Aboriginal Programs Reference Document
The Alberta Chamber of Resources has documented Syncrude’s experience in Aboriginal Development, and that of other resource companies, in a new guide to resource industry Aboriginal programs called *Learning from Experience*. This well-researched publication, which was sponsored in part by Syncrude, captures the wide range of programs used by the resource industry to develop and strengthen relations with Aboriginal communities and increase the participation of Aboriginal people and businesses in the economy. 
*For more information, visit the Alberta Chamber of Resources website: www.acr-alberta.com*

Mining Industry Reporting Benchmarks
In 2005, Syncrude’s ongoing work as a leader of the Mining Association of Canada’s *Towards Sustainable Mining* initiative led to the establishment of benchmarking standards for mining industry reporting. These standards focus on Tailings Management, Energy and Greenhouse Gas Management, Crisis Communications and Communities of Interest (Stakeholder Relations) protocols.  
*For more information, visit the Mining Association of Canada website: www.mining.ca*

Fort McKay Community Beautification Project
Syncrude’s ongoing work with Fort McKay to meet the goals of the community’s Long Term Plan resulted in the completion of a community beautification project that also served to remove public safety hazards. With respect to safety, for example, large pieces of scrap metal and unused vehicles were removed from various locations and sent for recycling. 

Reclamation Stewardship
The success of a weeklong campout with Elders and youth from Fort McKay on their traditional lands has prompted Syncrude to continue the practice. Our manager of reclamation and other members of the reclamation team participated in the event. It enhanced Syncrude’s understanding of traditional environmental knowledge and will aid Syncrude in incorporating, for example, edible and medicinal plants into our reclamation plans and activities.

Contractor Emergency Procedures
In the aftermath of a May 20th, 2005 highway traffic collision some 350 km south of Fort McMurray that claimed the lives of six employees of companies contracted by Syncrude, and injured 23 others who had been working on the Syncrude site, procedures have been implemented to ensure proper identification of passengers travelling on buses chartered by Syncrude. The move follows a post-incident debrief involving Syncrude and representatives from its contractor companies. The debrief found that while the coordinated response to the tragedy was largely effective, ensuring increased adherence to policies on passenger identification will allow Syncrude and its contractors to provide timely response and support for individuals and families involved. Emergency contact procedures for contractors have also been enhanced.

Student Teachers for Fort McKay
Financial and in-kind support from Syncrude is helping the Fort McKay Community School meet its identified need for more teaching resources. The support has enabled the school to attract up to three student teachers per term from the University of Alberta through to the end of the 2006-07 school year. The teachers will be available for one-on-one interaction with the students and will also deliver literacy and early childhood education programs. The initiative aims to improve educational outcomes, thereby increasing the region’s future workforce supply at the same time.

Fort Saskatoon berries are flourishing on Syncrude’s reclaimed landscapes.
aboriginal development
Syncrude operates in a region where Aboriginal people comprise about 13 per cent of the general population. Through our Aboriginal Development program, we work with Aboriginal communities and our Aboriginal employees in the key areas of employment, business development, education and training, community development, and the environment. We also use our nearly 30 years of experience in Aboriginal Development as leverage to advocate for greater Aboriginal inclusion on the national stage.

**Strategic Review of Aboriginal Program**

In 2005, Syncrude completed a strategic review of our Aboriginal Development Program, which was initiated in response to stakeholder feedback. The review, which sought feedback from Aboriginal employees and our local Aboriginal communities, found that while Syncrude is widely recognized for making significant contributions to the development of Aboriginal people, communities and businesses, more could be done to support their future sustainability. Accordingly, Aboriginal employees and stakeholders offered comments and suggestions for improvement in each of Syncrude’s six Aboriginal Development commitment areas. These are each being reviewed and acted upon.

An extensive discussion of the findings of the strategic review appears in Syncrude’s 2005 Aboriginal Review, at [www.syncrude.com](http://www.syncrude.com).

**More Resources for Aboriginal Development Program**

In response to Aboriginal employee feedback, Syncrude has created three new staff positions to support its Aboriginal Development Program.

Steve Jani transferred into the role of Aboriginal Recruitment Representative in November 2005 after working in Syncrude’s mining and extraction facilities. He is now working with local Aboriginal communities to identify and recruit interested Aboriginal candidates to Syncrude careers. Steve also liaises with regional schools to promote the wide variety of career opportunities at Syncrude and foster an appreciation among young and mature learners of the value of education.

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![Aboriginal Business Contracts Chart](chart.png)

1 The Northeastern Alberta Aboriginal Business Association assists Syncrude in identifying and verifying Aboriginal businesses, which must be 51 per cent or more owned by Aboriginal people or bands. Syncrude provides significant opportunity to Aboriginal owned businesses in the Wood Buffalo region. Over the past 14 years, we have completed $902 million in total business volume with Aboriginal companies.
As part of Syncrude’s recent review of our Aboriginal Development Program, we asked a group of 24 stakeholders comprising First Nations Chiefs, Métis Presidents, Syncrude Aboriginal employees, Aboriginal business owners and others to provide their opinions on our performance. This report card establishes a benchmark for future progress.
Natasha McKenzie commenced work as our Aboriginal Development Representative in February 2006. Her responsibilities are twofold: firstly, to keep Aboriginal stakeholders apprised of Syncrude news in their area of interest and, secondly, to keep Syncrude employees informed of our Aboriginal Development efforts. Syncrude is also recruiting for an Aboriginal Development Manager; this person will provide senior level direction to a new business plan for our Aboriginal Development Program.

New Book showcases Aboriginal History
A collaborative effort between Syncrude and the Royal Alberta Museum, which is home to the Syncrude Gallery of Aboriginal Culture, has produced an important chronicling of the history of Aboriginal people in Alberta. *Aboriginal Cultures in Alberta: Five Hundred Generations* is a testament to the richness of Aboriginal culture in Alberta. This book also complements Syncrude’s work with the region’s Aboriginal communities to preserve cultural traditions for future generations. Syncrude sponsored the book’s publication and distribution to every school and public library in the province.

Aboriginal Apprenticeship Program
Syncrude has strengthened its commitment to the Alberta Aboriginal Apprenticeship Program, which it co-founded in September 2002 and currently chairs. Syncrude has agreed to eight additional apprentices per year beyond the 35 program participants already training at Syncrude. In 2005, Syncrude employee Keith Cyprien, of Fort Chipewyan, became the first journeyman to graduate from the program. The program recognizes the unique cultural needs of Aboriginal apprentices and provides the mentorship and peer support that is viewed as important to their future success. It also aims to register at least 180 Aboriginal apprentices by 2006.

2005 Aboriginal Review
Through the Generations, Syncrude’s 2005 Aboriginal Review, is now available to readers through Syncrude or online at www.syncrude.com. The report provides a comprehensive overview of Syncrude’s work in its six key commitment areas for Aboriginal Development.
community involvement
Syncrude’s reputation as an employer of choice is earned in part through our work to improve the communities where our employees live and work. Our active involvement is making a positive difference to the way people live, and is helping meet the challenges presented by robust growth. It also enhances our ability to attract and retain top quality employees.

**Syncrude Festival of Trees**
For the third consecutive year, the Northern Lights Regional Health Centre and Syncrude partnered on the *Syncrude Festival of Trees*. Through this three-year partnership, $75,000 in corporate support from Syncrude was leveraged to raise a total of $750,000 toward the purchase of surgical and diagnostic equipment needed by the Health Centre. The event’s success was also enabled by volunteer support from Syncrude employees and their families, including that of Syncrude employee Lorraine deSeguin, who served as volunteer Chair of the event in 2005.

**Aid for Food Bank**
In November, Syncrude provided lead support of $50,000 for the annual fundraising drive of the Fort McMurray Food Bank. The donation provided a vital kick-start to what became the Food Bank’s most successful drive ever: more than $263,000 and 32 tons of food were donated by area residents, beating the goal of $200,000 and 30 tons. The Food Bank served 1,338 families in need through the course of 2005, making it the busiest year ever for this community service agency. Syncrude has historically supported Canada’s Food Banks through the *Huron Carole*, a recently ended national fundraiser that raised $3.55 million and countless tons of food over its 18-year life span.

**Good Neighbours Program**
Syncrude’s *Good Neighbours* program supports the community-minded efforts of our employees by providing grants to the groups for which they volunteer. In 2005, $48,500 was disbursed to 41 not-for-profit organizations to recognize the volunteer efforts of 90 employees. An additional 11 educational institutions received $5,244 to match contributions made by employees. Greg Hilsenteger is one of the Syncrude employees whose volunteer groups have benefited from the program. He says the grants help defray expenses incurred by Fort McMurray’s Minor Hockey and Little League Baseball teams for such things as equipment and travel to out-of-town tournaments. Says Greg, “It’s great to have my company stand behind me and support my volunteer efforts in the community.”
A Guiding Hand

For Syncrude’s Aboriginal community investment coordinator, volunteering has become an opportunity to give back to her community. For the past three years, Lana Agecoutay (shown at right in photo) has been involved with many local groups, including Girls Inc., where she helps provide services and programs to youth. The organization’s executive director, Ann Dort-MacLean, couldn’t be happier. “We’ve received a double blessing from Syncrude volunteers like Lana, and from the company’s Good Neighbours program, which recognizes these volunteers with financial support for their chosen not-for-profit group.” Says Lana, “I want to feel as though I make a difference in my community and volunteering allows me to achieve that.”

University Transfer Program

In May, Syncrude provided $55,000 in support for a new initiative to increase access to university level education in the Wood Buffalo region. Syncrude’s support will enable Keyano College to increase its intake of Aboriginal students starting undergraduate degree programs. This support builds on our $500,000 commitment to the University of Alberta’s Aboriginal Transitions Initiative. University level transfer opportunities between Keyano and the U of A for non-Aboriginal students are also being strengthened.

Career Development Programs

In 2005, Syncrude renewed a multi-year commitment to CAREERS: The Next Generation. Syncrude funding of $260,000 over two years will support the organization’s province-wide programs, including the Aboriginal Youth Initiative, as well as the Fort McMurray affiliate, the Community Careers Cooperative. Four Syncrude leaders provide guidance to these organizations through their volunteer service as board members.
Science Learning Resource

Wood Buffalo school students now enjoy priority access to a popular science education program thanks to a $200,000 donation from Syncrude. As a result, the Science Alberta Foundation’s Science in a Crate learning resource has been booked by 17 local area schools for the 2005-06 school year, with more expected to book for 2006-07. Science in a Crate is designed to make learning about science and math more effective, relevant and enjoyable for students in Kindergarten through Grade 12.

Tsunami Relief

Syncrude and its employees responded quickly and generously to support relief efforts in the wake of the tsunami that devastated parts of Southeast Asia in December 2004. Syncrude provided a corporate donation of $50,000 to the Canadian Red Cross and matched $86,000 in donations from employees. This brought the total support from the Syncrude family to $222,000. The Government of Canada also provided $80,000 in matching support, raising the overall giving effect to $302,000.

Community Programs

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<td>Corporate Giving</td>
<td>$2,693,478</td>
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<td>$4,201,000</td>
<td>$2,946,025</td>
<td>$2,502,000</td>
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1 Includes donations made under the Community Investment Program, Aboriginal Community Investment Program, sponsorships, and gifts-in-kind.
2 Syncrude’s corporate giving programs are subject to formal audits and are also governed by three committees of Syncrude employees to ensure strategic objectives are met.
3 Figures shown include Syncrude funding for Aboriginal Industry Relations Corporations; the Athabasca Tribal Council; and community monitoring and management groups including Regional Issues Working Group, Wood Buffalo Environmental Association, Regional Aquatics Monitoring Program and Cumulative Effects Management Association.
Healthy Workplace Initiatives

<table>
<thead>
<tr>
<th>Initiatives</th>
<th>Programs</th>
<th>Info</th>
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<th>Special Events</th>
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<tr>
<td>Physical Activity/Active Living</td>
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<td>Stress Management</td>
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<tr>
<td>Occupational Health &amp; Safety</td>
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<td>onsite health centres</td>
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<tr>
<td>Fatigue Management</td>
<td>□</td>
<td>□</td>
<td>□</td>
<td>□</td>
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<tr>
<td>Alcohol &amp; Drug Management</td>
<td>□</td>
<td>□</td>
<td>□</td>
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<tr>
<td>Off-the-job Safety &amp; Wellness</td>
<td>□</td>
<td>□</td>
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</tbody>
</table>

As part of our ongoing efforts to support a vital and engaged workforce, Syncrude has many programs to promote healthy living on and off-the-job.
Syncrude and its contractors are committed to ensuring the health and safety of our people. Together, we are fostering health promotion and instilling safe work practices among a new generation of workers.

2005 Safety Performance
Syncrude employees and contractors enjoyed their best ever year for safety performance in 2005, with a combined lost-time injury rate of 0.05 injuries per 100 person years worked. Nine workers sustained lost-time injuries during the year, down from 17 in 2004, despite a 15 per cent increase in total hours worked on the Syncrude site.

Total recordable injury frequency for the year was 0.75 per hundred person years worked, also a new record. The injury severity rate increased to 3.64 lost workdays per injury, from 1.98 in 2004.

Employee & Family Assistance Program
The 2005 utilization rate for Syncrude’s Employee and Family Assistance Program was 13.4 per cent, down slightly from 14.1 per cent in 2004. The program provides confidential counseling and resource referrals to employees experiencing a variety of personal or job related issues, and also provides coaching to managers and leaders who believe their staff may be facing such issues.

Feedback from clients and managers indicates the program has tremendous value. The vast majority feels their needs were met in a timely way and they appreciate the counsellors’ understanding of Syncrude’s culture and work environment. Benefits to Syncrude include the timely and safe return to work by program clients, and improved employee morale and commitment.
Fatigue Management Program
Syncrude has implemented a new fatigue management program following the success of a two-year pilot project co-sponsored by the Canadian Sleep Institute. The project involved 120 shift workers. Worker fatigue is a well-known safety risk and it can also impact the quality of life of those who suffer from it. Syncrude’s Fatigue Busters program teaches employees about their risk exposure due to fatigue and provides them with job-specific techniques to offset tiredness. The program also works to identify whether the root cause of fatigue is related to lifestyle or a sleep disorder. In the case of the latter, employees are referred to qualified professionals for treatment.

Giving Workers a Safety Voice
Syncrude encourages its employees and contractors to be active participants in spotting unsafe conditions and behaviours so they can be fixed. Toward a safer work environment, workers completed more than 70,000 VOICE cards in 2005, which were then reviewed and acted upon. The cards also reinforce the use of best practices by encouraging workers to thoroughly understand their work environment and the hazards it presents. VOICE is an acronym for Validate, Observe, Intervene, Command/Correct and Eliminate Incidents.

EH&S Program Guide
In 2005, every Syncrude employee received a new pocket-sized guide to Syncrude’s Environment, Health and Safety program. The guide explains the program’s goals, the management system to achieve it, the central role of employees and the tools they can use to improve Syncrude’s EH&S performance. It is hoped the guide will help foster continued EH&S excellence through the personal commitment of employees.

Oil Sands Safety Association
The Oil Sands Safety Association, which works to establish common training standards and codes of practice for oil sands sites and then ensure consistent delivery of training to those standards to both new and existing workers, has introduced new training requirements for contractor workers. Standards for implementation in 2006 include: Aerial Work Platforms, Confined Space Entry, Confined Space Monitoring, Fire Watch, and a common Regional Orientation Program. To date, more than 30,000 workers have been trained to the OSSA Fall Protection standard. Syncrude was a co-founder of OSSA and serves on its working committees and Board of Directors. OSSA is supporting continued oil sands industry growth by enhancing local safety training resources and promoting worker mobility.

Rescue Skills Put to the Test
Syncrude’s volunteer mine rescue and firefighting personnel once again proved their mettle at two major emergency response competitions. Our teams were among the top performers at the Western North American Mine Rescue competition and the National Fire Fighter competition. The teams’ performance reflects many hours spent training and preparing for emergencies.

Field Command Post
Syncrude has enhanced its emergency response capability with the acquisition of a state-of-the-art mobile field command post. The new unit meets all current standards for effective emergency response planning, monitoring and communication.
# Health and Safety Performance

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<td>Contractors</td>
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<td>8</td>
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<td>11</td>
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<td><strong>Number of Recordable Injuries</strong></td>
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<td>3.9</td>
<td>3.8</td>
<td></td>
</tr>
<tr>
<td>New Long Term Disability (LTD) Cases</td>
<td>14</td>
<td>15</td>
<td>16</td>
<td>17</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Health Centre Visits (includes visits by Syncrude employees and contractors for occupational, non-occupational and other reasons)</td>
<td>37,209</td>
<td>37,052</td>
<td>19,000</td>
<td>18,520</td>
<td>13,307</td>
<td></td>
</tr>
<tr>
<td><strong>On Site Workforce (full-time equivalents employees &amp; contractors)</strong></td>
<td>18,205</td>
<td>15,806</td>
<td>13,208</td>
<td>10,316</td>
<td>7,593</td>
<td></td>
</tr>
</tbody>
</table>

1 Recordable injury frequency is a rate that includes all injuries requiring medical attention or which resulted in a worker being absent from work. It is expressed as injuries per 100 person years of work. A lost-time injury is an injury that requires medical attention and results in the worker being absent from work. Injury severity is the average rate of lost workdays per lost-time injury.

2 Includes visits by Syncrude employees and contractors for occupational, non-occupational and other reasons.

3 Based on 36,410,499 hours worked in 2005, at 2,000 hours per person.
### Atmospheric Emissions

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Greenhouse Gases</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Millions of Tonnes</td>
<td>–</td>
<td>9.89&lt;sup&gt;1&lt;/sup&gt;</td>
<td>10.67&lt;sup&gt;2&lt;/sup&gt;</td>
<td>10.30&lt;sup&gt;2&lt;/sup&gt;</td>
<td>9.47&lt;sup&gt;2&lt;/sup&gt;</td>
<td>9.88&lt;sup&gt;2&lt;/sup&gt;</td>
<td>8.78</td>
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<tr>
<td>Tonnes per Barrel</td>
<td>–</td>
<td>0.125&lt;sup&gt;1&lt;/sup&gt;</td>
<td>0.121&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.117&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.121&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.117&lt;sup&gt;2&lt;/sup&gt;</td>
<td>0.106</td>
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<tr>
<td><strong>Sulphur Dioxide All Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tonnes per Day (annual average)</td>
<td>&lt;250/210</td>
<td>227</td>
<td>&lt;250</td>
<td>241</td>
<td>212</td>
<td>222</td>
<td>238</td>
</tr>
<tr>
<td>Tonnes per 1,000 Bbls of SSB (annual average)</td>
<td>0.97</td>
<td>1.05</td>
<td>1.0</td>
<td>1.0</td>
<td>0.99</td>
<td>0.96</td>
<td>1.05</td>
</tr>
<tr>
<td>Sour Gas Flaring/Diverting (tonnes per day SO&lt;sub&gt;2&lt;/sub&gt;)</td>
<td>&lt;1.0</td>
<td>4.8</td>
<td>&lt;1.0</td>
<td>5.0</td>
<td>5.6</td>
<td>2.5</td>
<td>5.6</td>
</tr>
<tr>
<td>Sour Gas Flaring (tonnes per day SO&lt;sub&gt;2&lt;/sub&gt;)</td>
<td>&lt;0.8</td>
<td>4.6</td>
<td>&lt;0.8</td>
<td>3.3</td>
<td>5.5</td>
<td>2.4</td>
<td>4.4</td>
</tr>
<tr>
<td>NO&lt;sub&gt;x&lt;/sub&gt; All Sources (tonnes per day)</td>
<td>–</td>
<td>55</td>
<td>–</td>
<td>56</td>
<td>57</td>
<td>57</td>
<td>55</td>
</tr>
<tr>
<td>(kg produced per bbl of SSB)</td>
<td>–</td>
<td>0.25</td>
<td>–</td>
<td>0.23</td>
<td>0.27</td>
<td>0.25</td>
<td>0.24</td>
</tr>
<tr>
<td>Diverter Stack Usage (hours per year)</td>
<td>&lt;70</td>
<td>25</td>
<td>&lt;70</td>
<td>202&lt;sup&gt;3&lt;/sup&gt;</td>
<td>11</td>
<td>7</td>
<td>159</td>
</tr>
</tbody>
</table>

1. CO<sub>2</sub>E emission estimates by Point Source Method - includes emissions of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O expressed as CO<sub>2</sub> equivalents (CO<sub>2</sub>E) plus Biomass Combustion emissions (tree clearing/burning) for mandatory GHG emission reporting beginning in 2004.
2. CO<sub>2</sub> emissions by Carbon Balance Method - includes estimated CO<sub>2</sub> and CH<sub>4</sub> emissions only.
3. Diverter stack usage was caused by outages of CO Boilers 8-1 and 8-2 while they underwent emergency repairs.
   See 2004 Sustainability Report for discussion.
**Sulphur Emissions**

Syncrude successfully operated within its license limits for emissions of sulphur dioxide in 2005, with emissions averaging 227 tonnes per day. After the start-up of Syncrude’s upgrader expansion in the second quarter of 2006, which will introduce flue gas scrubbing on a new fluid coker, emissions are expected to fall to a daily average of less than 210 tonnes per day.

**Emissions Reduction Project**

The engineering design for the Syncrude Emissions Reduction Project was 14 per cent complete at year-end. Procurement and construction will commence in 2006 and the project will be operational in 2009. The project involves the retrofit of a flue gas scrubbing system into the operation of Syncrude’s two original cokers. In combination with scrubbing technology also incorporated into a new coker built as part of Syncrude’s upgrader expansion project, it will reduce stack emissions of sulphur compounds by 60 per cent from current approved levels of 245 tonnes per day. Emissions of particulates will also be reduced by more than 50 per cent.

**Nitrogen Oxides Emissions**

Emissions of Oxides of Nitrogen averaged 55 tonnes per day in 2005, slightly lower than the 56 tonnes per day recorded in 2004. Emissions intensity was higher, due to lower than anticipated crude oil production.

Mobile equipment used in Syncrude’s mining operations is a significant contributor to our total NOₓ emissions, as NOₓ is formed through the combustion of fossil fuels such as diesel. Syncrude will continue to pursue emissions reductions through actions that include:

- equipment purchase specifications that require new engines to meet the latest regulatory requirements for NOₓ;
- development of mine strategies that minimize haul distances and up-hill hauling, reduce rolling resistance and increase the overall efficiency of mobile mine equipment;
- participation in the Surface Mining Association for Research; and
- installation of reliable low NOₓ technology combustion equipment in new plant fixtures such as furnaces, boilers and gas turbine generators.
Waste Heat Recovery

A multi-year program to upgrade Syncrude’s recycle water system has resulted in a dramatic improvement in the recovery of waste heat. In fact, heat recovery has nearly doubled compared to the pre-upgrade benchmark established in 1997, representing more than 600 MW of free energy. As a result, energy inputs and emissions of greenhouse gases have been reduced. The recycle water system provides the hot water needed to extract bitumen from oil sand and the cooling water needed by Syncrude’s upgrading operation.

Energy Efficiency

In 2005, Syncrude’s overall energy consumption rose to 1.43 million BTUs per barrel of production, up from 1.35 million BTUs per barrel in 2004. The volume of purchased energy consumed per barrel of production also rose, to 0.84 gigajoules, a 24 per cent increase over the 0.68 gigajoules consumed per barrel in 2004. The increases were due to reduced operational efficiency caused by extensive maintenance and turnaround work, reduced production of plant fuel gas, and start-up of new Stage 3 units.

Syncrude expects energy efficiency to improve after our upgrader expansion comes fully on line in 2006, as the project will introduce many new process units that are more efficient. Energy consumption for the year is targeted at 1.36 million BTUs per barrel of production.

Syncrude has laid out a 10-year plan to achieve a one per cent per year reduction in energy consumption per unit of production. These reductions in energy intensity will effect reductions in per unit emissions of greenhouse gases of slightly less than one per cent per year. The heart of the plan lies in improved equipment and process reliability, as this will contribute significantly to reduced energy use and GHG emissions by providing steady, reliable and energy-balanced day-to-day operation. The plan also includes Research and Development funding for future projects that will provide energy conservation benefits.

GHG Emission Calculation Audit

In 2004, as part of a government-initiated bitumen industry study, third party verification was conducted of the method used by Syncrude to calculate greenhouse gas emissions originating from our operations. It determined that Syncrude’s GHG inventory has a high degree of validity. Clearstone Engineering Ltd. conducted the audit using Syncrude emissions data for the year 2000. A second phase of the study will validate data from 1990 to 2003.

The verification is part of Syncrude’s ongoing work with government and industry stakeholders to develop a consistent and auditable approach to GHG emission calculation and reporting for the oil sands and heavy oil upgrading industry. This effort will enable the industry to meet provincial, federal and international GHG reporting requirements.

The audit found that the integrity of Syncrude’s GHG data is attributable to its rigorous and transparent approach to estimating GHG emissions using a “point source” emission model, which includes comprehensive fuel metering and compositional analysis and site-specific emission factors derived from extensive site-wide fugitive emission measurement studies.
Key Air Indicators

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</thead>
<tbody>
<tr>
<td>Main Stack SO₂</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hours greater than 16.4 tonnes per hour</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Daily average greater than 292 tonnes per day (# of occurrences)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Main Stack Opacity (# hrs &gt;40%)</td>
<td>&lt;5</td>
<td>0</td>
<td>&lt;5</td>
<td>11</td>
<td>6</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Main Stack NO₂ Emissions (# hrs &gt;1.5 tonnes per hr)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Ambient Air Exceedences</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>H₂S Hourly (#)</td>
<td>0</td>
<td>38</td>
<td>0</td>
<td>20</td>
<td>5</td>
<td>7</td>
<td>4</td>
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<tr>
<td>H₂S 24-hr Period (#)</td>
<td>0</td>
<td>8</td>
<td>0</td>
<td>3</td>
<td>5</td>
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<td>4</td>
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<tr>
<td>SO₂ Hourly (#)</td>
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<td>1</td>
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<tr>
<td>SO₂ 24-hr Period (#)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Odour Complaints Received (#)</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>5</td>
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<tr>
<td>Environmental Fines (#)</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td>0</td>
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<tr>
<td>Environmental Administrative Penalties (#)</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
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<tr>
<td>Total Penalties by Year ($000)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>28</td>
<td></td>
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<tr>
<td>Cumulative Total Penalties since 1978 ($000)</td>
<td>37</td>
<td>37</td>
<td>37</td>
<td>37</td>
<td>37</td>
<td>37</td>
<td>37</td>
</tr>
</tbody>
</table>

Alberta Environment conducts regular on-site audits of our stack sampling procedures to ensure compliance with requirements to maintain high quality data within tightly specified tolerances. Information relating to offsite air quality is measured, collected and validated by an independent third party, the Wood Buffalo Environmental Association.

Resource Conservation

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Total Energy Consumption (billion BTUs)</td>
<td>137,863</td>
<td>114,753</td>
<td>109,251</td>
<td>119,401</td>
<td>107,163</td>
<td>110,022</td>
<td>110,420</td>
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<tr>
<td>Energy Intensity (million BTUs per barrel)</td>
<td>1.36</td>
<td>1.43</td>
<td>1.24</td>
<td>1.35</td>
<td>1.37</td>
<td>1.30</td>
<td>1.34</td>
</tr>
<tr>
<td>Bitumen Recovery (%)</td>
<td>89.6</td>
<td>89.1</td>
<td>91.6</td>
<td>87.4</td>
<td>88.4</td>
<td>89.9</td>
<td>87.0</td>
</tr>
<tr>
<td>Naphtha Losses (bbls per bbl of bitumen produced)</td>
<td>&lt;0.0043</td>
<td>0.0038</td>
<td>&lt;0.0046</td>
<td>0.0038</td>
<td>0.0044</td>
<td>0.0043</td>
<td>0.0058</td>
</tr>
<tr>
<td>Upgrading Yield (%)</td>
<td>88.8%</td>
<td>85.3</td>
<td>86.5</td>
<td>85.5</td>
<td>85.8</td>
<td>86.2</td>
<td>84.5</td>
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</table>
### Water Use

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</thead>
<tbody>
<tr>
<td><strong>Imported from Athabasca River</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(millions of cubic metres per year)</td>
<td>47.4(^1)</td>
<td>28.24</td>
<td>36.9</td>
<td>33.5</td>
<td>32.3</td>
<td>40.7</td>
</tr>
<tr>
<td>(cubic metres per cubic metres SSB produced)</td>
<td>2.4</td>
<td>2.28</td>
<td>2.6</td>
<td>2.2</td>
<td>2.6</td>
<td>3.1</td>
</tr>
<tr>
<td><strong>Process Water Recycled(^2)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>(millions of cubic metres per year)</td>
<td>240</td>
<td>228.0</td>
<td>226.2</td>
<td>228.4</td>
<td>189.1</td>
<td>162.4</td>
</tr>
<tr>
<td>(Recycle as % of total water used)</td>
<td>84</td>
<td>88</td>
<td>86</td>
<td>88</td>
<td>86</td>
<td>80</td>
</tr>
<tr>
<td><strong>Treated Waste Water Discharged to River</strong> (1000 cubic metres)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Sanitary</td>
<td>–</td>
<td>382.4</td>
<td>–</td>
<td>345.4</td>
<td>353.2</td>
<td>195.3</td>
</tr>
<tr>
<td>Other (^3)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

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1. Increase due to growth in planned oil production.
2. Recycled water volumes reflect the combined volumes for Syncrude’s Mildred Lake and Aurora facilities.
3. Syncrude does not discharge any process-affected water to river systems.
Syncrude is the oil sands industry’s most efficient user of water, consuming 2.28 cubic metres for every cubic metre of fully upgraded synthetic crude oil produced in 2005. Our total water import for the year decreased by 8.4 per cent to 28 million cubic metres. New and more efficient equipment and processes enabled the gains. Currently, about 85 per cent of our water needs are met by a continuous recycle system.

**Water Conservation Efforts**

Expansion of Syncrude’s crude oil output will require an increase in our import of raw water in future years, but our plans are to remain within our current license limits.

To foster ongoing efficiency, Syncrude established a water conservation taskforce in 2003. This group has updated water conservation and recovery systems, increased our use of recycled water, and identified areas for future reductions in water consumption. These efforts are conserving a valuable natural resource, while at the same time realizing cost savings for Syncrude.

**Regional Aquatics Monitoring Program**

Results for 2004 (the latest available) from the Regional Aquatics Monitoring Program (RAMP) are similar to previous years, showing little, if any, identified impact from oil sands development. Monitoring focuses on climate and hydrology, water and sediment quality, benthic invertebrate communities and fish populations. Further information about monitoring of regional aquatic systems can be found on the RAMP website at [www.ramp-alberta.org](http://www.ramp-alberta.org).

RAMP was established in 1997 to assess and monitor the health of boreal aquatic ecosystems in the region undergoing oil sands development. Its membership represents industry, government and community stakeholders.

**Implementing new technologies**

The 2003 installation of a new rinse water monitoring system in our water treatment plant has reduced water intake by 700,000 cubic metres annually. At a cost of $50,000, the system ensures optimum use of the water when rinsing key equipment in the plant.

Another initiative is focusing on retrofitting one of our cooling towers. Planned for between 2007 and 2009, the $4 million project is expected to cut water losses by 50 per cent. This will reduce raw water consumption by 1.4 million cubic metres annually.
### Land Use

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</thead>
<tbody>
<tr>
<td>Land Disturbed</td>
<td>19,627</td>
<td>19,160</td>
<td>19,117</td>
<td>18,653</td>
<td>18,335</td>
<td>17,653</td>
<td>16,685</td>
</tr>
<tr>
<td>(cumulative hectares)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Reclaimed</td>
<td>4,639</td>
<td>4,357</td>
<td>4,416</td>
<td>4,056</td>
<td>3,402</td>
<td>3,215</td>
<td>3,024</td>
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<tr>
<td>(cumulative hectares)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Land Disturbed</td>
<td>14,907</td>
<td>14,800</td>
<td>14,701</td>
<td>14,598</td>
<td>14,933</td>
<td>14,438</td>
<td>13,661</td>
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<tr>
<td>(cumulative hectares)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Seedlings Planted</td>
<td>571,000</td>
<td>659,400</td>
<td>724,000</td>
<td>467,000</td>
<td>315,000</td>
<td>233,028</td>
<td>118,597</td>
</tr>
<tr>
<td>(per year)</td>
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</tbody>
</table>
Syncrude continues to lead the oil sands industry in land remediation, with 22 per cent of total disturbed land now reclaimed. At our Base mine site, the reclamation rate in 2005 exceeded that of disturbance for the first time. This trend will continue as the mine reaches the end of its production life in 2006 and the operations focus moves to the North and Aurora mine areas.

In 2005, $14 million was spent on reclamation activities. Due to material availability, we did not meet our reclamation target for 2005; however, it was still a record year, during which more than 300 hectares of land was reclaimed and 659,400 seedlings were planted.

Syncrude remains committed to minimizing the amount of land we disturb at any given time and is implementing innovative and progressive reclamation strategies. Over the next few years, we will concentrate our efforts on soil and vegetation development, landform design and construction, development of new reclamation methods and wildlife habitat enhancement. In addition, we continue to work with the Government of Alberta towards reclamation certification.

**Top awards for wood bison project**

Through the Beaver Creek Wood Bison Ranch, Syncrude and the Fort McKay First Nation co-manage the country’s largest conservation herd of wood bison outside of the national parks. This project contributes to our ongoing reclamation research. Work continues to register the herd of some 300, which may aid in species conservation efforts by confirming the animals are indeed pure wood bison. The health of the herd remains excellent. In fact, awards were won by each of the eight animals entered into the annual Wild Rose Classic Show and Sale, including the top prize of Reserve Grand Champion.

**Tailings**

During the year, work to reclaim Syncrude’s former East mine continued, using composite tailings as the foundation for the future landform. Already, some 35 million cubic metres of tailings have been deposited in this area, which will see full-scale reclamation and planting around 2010. As work progresses, increased consultation is planned to inform stakeholders of key milestones and the long-term vision for this area.

*The composite tailings process is more fully discussed on page 60 of Syncrude’s 2003 Sustainability Report: www.syncrude.com*

Tailings technology development continues to be a high priority for Syncrude’s research teams; they are focused on minimizing the impact of our operations, improving our reclamation capabilities, earning the support of our stakeholders and reducing costs.
### Waste Management

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</thead>
<tbody>
<tr>
<td>Waste Recycled/Reused – Solid (tonnes) ¹</td>
<td>15,630</td>
<td>18,180</td>
<td>15,380</td>
<td>13,540</td>
<td>14,600</td>
</tr>
<tr>
<td>Waste Recycled/Reused – Liquid (cubic metres) ²</td>
<td>3,360</td>
<td>3,040</td>
<td>3,010</td>
<td>2,610</td>
<td>4,200</td>
</tr>
<tr>
<td>Waste - Solid Hazardous sent for offsite treatment or destruction (tonnes)</td>
<td>14</td>
<td>19</td>
<td>73</td>
<td>13</td>
<td>29</td>
</tr>
<tr>
<td>Waste - Liquid Hazardous sent for offsite treatment or destruction (cubic metres)</td>
<td>5</td>
<td>38.3</td>
<td>4.1</td>
<td>6.7</td>
<td>4.3</td>
</tr>
<tr>
<td>Waste Disposal – Offsite Hazardous (tonnes)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Waste Disposal – Offsite Non-Hazardous (tonnes)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Waste Disposal – Onsite Industrial Non-Hazardous (tonnes)</td>
<td>28,680</td>
<td>33,320</td>
<td>61,730</td>
<td>53,410</td>
<td>19,530</td>
</tr>
<tr>
<td>Waste Disposal – Onsite Sanitary</td>
<td>2,880</td>
<td>2,350</td>
<td>1,900</td>
<td>1,360</td>
<td>1,550</td>
</tr>
</tbody>
</table>

¹ Includes catalyst, scrap metal, tires, conveyor belting and batteries.
² Includes used oil, used solvents and glycol.
Syncrude’s waste management program is guided by the 3-R philosophy of reduce, reuse and recycle. Our goals are to continually reduce the quantity of waste generated by our operation and to dispose of non-recyclable waste materials in a safe, environmentally sound manner, while ensuring compliance with all applicable legislation.

In addition to realizing environmental benefits, our adherence to the 3-R philosophy saves money through reduced costs for raw materials, as well as for containment, transportation and disposal of waste. Syncrude is committed to demonstrating continued leadership in this area.

Creating Value From Waste
Over the past few years, Syncrude has identified areas in which waste streams can be transformed into products that provide further economic benefit while decreasing impacts on the environment. This includes mineral recovery from waste tailings (as discussed in our 2003 Sustainability Report at www.syncrude.com). A third party is pursuing mineral recovery opportunities in agreement with Syncrude.

In 2006, a significant step will be taken to recover waste sulphur and ammonia streams and use these to manufacture fertilizer for agricultural markets. A third party has built an ammonium sulphate fertilizer plant on the Syncrude site that will commence operation in the second quarter of 2006. It will use as its feedstock waste sulphur and ammonia captured from our operations.

Cardboard Recycling
An accumulation of cardboard packaging left over from Syncrude’s Stage 3 upgrader expansion has found its way to recycling facilities thanks to the recent purchase of two cardboard compactors. The new compactors enabled an increase in the amount of paper sent for recycle from 10.4 tonnes in 2004 to 57.8 tonnes in 2005; these facilities position us for increased cardboard recycling in future years.
Corporate Information

**Board of Directors**
Canadian Oil Sands Limited/
Canadian Oil Sands Limited Partnership
Marcel Coutu, Chairman 1, 2, 3, 5
Alan Hagerman 4
website: www.cos-trust.com

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John LeGrow 2, 3, 5
John Anders 2
website: www.conocophillips.com

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Mark Konopczynski 2, 3, 4, 5
Rick Pawluk
website: www.imperialoil.ca

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Sonny Lyons 1
Charles Scholz 5
Masashi Yoshizawa
website: www.noex.co.jp

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Harvey Doerr 1
Steve Crosby 3, 5
website: www.murphyoilcorp.com

Nexen Inc.
Charlie Fischer 1
Marvin Romanow 3, 5
website: www.nexeninc.com

Petro-Canada Oil and Gas
Ron Brenneman 1
Brant G. Sangster 4, 5
website: www.petro-canada.ca

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Chairman, Board of Directors
Charles F. Ruigrok
Chief Executive Officer
James E. Carter
President and Chief Operating Officer
Philip C. Lachambre
Executive Vice President and Chief Financial Officer
Murray D. Smart
Executive Vice President, Strategic Projects
Gordon M. Ball
Vice President, Bitumen Production,
Mildred Lake
Gordon R. Winkel
Vice President, Bitumen Production,
Aurora
Fred A. Hemphill
Vice President, Bitumen Processing
Rosalind Eichhorn
Vice President, Human Resources and Support Services
Doug G. Allen
Controller
Ray B. Hansen, Q.C.
General Counsel
Donald C. Thompson
Corporate Secretary and
General Manager,
Environment, Health and Safety

**External Financial Auditors**
KPMG

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Website: www.syncrude.com

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1 Member of the CEO Committee
2 Member of the Environment, Health & Safety Committee
3 Member of the Compensation Committee
4 Member of the Audit & Pension Committee
5 Member of the Syncrude Joint Venture Management Committee
Syncrude is a participant in the Towards Sustainable Mining (TSM) initiative of the Mining Association of Canada, which is a strategy for improving the sustainability performance of Canada’s mining industry.

Syncrude is accredited at the Gold Level in the Progressive Aboriginal Relations (PAR) Program of the Canadian Council for Aboriginal Business. PAR measures corporate performance in Aboriginal employment, business development, capacity development and community relations.

Syncrude is a member of Canadian Business for Social Responsibility (CBSR), a business-led, non-profit Corporate Social Responsibility consultancy and peer-to-peer learning organization. CBSR provides its members with candid counsel and customized advisory services to improve their social, environmental and financial performance.

Syncrude is a member of the Stewardship initiative of the Canadian Association of Petroleum Producers; this designation certifies that our EH&S management systems and performance are audited by independent third parties.

Syncrude is a platinum level participant in the Progress in itiative of the Canadian Association of Petroleum Producers; this designation certifies that our EH&S management systems and performance are audited by independent third parties.

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This project:

- saved 121 trees
- saved 51,381 gal. of water/wastewater flow
- 5,451 lbs. solid waste not generated
- 10,654 lbs. atmospheric emissions eliminated