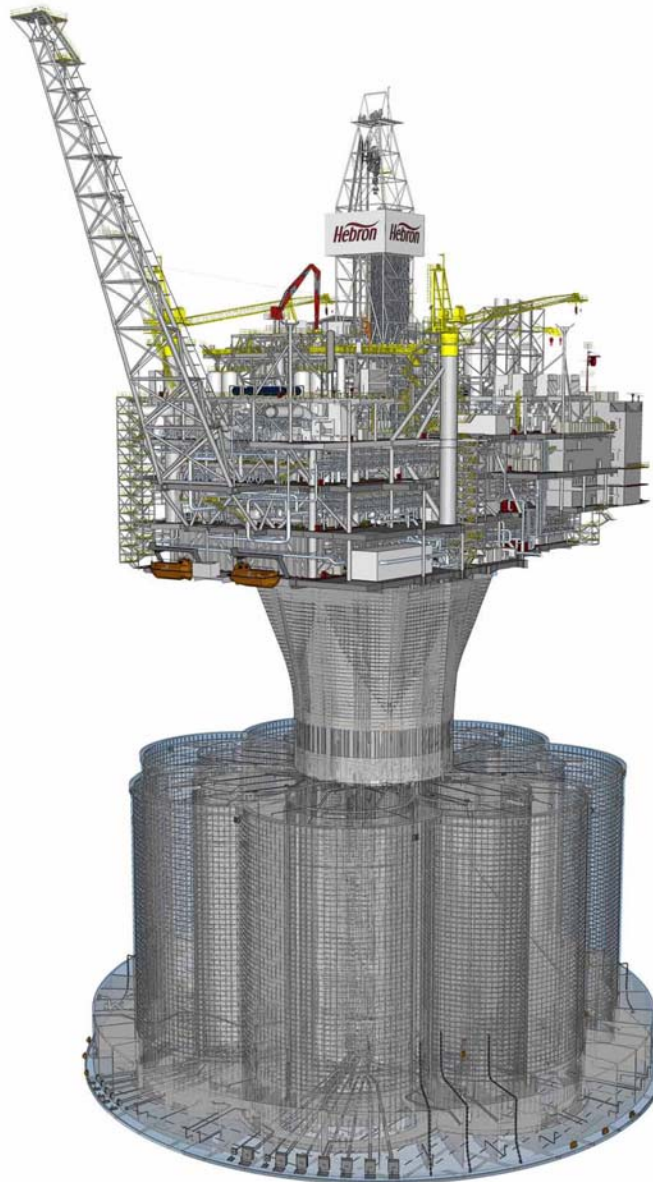




ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report
for the Period January 1, 2013 to December 31, 2013**

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1.0 Introduction

Hebron is a heavy oil field estimated to produce more than 700 million barrels of recoverable resources. The field was first discovered in 1980, and is located offshore Newfoundland and Labrador in the Jeanne d'Arc Basin 350 kilometres southeast of St. John's, the capital of Newfoundland and Labrador. It is approximately 9 kilometres north of the Terra Nova Project, 32 kilometres southeast of the Hibernia Project, and 46 kilometres from the White Rose Project. The water depth at Hebron is approximately 92 metres.

The Hebron co-venturers are: ExxonMobil Canada Properties (EMCP) (36%), Chevron Canada Resources (26.7%), Suncor Energy Inc. through the Hebron Petro-Canada Partnership (22.7%), Statoil Canada (9.7%) and Nalcor Energy – Oil and Gas Inc. (4.9%). EMCP is the operator of the Hebron Project.

During May 2011, EMCP on behalf of the Hebron co-venturers, filed the Hebron Benefits Plan with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB). The Hebron Benefits Plan was conditionally approved on May 31, 2012 and covers the construction and operations phases of the project.

Five key principles of the Benefits Plan include:

- Meeting local benefits commitments while maintaining the highest levels of safety, environmental performance, efficiency and integrity of our operations;
- Selecting contractors and suppliers that will work diligently with us to deliver benefits to the people of the Province;
- Promoting the development of local skills and industry capacity that leaves a lasting legacy for the communities in which we operate and for the Province;
- Delivering execution certainty so that Hebron delivers best-in-class return on investment to stakeholders, including the Province of Newfoundland and Labrador; and
- Working collaboratively with industry, government, academic and training institutions, community and other stakeholder groups for the effective delivery of benefits.

As outlined in section 45 of the Atlantic Accord Acts, specific provisions of the Hebron Benefits Plan include a plan for:

- The employment of Canadians and, in particular, members of the labour force of the Province of Newfoundland and Labrador;
- Providing manufacturers, consultants, contractors and suppliers and service companies in the Province, and other parts of Canada, with full and fair opportunity to participate on a competitive basis in the supply of goods and services used in any proposed work or activity referenced in the Benefits Plan;
- Providing first consideration to services provided from within the Province and to goods manufactured in the Province, where those services and goods are competitive in terms of fair market price, quality and delivery;

- Consistent with the Canadian Charter of Rights and Freedoms, providing individuals resident in the Province with first consideration for training and employment in the work program for which the Benefits Plan was submitted;
- The establishment of an office in the Province where appropriate levels of decision-making are to take place; and
- Expenditures for R&D, including education and training, to be carried out in the Province.

This report summarizes the Hebron Project activities for the period of January 1, 2013 to December 31, 2013 in the areas of employment, expenditures, procurement and contracting, supplier development research and development, diversity and other relevant areas.

2.0 Project Activity and Benefits Accomplishments

The Hebron Project has had a year filled with achievements and accomplishments. The project has been involved in continuous collaboration and engagement with various stakeholders throughout 2013 regarding benefits initiatives and plans. EMCP is committed to providing benefits to the Province and has achieved major accomplishments during 2013.

On January 31, 2013, EMCP responded to the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) regarding the Commissioner's recommendations relative to the Hebron diversity plan and the socio-economic impact statement and sustainable development report. On February 20, 2013, the C-NLOPB confirmed that the responses reasonably and adequately addressed the matters raised in the recommendations.

EMCP responded to an item of the staff analysis monitoring and reporting plan relating to the Utilities Process Module (UPM). On February 20, 2013, the C-NLOPB confirmed the information adequately addressed the matters identified in the monitoring and reporting plan.

On February 28, 2013 EMCP received notification from the C-NLOPB that Condition 1(b) respecting the approval of the Hebron Benefits Plan had been satisfied. This was the last condition to be closed regarding the Benefits Plan approval.

The submission to the C-NLOPB to satisfy Condition 1(b) included several opportunities to mitigate potential labour shortages through training and targeted recruitment. The first initiative was an ironworker training program which provided NL residents with the opportunity to become apprentice rebar ironworkers. The first class began on February 4, 2013 and graduated on March 9, 2013. The second class of Ironworkers began on May 6, 2013 and graduated on June 7, 2013.

A second training initiative focused on increasing the pool of NL residents who are qualified tower crane operators. The Hebron Project, the Government of Newfoundland and Labrador and the Operating Engineers (OE) College (Local 904) came together to support and implement a training program that allowed journeyman mobile crane operators to become qualified as journeyman tower crane operators. As well, it allowed apprentice mobile crane operators to become qualified as apprentice tower

crane operators. A tower crane was donated by the Hebron Project to the OE College in Holyrood - equipment instrumental for training purposes. The Government of Newfoundland and Labrador and the OEs also committed funding for this training program, including a tower crane simulator and other program costs. The first Hebron-specific, 12-week tower crane training course commenced March 18, 2013 and concluded on June 7, 2013. The second 12-week training course began on June 10, 2013 and concluded on August 30, 2013. This will provide the project with a pool of NL residents to recruit from based on our labour needs and will help to increase employment and training opportunities for NL residents. Providing the tower crane to the Operating Engineers College will contribute to the project's legacy of education and training in building capacity for Hebron and future projects.

On March 1, 2013 EMCP, the Hebron co-venturers, and Kiewit-Kvaerner Contractors (KKC) benefits teams along with members of the C-NLOPB visited the Ironworker Union training facilities and Operating Engineers College for a tour and overview of the facilities and training programs.

The Hebron benefits team has undertaken various internal initiatives to create and sustain a benefits culture on the project. The third and fourth editions of the 'Hebron Benefits Bulletin' newsletter were printed and distributed in April 2013 and December 2013, respectively. The Bulletin provides an update of benefits related activities to the project.

The Hebron benefits team distributed its second and third 'Building a Benefits Culture Focus Area' to the project team to contribute to the benefits awareness and culture on the Hebron Project. The one page 'Focus Area' provides a fact, update or reminder to the project team to ensure benefits commitments and requirements are instilled and considered in project decisions and activities. They are also copied to the main engineering, procurement and construction (EPC) contractors to share with their project teams.

During Q2 2013, EMCP received notification from the C-NLOPB that the 2012 Annual Canada-NL Benefits Report met the C-NLOPB's requirements and the 2012 Research and Development expenditures were deemed eligible.

During May 2013, the project launched a revised Vendor Registration Database. The Hebron Vendor Registration Database is used by EMCP and its main contractors to identify potential suppliers to participate in the Hebron Project. The revised web application contains many enhancements and efficiencies not offered by the previous platform including:

- Ability for vendors to self-register by completing a publicly accessible vendor registration form to enter its profile data
- Ability for vendors to register multiple companies under one vendor account
- Improved search and reporting capability
- Self-service password change feature for registered vendors
- Improved security
- Custom reporting
- Additional data fields for vendor profiles including specific supplier diversity information

During the Q3 2013 reporting period, benefits representatives from EMCP, KKC and WorleyParsons Canada Ltd. (WorleyParsons) hosted 15 members of ACOA's Supplier Development Committee at Bull Arm on a tour of the construction site.

The project sponsored a booth at the Placentia Bay Industrial Showcase on September 26, 2013 at which representatives from EMCP, WorleyParsons and KKC answered questions and provided information about the project. The Technical Manager presented an update about the project on the second day of the showcase.

On October 23, 2013 the Hebron, Hibernia and Hibernia Southern Extension (HSE) Projects launched their respective Supplier Diversity Programs. The morning session included presentations from the projects and from Canada's two national certifying organizations, Canadian Aboriginal and Minority Supplier Council (CAMSC) and WEConnect (CAMSC certifies aboriginal or visible minority business owners while WEConnect certifies women owned businesses). During the afternoon session, representatives from CAMSC and WEConnect were available to meet with local suppliers and organizations seeking additional information on their respective certifications. Procurement representatives from the projects were also available for networking opportunities. One of the highlights of the Supplier Diversity Program is that the projects have made certification with these organizations more accessible by reimbursing certification fees for two years for NL diverse companies who meet minimum requirements from the certifying organizations and the projects. During December, an online Supplier Diversity Program eligibility assessment form was published on the Hebron Project website for interested diverse suppliers to learn more about the Programs and if applicable, complete and submit the assessment form to determine if its business can take advantage of the programs.

Representatives from Hebron attended the WEConnect Canada annual conference in Toronto during November 2013. The 2013 conference focused on understanding the opportunities of supplier diversity, gaining insights into the procurement practices of corporations and government, knowledge sharing, networking with women business owners and facilitating direct connections between corporate members and women business owners. Hebron participated in the one-on-one networking sessions and met with nine Newfoundland and Labrador businesses that attended the conference. The networking sessions provided an opportunity for the project to discuss their recently launched Supplier Diversity Programs and for the nine companies to discuss how they could participate in the project.

EMCP hosted several Benefits and Diversity update sessions during November 2013 in St. John's, Marystown, Clarendville and Corner Brook. Various stakeholder representatives from academia, municipal, provincial and federal governments and community organizations attended the sessions. The purpose of these sessions was to provide a project update to the various stakeholders from a benefits perspective. A total of 43 stakeholder representatives participated in the sessions. The project views these sessions as an opportunity for two-way feedback. It provides an opportunity to update stakeholders on the project's progress and stakeholders provide their feedback on the project's activities.

During Q4 2013, the Newfoundland and Labrador Organization of Women Entrepreneurs (NLOWE) hosted four separate Exploration Series events for women entrepreneurs to help these businesses understand what it takes to do business with large scale projects in the Province. Representatives from the project participated in each of these events entitled, Making the Connection, Responding to RFPs, Leveraging the Opportunities and Navigating the Supply Chain. Networking opportunities were made available during the Making the Connection series and there was considerable interest from woman-owned businesses regarding the project.

In June, representatives from EMCP, KKC and WorleyParsons spoke at the annual Noia conference regarding project updates. Hebron benefits team representatives also attended Noia's fall seminar in November which focused on the future of deepwater development and the opportunities for the Newfoundland & Labrador offshore oil & gas industry.

In keeping with our dedication to safety, security and strong communities, the Hebron Project continued its investment within our province. Examples of EMCP's support:

- Coalition of Persons with Disabilities
- Conservation Corps of NL
- Elwood High School Envirothon
- Engineers Without Borders
- Grace Sparkes Women's Charity
- Iris Kirby House
- Junior Achievement – Clarenville and Marystown
- Kids Eat Smart
- Mummers Festival
- NL Occupational Health and Safety Association (OHSA)
- NLOWE
- NL Sexual Assault Crisis & Prevention Centre
- NL Winter Games
- Noia
- Office to Advance Women Apprentices
- Placentia Bay Industrial Showcase
- Rainbow Riders
- REACH Clarenville
- Safety Services NL
- St. Joseph's All Grade School
- Threads of Life
- Tricentia Academy
- United Way of Newfoundland and Labrador
- Women in Resource Development Corporation (WRDC)
- Wreckhouse Jazz Festival

In addition, EMCP participated in Oil and Gas Week, WEConnect networking session, and continued its quarterly engagement with Noia.

Gravity Based Structure and Topsides

In 2012, EMCP authorized KKC and WorleyParsons to proceed with work on the Hebron Project gravity based structure (GBS) and topsides, respectively. The authorization followed substantial completion of front end engineering and design services and exercised EMCP's option to subsequently award the next phase, including detailed engineering, procurement and construction services.

Both EPC contractors provide overall project management of the contracts with subcontracts awarded to multiple third parties, with a focus on performing work in Newfoundland and Labrador in accordance with the benefits requirements under the Canada-Newfoundland and Labrador Atlantic Accord legislation and the Hebron Project Benefits Agreement.

KKC and WorleyParsons have also been involved in various sessions and stakeholder engagements and have had success in reaching specific milestones throughout 2013. Some accomplishments include:

- participation in supplier information sessions and benefits update sessions
- participation in Hebron supplier diversity program launch
- participation at various events such as Noia conference, Noia AGM, Placentia Bay Industrial Showcase, NLOWE exploration series sessions and awards gala
- progressed potential labour shortage mitigation efforts through meeting with affiliate unions to discuss labour requirements and training opportunities and to maintain necessary relationships to implement training programs
- WorleyParsons participated in the Qalipu Economic Forum

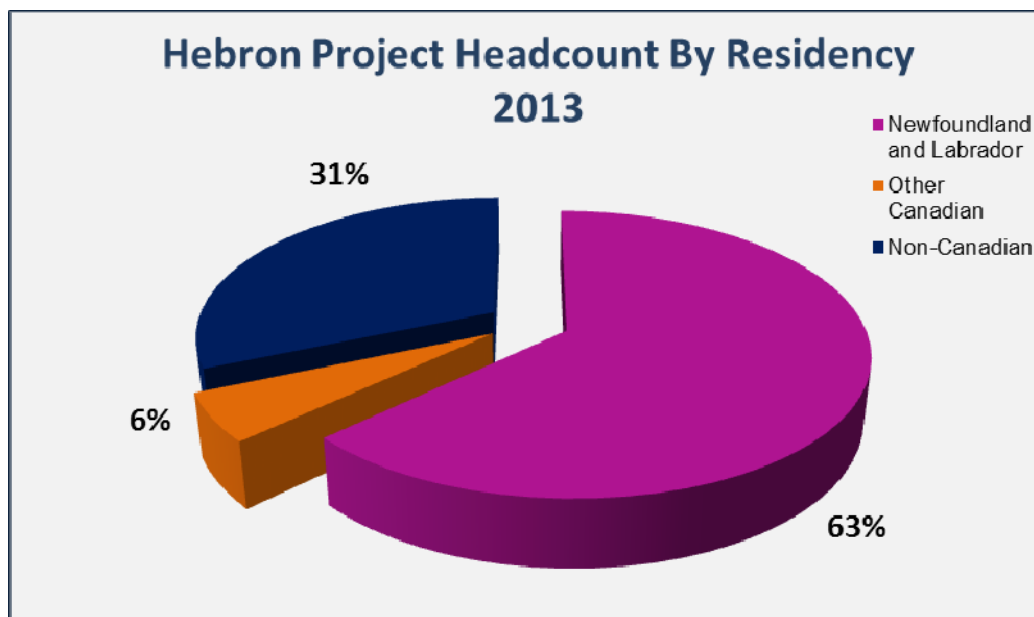
3.0 Employment

The total number of person hours worked on the Hebron Project during 2013 was 10,691,449. The total number of people employed on the Hebron project as of December 31, 2013 was 6,256 of which 3,926 (63%) were NL residents, 361 (6%) were Other Canadians and 1,969 (31%) were Non-Canadians based on Canadian General Standards Board (CGSB) reporting guidelines and the C-NLOPB definition of residency (ie in compliance with the Newfoundland and Labrador Elections Act). A breakdown among the Project Management team, GBS team, Topsides team and Offshore Loading System (OLS) team person hours can be seen below:

HEADCOUNT

Total Employment Summary Hebron Project Year 2013			
Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents (%)	Other Canadians (%)	Non-Canadians (%)
6,256	63%	6%	31%

Note: Project Management Team hours include third party contractors in support of the project management team. Person hours and headcount are updated as more recent information becomes available. Reports may be subject to change.



Employment Summary by Location Hebron Project Year 2013						
Location	Total Number of Persons					
	Residency Status			Gender		TOTAL
	NL	OC	NC	Male	Female	
Newfoundland and Labrador	3,909	308	344	3,973	588	4,561
Other Canada	7	39	5	43	8	51
Outside Canada	10	14	1,620	1,445	199	1,644
TOTAL	3,926	361	1,969	5,461	795	6,256

- Report includes total number of persons directly employed on the project at the end of the reporting period, including operator and contractor personnel
- Residency status is reported as of the time of hire, based on the following definitions:
 - Canadian Citizen:**
A person who was born in Canada and has not relinquished his/her Canadian citizenship; or, a person who has been granted Canadian citizenship; or, a person who has been granted landed immigrant status.
 - Newfoundland and Labrador Resident:**
A Canadian citizen or landed immigrant who meets the residency requirements of the Province as defined by *The Elections Act*, SNL 1992, CE-3.1. (At point of hire)
- Headcount includes persons that have worked 50% (at least 80 hours per month) during December 2013

Employment Summary by Discipline Hebron Project Year 2013					
Discipline	Number of Persons				Total number of Persons
	Male	%	Female	%	
Management	369	93%	26	7%	395
Administration	25	14%	151	86%	176
Engineers	872	87%	126	13%	998
Technicians	480	89%	61	11%	541
Professionals	451	65%	238	35%	689
Skilled Trades & Service	2,240	95%	120	5%	2,360
Labour	992	95%	56	5%	1,048
Students	32	65%	17	35%	49
Other	-	-	-	-	-
Total:	5,461	87%	795	13%	6,256

Notes:

- Disciplines are based on the following National Occupational Classification (NOC) Codes:
 - Management** includes: Senior Managers as well as Middle and Other Managers
 - Administration** includes: Administrative & Sr. Clerical Personnel as well as Clerical Personnel
 - Engineers** includes: only those in that NOC code
 - Technicians** includes: Semi-professionals & Technicians
 - Professionals** includes: only those in that NOC code
 - Skilled Trades** includes: Skilled Crafts & trades as well as Skilled Trades & Services
 - Labour** includes: Semi-Skilled Manual Workers, Other Manual Workers as well as Intermediate Sales & Service
 - Students** includes: any student enrolled at a recognized educational institution or accredited academic program and includes both graduate and undergraduate students, cadets or any other student
 - Other** includes: positions that do not fit into any of the other disciplines

PERSON HOURS

Person Hour Summary Report HEBRON PROJECT Year 2013	
Activity/Component	Total Person Hours
Project Management Team	809,147
Gravity Based Structure	5,815,828
Topsides	4,063,213
Offshore Loading System	3,261
Total for 2013	10,691,449
Project Cumulative	16,744,477

4.0 Canada-NL Content Estimates

The Newfoundland and Labrador content percentage of the 2013 expenditures totaled 56%, Other Canadian 9% and Non-Canadian expenditures totaled 35%. As a cumulative project figure, the content percentages are Newfoundland and Labrador 49%, Other Canadian 9% and Non-Canadian 42%.

Canadian-NL Content Estimates Hebron Project Year 2013			
Reporting Period	Content		
	NL (%)	Other Canadian (%)	Non-Canadian (%)
Year to Date	56%	9%	35%
Project Cumulative	49%	9%	42%

Note: Content percentages have been updated to reflect accurate numbers due to year end reconciliation.

5.0 Procurement and Contracting

EMCP - Project Management Team

Throughout 2013, the Hebron Project continued participation in conferences, information sessions and business networking events to increase accessibility and provide information related to the procurement process. EMCP is committed to ensuring that companies in the Province and other parts of Canada have a full and fair opportunity to compete for work on the project, and that first consideration is given to local companies on a competitive basis. This is cascaded to the EPCs on the project.

Please see Appendix I for listing of new contracts awarded with a value greater than \$250,000 during the reporting period January 1, 2013 to December 31, 2013.

During 2013, EMCP and the EPCs have undertaken various initiatives to ensure benefits are considered at each stage of the procurement process. The following provides examples of 'first consideration' in the procurement and contracting process.

- FEED study related to subsea flowline design – A decision was made to sole source this work to a local company.
- ROV study, subsea flanges and grab bars – A decision was made to sole source this work to a local company.
- Pre site access testing – This contract was awarded as a frame agreement in which priority for work will be given to a local company until they reach capacity.
- Freight forwarding - A decision was made to sole source this contract to a local company.

KKC – Gravity Based Structure

KKC's procurement focus during 2013 was on GBS construction. Activity at the Bull Arm site throughout the year included completion of the base slab and arrangements of the shaft, cell and ice wall up to elevation 27m, installation of the mezzanine deck, lower electrical room and lower control room, completion of the camp and common area, refurbishment and installation of deep water site (DWS) mooring points and installation of mooring chains.

KKC is committed to providing full and fair opportunity to Canadian companies with first consideration to NL suppliers on a competitive basis and to further enhance the supply community in NL.

In addition to the in-province fabrication packages, key progress in the area of subcontracting in 2013 included the awarding of the following contracts to NL and Canadian companies:

- Mechanical Outfitting Facility
 - Refurbishment of Tension Barge awarded March 2013
 - Batch Plant Barge awarded July 2013
 - Access Barge Outfitting and Power Barge Outfitting awarded November 2013
- Pre-site Assessment Services awarded April 2013
- Cable Trays awarded June 2013
- Supply of Fast Rescue Craft awarded June 2013
- Captains Bridge awarded September 2013

WorleyParsons – Topsides

Throughout 2013, WorleyParsons focused its procurement efforts on a number of areas including updating procurement forecasts and issuing of EOIs, prequalification documents, ITTs , subcontracts and POs for a variety of subcontracting and equipment packages.

Major progress made during the year in terms of the number of POs and subcontracts that were issued for Hebron Topsides is referenced below.

The requirements for WorleyParsons to provide full and fair opportunity to Canadian companies with first consideration to NL suppliers on a competitive basis, and WorleyParsons' own desire to do its part to further enhance the supply community in NL, have been important considerations in the procurement process. The topsides benefits team has been part of the review process for procurement packages at each step of the process through the EOI, Prequalification and RFQ/ITT stages.

Some highlights in the area of procurement during 2013 include:

- As of the end of 2013, over 90% of the approximately 170 topsides packages on WorleyParsons Hebron Topsides website have been awarded

- ITTs were issued for key packages taking place in NL including the Flare Boom, West and East Lifeboat Stations, and Pier and Quay Remediation. The bidders list was finalized for the Integration scope.
- The Drilling Support Module (DSM) subcontract was awarded to Kiewit Offshore Services (KOS) in Marystown
- The Helideck and West and East Lifeboat Stations were awarded to C&W offshore in Donovans and Bay Bulls
- The Flare Boom was awarded to Talon Energy in Port aux Basques
- The benefits strategy for the UPM was followed by ensuring that all Canadian and NL suppliers that prequalified for UPM related packages were included on the bidders list for those packages by UPM subcontractor Hyundai Heavy Industries (HHI)
- Living Quarters (LQ) subcontractor NECL-Apply Leirvik (NE-AL) has advanced procurement for the LQ throughout 2013. NE-AL has a dedicated website for the Hebron LQ where all procurement packages are published and updated. In addition, NE-AL was an active participant in the 2013 Supplier Sessions with EMCP and WorleyParsons and participated in the one on one sessions with local suppliers at these events.
- At the end of the year, approximately 50 of the 80 LQ packages on the NE-AL Hebron LQ website had been awarded
- KOS commenced the procurement process for most of the DSM packages during 2013. As part of the process to ensure full and fair opportunity for Canadian and NL suppliers, WorleyParsons established a page on the procurement section of its Hebron Topsides website where DSM opportunities are published.
- WorleyParsons Benefits reviewed and monitored major subcontractors' procurement processes to ensure compliance with full and fair opportunity and first consideration requirements of the Atlantic Accord legislation

There have been technology transfer opportunities in the Province during 2013. Edwards and Associates, a NL company, is a subcontractor to Hi Cad America on the Dimensional Control subcontract. The plan is for Edwards and Associates survey staff to partner with Hi Cad staff to gain highly specialized experience in dimensional control analysis using the latest hardware and software technology. This will allow Edwards and Associates to participate in the dimensional control markets locally, nationally and internationally. The alliance enables senior Edwards and Associates personnel to become familiar with best practices established by Hi Cad from its many years of dimensional control and laser scanning experience.

A second example of technology transfer is the helideck package where C&W Offshore, a NL company, is working with Bayards in the Netherlands. Bayards is designing the helideck in NL and is completing prefabrication work in NL that would normally be completed at the European facility. Bayards is mobilizing a specialized Computer Numerical Control (CNC) machine to NL to perform the cutting and machining of the majority of the raw aluminum extruded sections. A technician will be mobilized from Bayards to train local C&W Industrial (subcontractor of C&W Offshore) employees in the use of the machine and to oversee the cutting and machining of the structural sections. C&W Offshore representatives also had the opportunity to tour another Bayards Helideck during assembly in Louisiana

during the fall of 2013 to gain knowledge relevant to the Hebron helideck assembly. As part of the helideck project, engineers from Bayards relocated to the C&W Offshore office in NL to work with local engineering professionals, increasing the knowledge of the design and fabrication of helidecks in NL. NL engineers were involved in all aspects of the design.

6.0 Supplier Development

Throughout 2013, the supplier development coordinator continued communication with local vendors to address questions concerning the Hebron Project and potential opportunities.

EMCP held its annual supplier information sessions (SIS) to ensure the local service and supply community had an opportunity to meet with procurement representatives of KKC, WorleyParsons and NE-AL. Supplier information sessions were held in March of 2013 in St. John's, Clarenville and Corner Brook. The sessions consisted of a morning presentation by EMCP, KKC, WorleyParsons, NE-AL and Hebron Operations with a focus on procurement activities and an introduction to Hebron Operations. Following the morning presentations, local suppliers met one on one with representatives from KKC, WorleyParsons and NE-AL. The intent was to allow potential suppliers the opportunity to exchange contact information and relevant data about the materials and/or services they can supply to the project, while allowing KKC, WorleyParsons and NE-AL the benefit of meeting individually with companies and learning what the local community is capable of supplying to the project. There were over 300 attendees at the St. John's sessions, 52 at the Clarenville session and nine people attended the Corner Brook session.

EMCP held a diversity breakfast prior to each of the 2013 supplier information sessions. The goal of these breakfasts was to encourage the participation of diverse businesses by allowing a casual networking period prior to the event to allow for questions.

In March 2013, EMCP responded to a C-NLOPB request respecting supplier development and technology transfer. In response to this request, the project submitted a supplier development implementation plan which outlined EMCP's approach to identify potential supplier development opportunities, limitations and proposed a timeline to implement. The project also detailed areas where EMCP ensures the local service and supply community are made aware of the role of the supplier development coordinator and how they are able to engage with that individual.

The project also plans to conduct an analysis to determine where service and supply is being sourced for the Newfoundland and Labrador oil and gas industry. The results will be shared with the local community to determine if there are any potential future opportunities.

Throughout 2013, the supplier development coordinator continued to communicate with local vendors addressing questions about the Hebron Project and discussing potential opportunities.

- The Annual NLOWE conference was held in Gander and provided an opportunity for the supplier development coordinator to network with women owned businesses and to discuss potential opportunities on the project.
- The supplier development coordinator represented the project at the Sunrise Ceremony celebrating National Aboriginal Day on June 21 at the Native Friendship Centre in St. John's.
- The NL Environmental Industry Association held a luncheon entitled 'Let's Talk Exports' where Export Development Canada's, Vice-President and Chief Economist, Peter Hall, hosted a discussion on the global economy and its implications for Canadian trade. The luncheon provided a networking opportunity for supplier development coordinator to interface with the local service and supply community in attendance.
- Along with representatives from EMCP and its EPCs, the supplier development coordinator attended the annual NOIA conference.
- Met with members of the Miawpukek First Nations Band to discuss potential opportunities on the project.

7.0 Research and Development and Education and Training

Hebron continues to make strategic investments in R&D and E&T and is on track to meet its Development phase expenditure obligation of \$32.6 million. Expenditures for the year exceeded \$5 million. Several R&D applications were approved by the C-NLOPB in 2013 and include the following projects:

- 1) Hebron Project Petty Harbour Mini Aquarium
- 2) Acoustic Methods to Mitigate Risk in the Installation of Offshore Loading Systems

Hebron continued to make expenditure contributions to several existing Joint Industry Projects (JIP) administered through Petroleum Research Newfoundland and Labrador (PRNL). These include:

- 1) Bio-indicators– Diagnostic Tools for Effects Assessment of Specific Marine Life
- 2) Marine Dredge Disposal –Measuring Recovery to Natural Conditions
- 3) Towing, Sheltering and Recovery of TEMPSC Lifeboats/Life Rafts
- 4) Arctic and Cold Climate Oil Spill Response Research Facility – Market Study
- 5) Dual Polarized Ice Detection and Navigation Radar Research and Development

Hebron values its association with PRNL and will continue to collaborate with other operators on JIPs sponsored through the organization. In October 2013, EMCP attended PRNL's Health and Safety Research Program Review workshop to ensure a high level of alignment across members in the R&D focus area of health and safety.

Investment in the Co-operative Education Program at Memorial University and College of the North Atlantic (CNA) continues to be a high priority for the project. EMCP and its contractors (KKC and WorleyParsons) on the Hebron Project employed a total of 114 students on the project in 2013.

Hebron also provided support to various organizations and institutions including the following:

- 1) MUN - Let's Talk Science
- 2) Association for New Canadians - Energy Sector Language Training Phase II
- 3) MUN - Future Set/Girl Quest
- 4) WRDC - Techsploration Orientation to Trades and Technology (TOTT)

During the year the Hebron R&D Coordinator attended the following R&D workshops:

- 1) Ice Scour and Arctic Marine Pipeline (ISAMP) Workshop (May)
- 2) Program of Energy Research and Development (PERD) Workshop (October)
- 3) Subsea 7 Technology Event (November)

8.0 Diversity

Representation

- Representation numbers indicate a percentage of the total project workforce, including EMCP employees, contractor agency employees, main contractors and subcontractors
- Although percentages varied, the actual number of women working in every job category increased in 2013
- In particular, the number of women working in Skilled Crafts and Trade increased considerably, representing a 1% increase over last year's representation in this category, and representing an increase of over 100 women in Skilled Crafts and Trade since 2010
- 2013 also saw noted increases in the representation of Aboriginal Peoples.

Employment Categories	Women	Aboriginal Peoples	Persons with Disabilities	Visible Minorities
Management and Supervisory	11%	0%	0.3%	1%
Professional and Technical	20%	1%	0%	4%
Administrative	89%	1%	0%	1%
Skilled Crafts and Trade	5%	2%	0.3%	1%
Other (Labour, etc.)	10%	4%	0.3%	1%

Implementation

- An additional ~\$80,000 was invested in diversity-related outreach in 2013
- When compounded with initial diversity investments from 2010/2011 this totals almost \$2 million on external outreach alone
- Funding has been distributed through multiple organizations throughout the province, representing all designated groups
- Regular consultation and discussion with stakeholders continued

- Significant efforts to ensure deployment of qualified women to Bull Arm site at representative rates have been undertaken by project representatives, union members and community organizations
- Recruitment efforts have engaged local organizations in an effort to outreach to the broadest possible base of potential candidates
- A supplier diversity program was initiated and launched in 2013 to support ongoing efforts to increase opportunities for diverse businesses in Newfoundland and Labrador

APPENDIX I
2013 Contract Award Listing

5.0 Procurement and Contracting cont'd

Tables below lists contracts awarded with a value greater than \$250,000 during the reporting period January 1, 2013 to December 31, 2013.

Contracting Activity Hebron Project 2013		
Description	Contractor	Contractor Location (NL, Other Canada, Outside Canada)
EMCP CONTRACTS		
Marine Survey Enabling Subagreement	Fugro Geosurveys, a division of Fugro Canada	NL
Marine Survey Enabling Subagreement	McGregor Geoscience and Environmental Ltd.	NL
2013 Hebron 3D Seismic Survey	WesternGeco Canada	Other Canada
Seismic Processing Services	CGG Services (U.S.) Inc.	Outside Canada
Environmental Effects Monitoring Program at E	AMEC	NL
OLS Scope B	APL Norway AS	Outside Canada
Hebron Pool 3 EDC Dredging	Van Oord Offshore BV	Outside Canada

Contracting Activity Hebron Project 2013		
Description	Contractor	Contractor Location (NL, Other Canada, Outside Canada)
KKC CONTRACTS		
Metals (Site Upgrade)	Talon Energy Services AHM Fabricators	NL NL
Backup Generators - Rentals	Wajax Power Systems	Other Canada
Freight Forwarding	PF Collins International Trade Solutions	NL
Camp Management Services (including Catering and Janitorial Services)	Compass Group Canada (ECC/ESS JV)	Other Canada
Fabrication of Structural Steel	Pennecon Energy	NL
Early Preparatory Works for Deck Fabrication	Kiewit Offshore Services	NL
Fabrication of Decks and Guide Frames (elevation 26m)	Kiewit Offshore Services	NL
Fabrication of Structural Steel Items	DF Barnes	NL
Fabrication of Structural Steel Items	GJ Cahill & Company	NL
Pipe & Tube Hydrostatic Testing Services	Hyflodraulic Limited	NL
Mini-Pile Installation for Tower Crane #4 Foundation	GEO Foundations contractors Inc	Other Canada
Submarine Cable 25kV (formally AE543)	IT International Telecom Canada Inc	Other Canada
Mooring Point Investigation Marine Equipment	RJG Construction Ltd.	NL
Furnishing Fleet/Fleet Management	Enterprise Fleet Management Canada	Other Canada
Environmental Testing Service- Water Tests	SGS Canada inc.	Other Canada
Miscellaneous Secondary Steel (Civil)	C&W Offshore Ltd Land & Sea Welding Talon Energy Services	NL NL NL
Access Systems - Mast Climbers	Klimber Platforms	Other Canada
Environmental Consultants Monitoring	Morrison Hershfield	NL
Fabrication of J Tubes & Risers (below and above elevation 27m)	Ameil Constructors	NL
Friction Welded Embedment Plates	Headed Reinforcement Canada Inc.	NL
Marine Rock Anchors Installation	Geo Foundations Contractors Inc	Other Canada
Mobile Batch Plant Rental	BMH Systems	Other Canada
Mooring and Towing Equipment Supply	Extreme East	NL
Mooring and Towing Equipment Supply	North Atlantic Marine Supply and Service	NL
Mooring and Towing Equipment Supply	Hercules SLR	NL
Mooring and Towing Equipment Supply	Pennecon Energy	NL
Mooring and Towing Equipment Supply	Fendecare Marine	Outside Canada
Pre-Site Access Assessment Services (GBS)	SureHire	Other Canada
Pre-Site Access Assessment Services (GBS)	Fit For Work	NL
Purchase of 2 Rough Terrain Cranes	Strongco Crane Group	Other Canada
Supply of Barges (Ramp Barges)	McKeil Newfoundland & Labrador Ltd	NL
Supply of Fast Rescue Craft (FRC) - formerly SM736D	Nord Marine Services	NL
Temporary control rooms	Avalon Controls Ltd.	NL
Water Ballast Pumps	Sulzer Pumps (US) Inc.	Outside Canada
Water Treatment Plant	Moretrench Canadian Corp/GWTT Inc	Outside Canada
Weld Testing Services	Acuren Group Inc.	NL
Weld Testing Services	TISI Canada inc	NL
Distribution Boards	ABB Inc.	Other Canada
Temporary Power Transformers	ABB Inc.	Other Canada
Surface Preparation and Coating Protection	Aluma Systems Inc.	NL
Dry / Wet Mobile Batch Plant Rental	Capital Ready Mix Limited	NL
Bull Arm Site Industrial Hygiene Services	David Industrial Hygiene Consulting, INC.	NL
Modify TCH Entrance into Bull Arm Site	Parsons Trucking Limited	NL
Hydro Blasting Services (Concrete Surface Prep)	Pyeroy Atlantic Services Limited	NL
Hydro Blasting Services (Concrete Surface Prep)	IKM Testing	NL
Marine Outfitting Facility – Batch Plant Barges	Aecon Atlantic Company	Other Canada
Fire Water and Sea Water Pumps	Fluid Power Equipment	Outside Canada
Pre-fabrication of Marine Tow Bolsters & Dropped Object Protection	Cherubini Metal Works Limited	Other Canada
Supply of Dredging Services (bundwall removal)	Jan De Nul	Outside Canada
Out-of-dock-Warping Winch Supply	Alfred Cheyne Engineering Limited	Outside Canada
Marine Outfitting Facility- Refurbishment of Tension Barge	Dawe's Welding and Son's Ltd	NL
Daily bus service to/from Bull Arm and surrounding communities	Graham Ground Transportation	NL
Barges Marine Outfitting Installation (Multiple Frame Agreements)	Burry's Shipyard Inc. Glovertown Shipyard McKeil Marine	NL
Temporary Pumps	Xylem Water Solutions	Other Canada
Various Heavy Equipment Services	Parsons	NL

Contracting Activity Hebron Project 2013		
Description	Contractor	Contractor Location (NL, Other Canada, Outside Canada)
WP CONTRACTS		
Flare Package	John Zink Company	Outside Canada
Macerators	NOV Monoflo	Outside Canada
Miscellaneous Lifting Equipment	J Barnsley Cranes Ltd.	Outside Canada
Coriolis Flowmeters	Atlantic Controls	NL
Variable Area Flowmeters	Maynard Reece Engineered Solutions Ltd.	Other Canada
Wellhead Control Panel	Proserv Operations LLC (Weatherford)	Outside Canada
Nucleonic Profiler	Tracerco	Outside Canada
HVAC Control Panels	Alscott Air Systems Ltd.	Other Canada
DSM Fabrication	Kiewit Offshore Services	NL
DES Fabrication	Hyundai Heavy Industries Co. Ltd.	Outside Canada
Global Inspection Services	Killick Group Ltd. Moody International Ltd. NDE Technical Services Velosi Canada Ltd.	NL Other Canada Outside Canada Other Canada
Solids Control and Cuttings Re-Injection Equipment	MI-SWACO (div. of Schlumberger Canada)	NL
Base Oil Washdown Units	Calder Ltd.	Outside Canada
Mud Treatment and Mixing Equipment	National Oilwell Varco	Outside Canada
Architectural Blast and Fire Walls Windows and Doors	MechTool Engineering Ltd.	Outside Canada
Analyzers	Westech Industrial Ltd.	Other Canada
Bell Nipple and Telescoping LP Riser	Mechanical Research & Design	Outside Canada
Bulk Electrical Cable	Source Energy Atlantic	NL
Bulk High Pressure Manual Valves	Score Eastern Canada	NL
Bulk Low Pressure Actuated Valves	EMCO Corp	NL
Chokes and Severe Service Control Valves	Eastern Valve & Controls	NL
Control Valves and Pressure Regulators	Fisher Controls International LLC	Outside Canada
Fire and Gas devices	Dooley Tackaberry Inc	Outside Canada
Fire Fighting Equipment	K&D Pratt	NL
Helideck	C&W Offshore Ltd.	NL
High Expansion Foam	Angus Fire	Outside Canada
HVAC Dampers	Wozair (USA) Ltd.	Outside Canada
HVAC Humidifiers	Alscott Air Systems Ltd.	Other Canada
Magnetic Flowmeters	Atlantic Controls	NL
Misc Safety Equipment	K&D Pratt	NL
Miscellaneous Instruments	K&D Pratt	NL
Raised Access Floor	Bergvik North America	Outside Canada
V-Door Windwall Operating Unit	Pennecon Energy Hydraulic Systems	NL
Pressure and Temperature Transmitters	Emerson-Rosemount Inc.	Outside Canada
Advanced Vibration Monitoring System	Bently Nevada Inc.	Outside Canada
Piping - Speciality Items	CE Franklin Ltd. A Division of NOV Wilson Canada ULC	Other Canada
NEAL: External Doors	KD Pratt, Rapp Bomek	NL
NEAL: Glazed Partitions and Doors	Joiner Systems	Other Canada
NEAL: A-Class Prefabricated Internal Firewalls	Joiner Systems	Other Canada
NEAL: Electrical Cables	Anixter	NL
NEAL: Cable Trays, Unistruts	Liteco	NL
NEAL: Dampers	Wozair	Outside Canada
NEAL: Duct Heaters/Terminal Units	SGL	Outside Canada
NEAL: Fire and Gas Detectors	K&D Pratt/Century Detection	NL
NEAL: Valves	Score	NL
Flare Boom Fabrication	Talon Energy Services	NL
Life Boat Stations Fabrication (Primary)	C&W Offshore Ltd.	NL
Life Boat Stations Fabrication (Secondary)	C&W Offshore Ltd.	NL
Cold Crude Pumps	PCM USA Inc.	Outside Canada
Workshop equipment	Rideout Tool & Machine Inc.	NL
Power Slips and Rotary Tables	National Oilwell Varco	Outside Canada
HVAC Terminal Units	Wozair (USA) Ltd.	Outside Canada
HVAC Fans	Alscott Air Systems	Other Canada
Agitators	SPX Flow Technologoy c/o T.D. Rooke	Outside Canada
Deep Well Through Column Pumps	Pumps Plus Ltd.	NL
Drill Floor Equipment	Aker Solutions	Outside Canada
Hub and Clamps	Emco Offshore	NL

APPENDIX II
2013 Hebron Photos

Tower Crane Training

The Hebron Project donated a tower crane for training purposes to the Operating Engineers College in Holyrood. This will facilitate meeting future training needs beyond the Hebron Project.



Mini Aquarium Funding

The Hebron Project provided funding for the Petty Harbour Mini Aquarium by making a lead corporate donation of \$100,000.



Tour Guide: Abby Barron

BULL ARM BUS TOURS

The Hebron Project offered free bus tours of the Bull Arm Construction Site to the public from July 2 – October 31, 2013. Tour participants viewed the dry dock area (where the Gravity Based Structure is being partially constructed), the Topsides Module Hall (where the living quarters module is being assembled) and the deep water site (where the topsides and GBS will be mated). Detailed storyboards offered additional information about the project, and a tour guide answered questions along the way. During our first tour season we had 1,550 visitors from 19 countries; 1,349 participants were from this province.

Living From Your Legacy Now

From September 18 – 20, EMCP, as operator of the Hebron Project, hosted a leadership program for women leaders in NL. By articulating today what they aspire to be known for in the future the participants broadened their view of what is possible in all aspects of their life and career. They were asked to consider their desired legacy as a catalyst to accomplish the extraordinary now, rather than a description of their successes at the end of their career. The workshop provided a unique opportunity for fourteen women leaders from Newfoundland and Labrador, to come together and discuss the difference they ultimately want to make.



The *Living From Your Legacy Now* Program was held at the Fisher's Loft in Port Rexton, NL.



Hebron, Hibernia and Hibernia Southern Extension launch their respective Supplier Diversity Programs
October 23, 2013

Hebron Funds Digital Oceans Project

The Hebron Project recently contributed \$150,000 for the Digital Oceans Project. This innovative marine program, developed by the Oceans Learning Partnership, will enable high school students in Newfoundland and Labrador to develop a website and applications for mobile devices that will help them research the marine environment and collaborate with scientists from various NL institutions. The Hebron Project previously contributed \$400,000 to the Oceans Learning Partnership's at-sea marine education program for schools.



Geoff Parker, Hebron Senior Project Manager, talks to Holy Spirit High School students at the Digital Oceans Project announcement



Dave McCurdy, Hebron GBS Project Manager, speaking at the Safety Services NL 7th Annual Health and Safety Conference in November 2013.

7th Annual Health and Safety Conference

Safety Services NL (SSNL) hosted its 7th annual health and safety conference during Q4 2013. Sixty local safety students received funding from the Hebron Project to attend the conference. Hebron won SSNL's 2nd annual Helping Hand Award for the project's efforts to promote safety awareness.