

CORPORATE GOVERNANCE



Syncrude Canada Ltd. (“Syncrude” or the “Corporation”) is a private corporation incorporated under the Business Corporations Act of Alberta.

Syncrude’s bylaws stipulate that shares of the Corporation will be held only by the shareholders of Syncrude (the “Shareholders”) in proportion to their percentage interest in the Syncrude Project, a joint venture, and that Syncrude may not carry on business or activities other than as operator of the Syncrude Project on behalf of the Shareholders.

BOARD OF DIRECTORS

The Board of Directors of Syncrude (the “Board”) is elected by the Shareholders and is responsible for providing general oversight and direction to the Corporation. The Board meets at least twice annually and fulfills all statutory and other legal requirements that have not been delegated to the Committees of the Board.

There are three Committees of the Board, which meet on a more frequent basis: Health, Safety Environment & Corporate Sustainability Committee; Audit & Pension Committee; and Human Resources & Compensation Committee. The Committees are composed of members of the Board of Directors.

HEALTH, SAFETY, ENVIRONMENT & CORPORATE SUSTAINABILITY COMMITTEE

The Board has delegated to the Health, Safety, Environment & Corporate Sustainability Committee certain responsibilities relating to oversight, guidance and direction in respect of Corporation's health, safety, environment, corporate sustainability and security policies, practices and compliance systems, including:

- Reviewing and approving the Corporation's principal health, safety, environment, corporate sustainability policies and security policies and programs and related management systems and significant changes thereto;
- Recommending that the Board or the Corporation undertake a special review of health, safety, environmental, corporate sustainability or security issues, programs or initiatives at any time the Committee deems appropriate;
- Reviewing the Corporation's processes for the selection, preparation and disclosure of sustainability performance data and information, and reviewing the Sustainability Report prior to public dissemination;
- Advising on the adoption of appropriate health, safety, environmental, corporate sustainability and security targets and measures;
- Ensuring alignment with the Audit & Pension Committee on the assessment and adequacy of controls to manage risks in respect of health, safety, environment, corporate sustainability and security and reviewing significant items from any audits and assessing the Corporation's response and recommendations; and
- Annually reviewing the Public Affairs, Research & Development and Regulatory Affairs plans to ensure consistency with the Corporation's broader strategic objectives for health, safety, environment, corporate sustainability and security.

AUDIT & PENSION COMMITTEE

The Board has delegated to the Audit & Pension Committee certain responsibilities relating to oversight, guidance and direction in respect of the Corporation's internal business controls and management systems for financial accounting, reporting and disclosure as well as the financial administration and management of the Retirement Plan for the Employees of Syncrude Canada Ltd. ("Retirement Plan") and associated assets ("Fund"), arising under the Employment Pension Plans Act ("Act"), including:

- Reviewing the adequacy of the Corporation's internal control systems and processes, accounting principles and practices and disclosure requirements and approving material changes thereto;
- Reviewing the scope and adequacy of the Corporation's internal audit program and findings of external and internal audits, including serious irregularities and general trends of concern;

AUDIT & PENSION COMMITTEE (Cont'd)

- Reviewing and endorsing for the Board's approval, all audit opinions and annual financial statements of the Corporation and Retirement Plan and external auditor's fees;
- Recommending to the Board the external auditor for the Corporation;
- Reviewing and providing input on the Corporation's cyber-security program and receive reports on any significant cyber-security incidents;
- Overseeing the investment of the Fund and monitoring its performance and compliance with the Statement of Investment Policies and Procedures ("SIPP");
- Reviewing and approving the SIPP and the Corporation's Governance Policy and Funding Policy in respect of the Plan and Fund in accordance with the Act; and
- Approving the appointment of the actuary for the Plan and trustee and custodian of the Fund and reviewing and approving financial assumptions and actuarial valuations of the Fund.

Syncrude has a Code of Ethics and several other core Business Conduct policies that are designed to foster a high level of ethical conduct expected by our employees and contractors. The Corporation stewards the application of these policies and reports regularly to the Audit & Pension Committee and its officers and make quarterly and annual representations to the Board to confirm compliance.

HUMAN RESOURCES & COMPENSATION COMMITTEE

The Human Resources & Compensation Committee assists the Board in fulfilling its responsibilities to provide oversight, guidance and direction in respect of the Corporation's principal compensation and benefit programs and human resource policies and succession plans, including:

- Reviewing and approving annual adjustments to the salaries and benefits of the Corporation's employees and non-secured officers and executives;
- Reviewing and approving principal human resource policies and programs of the Corporation and significant changes thereto and to providing advice and direction on major human resource issues;
- Approving changes in the plan design and compensation features of any benefit plan texts, including the Retirement Plan, that require Board approval;
- Approving annual performance bonuses or short-term or long-term incentive awards for the Corporation's employees and non-secured officers and executives in a manner consistent with the approved plan texts for such bonuses and awards;
- Approving any post-retirement pension payment adjustments and adhoc increases, and to authorize the Corporation, as sponsor of the Retirement Plan, to make such payments; and
- Reviewing and approving changes to management structure and senior management succession plans of the Corporation or providing guidance on significant issues regarding those matters.

MANAGEMENT COMMITTEE

The Management Committee is the governing body of the Syncrude Project. Each joint interest owner in the Syncrude Project (each, a “Participant”) appoints a primary and alternate representative to the Management Committee, which meets regularly. The Management Committee primarily deals with significant operating and strategic issues and opportunities impacting the value, return, business risk, and growth and development of the assets of the Syncrude Project. The Management Committee's mandate includes reviewing and approving the strategic plans, business plans, annual budget and major capital appropriations developed by Syncrude, as operator of the Syncrude Project. In addition, it reviews overall financial and operational performance of the Syncrude Project. The current Chair of the Management Committee is Melanie Weber, Vice President, Regional Integration & Development, at Suncor Energy Inc.

OPERATIONS & STRATEGIC SUBCOMMITTEE

The Management Committee has established the Operations & Strategy Subcommittee (“OSSC”) to support it, Syncrude and the Participants. The OSSC provides the initial and more detailed review of matters being directed to the Management Committee for decision by Syncrude. It also assists Syncrude on matters for which it is seeking guidance, input or support from the Participants. The oversight responsibilities of the OSSC includes:

- Reviewing and endorsing Syncrude's Business Plan, Annual Budget, R&D Technology Development Plan and strategic plans;
- Reviewing and endorsing major capital project work programs and other planned capital expenditures and monitoring performance of Syncrude's major capital project execution;
- Reviewing and endorsing growth development and lease optimization opportunities; and
- Reviewing and monitoring Syncrude's regular stewardship reports and operating performance, including cost and plant reliability.



CORPORATE INFORMATION

BOARD OF DIRECTORS

DIRECTOR	COMPANY
Wayne Pon Jamie Suddaby ¹³ Simon Younger Bruce Milner ² Jamie Long	Imperial Oil Resources Limited
Quin Wilson Scott Chalker ¹²³ Jiejun Chen	CNOOC Oil Sands Canada
Weisong Xue Guangiun Chen Jiuhe Gong ¹ Yanxia Ding ³ Derek Wong ²	Sinopec Oil Sands Partnership
Mike MacSween Cal Buchanan Belinda Phillips ² Jeff Farnham ³ Melanie Weber ¹	Suncor Energy Inc. (Held as 36.74% Canadian Oil Sands Partnership #1 and 22% Suncor Energy Ventures Partnership, both wholly owned affiliates of Suncor Energy Inc.)

1 Member of Human Resources & Compensation Committee

2 Member of Health, Safety, Environment & Corporate Sustainability Committee

3 Member of Audit & Pension Committee

MANAGEMENT COMMITTEE

COMMITTEE MEMBERS	COMPANY
Wayne Pon Jamie Suddab (Alternate)	Imperial Oil Resources Limited
Scott Chalker Jennifer Roeske (Alternate)	CNOOC Oil Sands Canada
Jiuhe Gong Derek Wong (Alternate)	Sinopec Oil Sands Partnership
Melanie Weber Belinda Phillips (Alternate)	Suncor Energy Inc.

OFFICERS OF SYNCRUDE CANADA LTD.

Mike MacSween

Chair of the Board

Doreen Cole

Managing Director

Steve Yatauro

Senior Vice President, Production

Doug Simms

Vice President, Business Services

Curtis Serra

General Counsel and Corporate Secretary

External Auditors

KPMG LLP

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