



ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report for the Period
January 1, 2021 to December 31, 2021**

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1.0 INTRODUCTION

Hebron is an offshore oil field estimated to produce more than 700 million barrels of recoverable resources. The field was 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 southwest of the White Rose Project. The water depth at Hebron is approximately 93 metres.

The Hebron co-venturers are: ExxonMobil Canada Properties (EMCP), Chevron Canada Limited, Suncor Energy Inc. through the Hebron Petro-Canada Partnership, Equinor Canada Ltd. and Nalcor Energy – Oil and Gas Inc. 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;
- 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;
- 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;
- 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, 2021 to December 31, 2021 in the areas of expenditures, employment, procurement and contracting, research and development, and diversity.

2.0 CANADIAN-NL CONTENT ESTIMATES

The table below details the estimated Canada-NL content of actual expenditures during 2021.

2021 Canada-NL Content Estimates				
	NL	OC	NC	Total
TOTAL	57%	14%	29%	100%

* NL = Newfoundland & Labrador, OC = Other Canadian, NC = Non-Canadian

3.0 EMPLOYMENT

The total number of full time equivalents employed on the Hebron Project as of Q4-2021 was 1,178, of which 94% were NL residents, 4% were Other Canadian, and 2% were Non-Canadian based on Canadian General Standards Board (CGSB) reporting guidelines and the C-NLOPB definition of residency (i.e. in compliance with the Newfoundland and Labrador Elections Act). Please note the following interpretation notes regarding Hebron employment information:

- The figures in this report may be subject to rounding differences.
- Full time equivalent (FTE) represents the total hours worked divided by the average hours worked for a full time position per quarter.
- Full time equivalents (FTE) were identified in previous reports as 'Number Filled' and included some individuals who worked on the project less than full time. The numbers in this report reflect FTE.
- FTE represented in the employment tables are as of Q4-2021.

Hebron 2021 Residency Summary (as of Q4-2021)

Residency Summary	Newfoundland and Labrador	Other Canadian	Non-Canadian	Total FTE
Offshore	627	24	8	659
Onshore	486	18	15	519
2021 Total	1,112	42	24	1,178
2021 Percentage	94%	4%	2%	100%

Total FTE by Gender and Discipline

Discipline	Number of FTE				Total FTE
	Female	%	Male	%	
Administrative and Clerical	45	71%	18	29%	63
Engineers	23	27%	61	73%	84
Manual Workers	10	5%	179	95%	189
Professionals	26	16%	139	84%	165
Sales and Service	4	17%	18	83%	22
Skilled Crafts and Trades	8	3%	297	97%	306
Students	1	5%	14	95%	15
Supervisors, Middle and Senior Managers	21	15%	119	85%	140
Technicians	18	9%	177	91%	195
2021 Total	156	13%	1,022	87%	1,178

Notes:

- Disciplines are based on the following National Occupational Classification (NOC) Codes:
 - Administrative and Clerical includes: Administrative and senior clerical personnel and clerical personnel
 - Engineers includes: Engineering NOC's within the professionals occupational group
 - Manual Workers includes: other manual workers, semi-skilled manual workers
 - Professionals includes: non-engineering NOC's within the professionals occupational group, partial NOC's of semi-professional and technicians
 - Sales and Service includes: intermediate sales and service personnel, other sales and service personnel, and skilled sales and service personnel
 - Skilled Crafts and Trades includes: skilled crafts and trades workers
 - Supervisors, Middle and Senior Managers includes: middle and other managers, senior managers, supervisors, and supervisors – crafts and trades
 - Technicians includes: partial NOC's of semi-professional and technicians
 - 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

4.0 PROCUREMENT AND CONTRACTING

The table below provides a listing of Hebron's new service contracts, services contract extensions, material contracts and material contract extensions with a value greater than \$250,000 awarded during 2021. The table includes a description of the contract, name of the contractor and the contractor's location at the time of award.

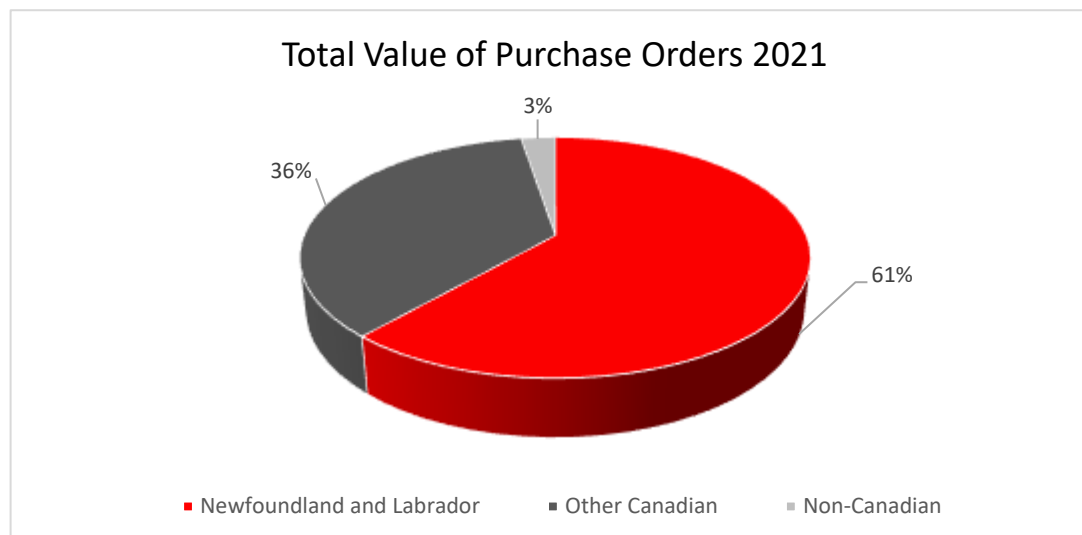
Description	Contractor	Location
High Pressure Choke Valves (Sub-contract award – Aker)	Eastern Valve	NL
Gas Lift Valves and Mandrels	Weatherford Canada Ltd.	NL
Severn Replacement Valves (sub-contract award – Score)	Severn (OEM)	NC
Electrical and Instrumentation Support	Avalon Controls Ltd.	NL
Offshore Safety & Survival Training	Marine Institute	NL
Cement Bond Logging Tools	Baker Hughes	NC
Provision of Aviation Fuel (Sub contract award - Cougar)	Woodwards	NL
Hebron BOP Crane	Axess Baffin	NL
Supply of Personal Gas Monitors	Industrial Scientific Canada	OC
Supply of Radio Operator Services	Wood Group Canada Inc	NL
Rope Access/High Angle Rescue Training	Technical Rope & Rescue	NL
Provision of Risk Management Services	Wood Group Canada Inc	NL
Hebron FWPC Repair	Hayward Tyler	NC
Manifold Isolation Valves (Subcontract Award – Aker)	Score	NL
Techlok Piping Materials (Subcontract Award – Aker)	Westlund	NL
OEM Automation Equipment & Services	ABB	NL
Supply of HVAC & Refrigeration Services	Alscott Air Systems	OC
Supply of Loose Lifting Equipment	Extreme East Rigging	NL
Supply of LP & HP Flare Tips	John Zinc	NC
Supply of IT & ICSE Support Services	Network Consulting Inc.	NL
Supply of Marine Gas Oil Fuel	Irving Oil Commercial G.P	OC
Bulk Loading Hoses	Atlantic Hose & Fittings Ltd.	NL
FRP Grating Campaign (Subcontract Award – Aker)	Scandinavian Fittings & Flanges Canada Inc.	NL
2022 Turnaround - MP Separator VIEC Repairs (Subcontract Award – Aker)	Sulzer Pumps Wastewater Norway AS	NC

2022 Turnaround - Long Leads - Manual Valves (Subcontract Award – Aker)	Score Canada Limited	NL
2022 Turnaround - Long Leads - Manifold Isolation Valves (Subcontract Award – Aker)	Score Canada Limited	NL
2022 Turnaround - Long Leads - Production Blowdown Valves (Subcontract Award – Aker)	Score Canada Limited	NL
Production Separator Level Technology Upgrades (Subcontract Award – Aker)	Rocsole	NC
GIC / GTC Tubing EHT Additions (Subcontract Award - Aker)	Atlantic Hose & Fittings Ltd.	NL

NL = Newfoundland & Labrador, OC = Other Canadian, NC = Non-Canadian

Purchase Order Analysis

During 2021, 9,673 Purchase Orders (POs) were awarded with a total value of \$432,777,306.20. The chart below summarizes the percentage of the total awarded value by location.



5.0 SUPPLIER DEVELOPMENT

Throughout 2021, Supplier Development activity continued with local vendors regarding the Hebron Project and potential opportunities.

- In Q1, EMCP partnered with NOIA for a supplier engagement session: Leading the Way Through Digital Transformation. EMCP shared its digital journey and examples of how Hebron has leveraged technology to change how we work. The goal of the session was to encourage participants to think about how they can collaborate with EMCP to promote and further the company's digital vision. More than 400 members registered for the event. Following the success of the event, EMCP and NOIA collaborated again to host a series of Business-to-Business meetings throughout the year.
- EMC President Lazaro Cosma presented at the 2021 NOIA Conference to update industry and suppliers about ExxonMobil's activities in Newfoundland and Labrador. EMCP representatives networked with suppliers throughout the conference

6.0 RESEARCH AND DEVELOPMENT

Listed below are some key research and development and education and training activities related to the Hebron Project that took place in 2021.

- Weak Links for Iceberg Risk Mitigation
- Flowline Protection Requirements for Extended Tiebacks
- Subsea Iceberg Protection Structure (SIPS)
- Johnson GeoCentre Exhibit Upgrade
- OceanVision (OSC Project)
- Shuttle Tanker Operations Competency Assurance Program
- Genesis Centre Sponsorship

Hebron continues to seek out new opportunities in the area of advancing our digital technologies. As we advance our digital strategy and foster an innovative culture, we aim to lead the industry in offshore asset management. Hebron continues to develop both near and long term strategic plans to digitally transform the way we operate to improve safety, value and efficiency.

Local educational and training facilities continue to play a key role in Hebron's training plans. Institutions such as Memorial University of Newfoundland, Marine Institute and College of the North Atlantic, are valuable training providers to Hebron. A large percentage of Hebron's regulatory and safety training requirements can be met by these institutions as well as other private sector training in-province providers and others. Hebron continued to work with all training providers to ensure that effective curriculums for use in the oil and gas industry were developed and maintained to meet training requirements.

7.0 HEBRON PHOTOS



EMCP PRIDE Committee – PRIDE Ride

EMCP employees participated in a PRIDE Ride fundraiser hosted by Bespoke in collaboration with EMCP PRIDE Committee and EMCP Wellness Committee. Proceeds totaling \$830 were donated to the Tommy Sexton Centre.



EMCP PRIDE Committee – Kicking off PRIDE Month Sweetly

EMCP PRIDE Committee kicked off Pride Month by collaborating with the Early Career Program to hand out chocolate bars to its employees, donations to Raise Up were optional. A total of \$1,094 was collected.



Hebron Contribution to Kids Eat Smart Foundation NL

ExxonMobil Canada President Lazaro Cosma presented \$8,500 to Kids Eat Smart Foundation on behalf of the Hebron Project. The contribution will support their breakfast clubs with 8,500 breakfasts for students in Newfoundland and Labrador.



Hebron Donation of iPads to St. Theresa's School

Hebron Asset Manager, Brian Engelman presented 10 iPads with protective cases to Principal Kyran Dwyer for St. Theresa's School in St. John's. The iPads will improve access to online learning resources for students.



Hebron Way Tree Planting with Tree Canada

Employees and personnel from ExxonMobil Canada's Hebron Way office had a great day planting trees in the Hebron Way neighbourhood. 2000+ seedlings and native birch species will be planted as a result of a \$20,000 donation from ExxonMobil Canada to Tree Canada!



Donation of Surplus Laptops to Support Education

EMCP donated a total of 25 laptops to two local organizations, Murphy Centre and ESTEEM Women. The donation of laptops will support access to education for mature students and young girls who are interested in science, technology, engineering and math.



United Way Contribution to Bridges to Hope from EMCP Campaign

United Way of NL presented a \$25,000 grant to Bridges to Hope to support food distribution in Newfoundland and Labrador. The contribution was made possible as a result of the 2021 EMCP United Way Fundraising Campaign.



EMCP at NOIA I&D Seminar

Twelve EMCP representatives attended an industry I&D Seminar hosted by NOIA.



EMCP WIN Participation in Run for the Cure

EMCP WIN participated in the CIBC Run for the Cure. EMCP was the top corporate sponsor in Newfoundland and Labrador, raising \$6,296.80 to support breast cancer research and awareness.



Gathering Place Selected for EMCP Employee Choice Donation

Each year, EMCP employees have the opportunity to vote for a charity to receive a year end donation from the company. This year, employees selected the Gathering Place, which received a \$10,000 contribution.

8.0 INCLUSION & DIVERSITY

2021 Hebron Inclusion & Diversity Report

Introduction

It is the ongoing responsibility of ExxonMobil Canada Properties (EMCP) to oversee the implementation and execution of the Hebron Project Diversity Plan to meet its regulatory and contractual requirements. EMCP's approach to achieving success in diversity takes a long-term view, and focuses on sustainability following implementation. The report below includes results from EMCP's workforce self-identification survey and initiatives completed in 2021.

Representation of Designated Groups				
Employment Categories	Women	Indigenous Peoples	Visible Minorities	Persons with Disabilities
	2021	2021	2021	2021
Managers and Supervisors	17%	1%	2%	1%
Professional and Technical	16%	2%	3%	1%
Administrative	66%	2%	3%	1%
Skilled Crafts and Trades	3%	2%	0%	0%
Sales and Service	24%	0%	5%	0%
Manual Workers	6%	0%	2%	0%

Representation

- Representation numbers indicate a percentage of the total project workforce, including EMCP employees, contractor agency employees, main contractors and subcontractors
- With the exception of gender, all representation results reflect responses to the self-identification survey. Individuals have the right to decline self-identification and as a result, not all representation may be captured.
- In 2018, Hebron completed its first year in operations. In the majority of employment categories, the overall representation of all designated groups has remained relatively stable, with minor fluctuations year over year.

Implementation of Hebron's Diversity Plan

The Plan comprises five pillars, representing the types of initiatives required to support meaningful, long-term employment for members of the designated groups with a focus on business access for members of the designated groups.

Pillar 1 - Skills Development through Community Investment

In 2021, EMCP, its main contractors and co-ventures sponsored and invested in a variety of organizations that provide community-based programming to further support efforts to increase participation of designated groups in all aspects of community. Some examples include Kids Eat Smart Foundation, St. John's International Women's Film Festival, ESTEEM Women and scholarships.

In 2021, Hebron and its main contractors also participated in a variety of workshops for sharing of best practices in I&D, attended community events and continued consultations with educational institutions and organizations.

Pillar 2 - Recruitment and Selection of Qualified Candidates

EMCP has a recruitment and selection process that emphasizes equity and fairness by ensuring a bias-free process, consistent methodologies, equity language in job postings and opportunities for students. The continued effectiveness of the process will be monitored and reviewed over the life of the Hebron Project, and EMCP will continue to work with key stakeholders to identify measures that contribute to success in the recruitment and selection of members of the designated groups.

EMCP and its main contractors worked with community organizations to consult with and identify diverse candidates. EMCP also requests that its main contractors seek to increase the numbers of women in the workforce. EMCP and its main contractors source new graduates from both Memorial University and the College of the North Atlantic. Recruiting efforts are reflective of the business environment.

Pillar 3 - Establishment and Development of Supportive Work Environment

In 2021, EMCP and its main contractors implemented the following work environment initiatives:

- Communication of Diversity Plans and key policies/guidelines in orientation materials including orientation for new contractors
- Employee utilization of the Hebron Employee Relations Council (HERC) to implement and resolve platform wide work environment opportunities and concerns.
- Consistent dialogue with representatives from contractors and sub-contractors regarding Hebron platform strategies, including diversity best practices and expectations.
- Diversity and inclusion considerations in Hebron operations planning and succession planning
- United Way Campaign raising over \$148,000.
- EMCP's Women's Interest Network (WIN) provided information sessions, resources and volunteer opportunities for employees.
- The PRIDE Network collaborated with their allies to host a series of events and learning opportunities.
- I&D Committee representatives attended various I&D sessions
- EMCP I&D Committee promoted allyship through digital signage in the office to help employees identify where they fall on the ally spectrum and actions they can take to become a better ally.
- EMCP employees wore their Orange Shirts on September 30th in recognition of the National Day for Truth & Reconciliation. Various related virtual events and training resources were also made available.

Pillar 4 - Monitoring and Reporting

In 2021, EMCP and its contractors implemented the following monitoring, reporting and stewardship measures:

- Continued internal monitoring of contractor's recruitment and supportive work environment efforts
- Continued internal monitoring of progress and ongoing assessment of tools and processes

Pillar 5 - Business Access

Business access for diverse companies in a Canadian supplier environment remains a focus for the Hebron Project. The Hebron Project Supplier Diversity Program has established an open environment for business access and continues to help grow a base of local diverse certified suppliers. Organizations such as WEConnect International in Canada (WCI), Women Business Enterprises Council of Canada (WBE), Canadian Aboriginal, Minority Supplier Council (CAMSC), and Canadian Gay and Lesbian Chamber of Commerce (CGLCC) offer certification to diverse businesses. WCI membership continues to grow since the launch of the Hebron Supplier Diversity Program in 2013.

2022 Implementation

In 2022, EMCP and its main contractors will continue to:

- Review programs for effectiveness, evaluate new opportunities as they arise, and consider continued support for renewable programs
- Encourage, support and recognize employee participation in inclusion and diversity programming.
- Collaborate with community partners to reach a diverse selection of qualified candidates for hiring
- Monitor and steward initiatives to I&D Committee.
- Continue to seek opportunities to support supplier development and continue the promotion of the approved Supplier Diversity Program. The long-term program objective aims to build connections and create avenues for industry opportunities for diverse businesses.
- Support and monitor contractors in their diversity initiatives.