

INDIGENOUS RELATIONS



Local First Nations and Métis people are among the most significant communities impacted by our business. We operate on the traditional lands of five Treaty 8 First Nations and the homeland of the Métis, and since our earliest days have worked to accommodate their interests wherever possible.

We aim to build strong relationships with Indigenous communities and establish mutually beneficial formal agreements that mitigate concerns and provide shared value. Toward this, the goals for our Indigenous Relations program clearly define our engagement principles, with a focus on employment, business development, community-guided investment, effective engagement and consultation, and environmental stewardship.

EFFECTIVE STEWARDSHIP OF COMMITMENTS

A steering committee comprised of executives, and senior management meets quarterly to steward our commitments and guide strategies which aim to ensure positive outcomes for local Indigenous communities. An Indigenous Relations team supports the committee, and manages the day-to-day engagement and relationships.

EFFECTIVE STEWARDSHIP OF COMMITMENTS (Cont'd)

We are also guided by our Indigenous Relations Policy and Community Relations Policy, while the effectiveness of our external relations program is assessed through internal and third party audits.

Our engagement processes are also reviewed internally each year to ensure conformance with the standards of the Aboriginal and Community Outreach Protocol under the Mining Association of Canada's Towards Sustainable Mining (TSM) initiative. An external assessment that includes interviews with stakeholders occurs every three years. For 2016, Syncrude was recognized as having a well-developed engagement program and received the top rating. (The verification for the 2019 reporting year was scheduled for early 2020 but, due to the COVID-19 pandemic, has been rescheduled for early 2021.)

Syncrude also advocates for greater Indigenous inclusion countrywide, supporting organizations such as the Canadian Council for Aboriginal Business, Indigenous Works and Indspire, and through our participation in related committees of the Mining Association of Canada and the Canadian Association of Petroleum Producers.



Our Indigenous workforce of over 480 First Nations, Métis and Inuit people represents around 10% of our total employee population.

RESPECTING THE RIGHTS OF INDIGENOUS PEOPLES

Syncrude's operations are located solely in Alberta; we have no international sites. We have always abided by the laws and regulations of the Government of Canada and support the constitutional right of Indigenous people to be consulted as delegated by the Crown. Recognizing the importance of national reconciliation, we support implementing the principles of the United Nations Declaration on The Rights of Indigenous Peoples (UNDRIP) in a manner consistent with the Canadian Constitution and law, and will continue to monitor and seek further understanding on its application to our business.

ENGAGEMENT AND CONSULTATION ACTIVITIES

We acknowledge the interests of local Indigenous people regarding our environmental stewardship and engage with them on matters such as end-land use, air quality and local operational updates. Syncrude completes this through various forums. These include operations tours, advisory committees, the Reclamation Engagement Focus Group, and committees established through the Air and Odour Improvement Program for Fort McKay.

Consultation occurs regularly and directly on key projects. We strive for early engagement wherever possible and have formal agreements with many of our neighbouring communities that work to mitigate project-specific concerns and provide socio-economic benefits and opportunities.

Our Mildred Lake Extension (MLX) Project involved extensive consultation over a number of years. We launched a broad-ranging consultation in 2013 with local Indigenous communities and other affected stakeholders which included opportunities to provide input into the draft terms of reference for the environmental assessment. We also sought proposals to carry out Traditional Land Use studies prior to Syncrude submitting the application. Over 300 consultation and negotiation meetings were held with local Indigenous communities on the project. Because of these efforts, the company reached agreements with four First Nations and two Métis Locals.

RECLAMATION ENGAGEMENT FOCUS GROUP

In cooperation with local Indigenous communities, Syncrude established the Reclamation Engagement Focus Group to help ensure the re-establishment of native tree species, shrubs and traditional medicinal plants of interest. By incorporating traditional knowledge into our reclamation plans, we aim to create a landscape similar to pre-disturbance that also supports the continued practice of Indigenous rights and traditional uses. Members of the group include both Elders and youth to ensure knowledge and discussions reflect input from all generations.

Members of the Reclamation Engagement Focus Group visit a reclaimed area on the Syncrude site.



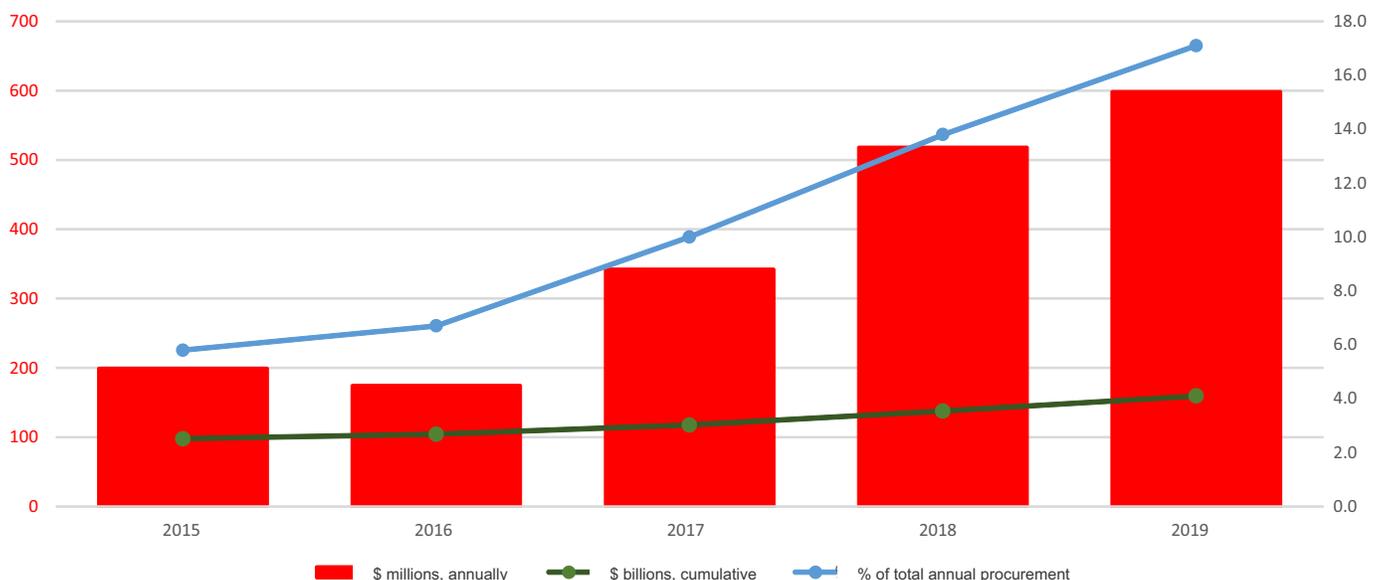
INDIGENOUS BUSINESS PROCUREMENT OVER \$4 BILLION

Syncrude's continued focus on identifying more opportunities for regional suppliers led to a record \$602 million spend in 2019 with Indigenous businesses – 17 per cent of our total annual procurement. Cumulative procurement from Indigenous suppliers now totals over \$4.1 billion.

Over the last few years, Syncrude's support of local Indigenous suppliers has resulted in significant growth for these companies. The types of businesses are diverse and include logistics, earthworks, site and environmental services, and facilities and mechanical maintenance.

Syncrude's definition of an Indigenous business is one that is at least 51 per cent owned by a First Nation, Métis Local, or Indigenous person. The Indigenous owner also must be in control of the daily operations of the business.

Indigenous Business Spend



TOP-TIER ACCREDITATION WITH THE PROGRESSIVE ABORIGINAL RELATIONS PROGRAM

Syncrude has been certified six times at the Gold Level of the Progressive Aboriginal Relations program of the Canadian Council for Aboriginal Business. Syncrude is one of 18 companies who have attained this level – and one of two in the oil sands – which recognizes our work to create opportunities for Indigenous businesses, employ Indigenous people, and engage with Indigenous communities. Further information on PAR can be found on the CCAB website.

OUR INDIGENOUS WORKFORCE

Our Indigenous workforce of over 480 First Nations, Métis and Inuit people represents around 10% of our total employee population. In 2019, seven per cent of our leadership and seven per cent of all new hires were of self-declared Indigenous descent.

We strive to ensure our workforce reflects the Indigenous representation in the Wood Buffalo region (6.7 per cent according to the 2018 census) and have an enterprise-wide inclusion approach to maintain strong levels of Indigenous hiring. It includes a dedicated Indigenous recruitment specialist, our rotational employment program for Fort Chipewyan residents, and our participation in events organized by Indspire and Indigenous Works. We also support education and trades training programs that develop the next generation of Indigenous entrants to the workplace.



COMMUNITY INVESTMENT

Syncrude regularly invests in initiatives and programs that support our key Indigenous commitment areas of corporate leadership, education, employment, business, community development and the environment. Around \$1.5 million was contributed in 2019 to organizations and initiatives such as:

- **Athabasca Chipewyan First Nation** – 1st Annual Career Fair
- **Athabasca Delta Community School** – Learning on Literacy Project
- **Janvier Sekweha Youth Centre** – sponsorship and support
- **Mikisew Cree First Nation** – Working Warriors program
- **Fort McKay First Nation** – E-Learning Education program
- **National Gathering of Elders** – event sponsorship
- **Indspire** - Indigenous Engineering Scholarship endowment fund
- **Canadian Council for Aboriginal Business (CCAB)** – program support
- **Willow Lake Métis Local** – Funding for cultural retention, education and training
- **Indigenous Works** – program support
- **Wood Buffalo Food Bank** – mobile grocery delivery to Indigenous communities
- **University of Alberta** – U School educational programming and engineering outreach
- **CAREERS: The Next Generation** – Indigenous Youth CAREER Pathways

PATHWAYS MAGAZINE

Syncrude annually publishes a comprehensive overview of our Indigenous relations work and our progress in stewarding to our key commitment areas. Called Pathways, the review also profiles tremendous success stories and role models from Indigenous communities. It is available for download on our website.

IN YOUR COMMUNITY NEWSLETTER

In Your Community helps us to effectively communicate with our neighbours, showcase initiatives and provide updates on our activities. Past and present newsletters are available to view or download on our website.