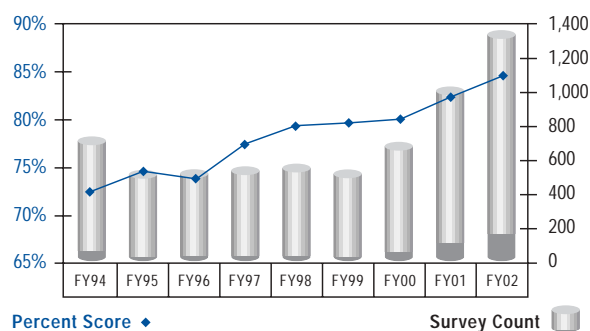


DELIGHTED CLIENTS

We spend a lot of time with project teams discussing the importance of total client satisfaction and how to increase client delight. Client satisfaction survey results show that our effort to deliver superior performance is working, with an improvement of more than two full percentage points on our average score. Client delight is a long journey and we won't be satisfied until our average survey scores are above 90 percent, with zero dissatisfied clients.

Fiscal Year 2002 Client Survey Results



Steadily improving client satisfaction survey scores reflect our commitment to drive superior performance.

SAFETY

Our safety performance leveled off last year with stagnation in some of our existing operations and the integration of three major acquisitions into our safety program. Although our OSHA incident rate (U.S. Standard) remained below 1.0, we didn't achieve the improvement we targeted. At mid-year we significantly retooled our subcontract safety

management procedures so everybody clearly understands their roles and responsibilities. In the end, we are responsible for subcontractor safety—our clients expect this from us. Our commitment to safety never ends and we intend to set the pace for our industry. Our goal is zero incidents; we won't be satisfied until we achieve it.

"Our entire organization is very pleased that Jacobs carried out the two recent outages in plant 5 without a single incident or reported first aid. This is a remarkable achievement on our Journey to Zero. We recognize all employees and the efforts of management and front-line foremen; and supervision, coordination, and safety people. On the behalf of Suncor, please accept my thanks for this achievement."

ED PARANS, Area Manager, Upgrading Base Plant
Suncor Energy, Fort McMurray, Alberta, Canada

THE FUTURE

As we write this, a sluggish global economy and significant threat of war create great uncertainty in the business world. However, we view this as a great opportunity to gain market share, explore intelligent acquisitions, and continue to grow our business an average of 15 percent annually. Our prospect list remains strong and, as always, we appreciate the support of our employees, clients, and shareholders. With this type of support, we can accomplish anything.

JOSEPH J. JACOBS,
Chairman of the Board

NOEL G. WATSON,
Chief Executive Officer