

ExxonMobil Canada Properties



Hebron Project Canada-Newfoundland and Labrador Benefits Report for the Period January 1, 2023 to December 31, 2023

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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 a3nd 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, 2023 to December 31, 2023 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 2023.

2023 Canada-NL Content Estimates					
	NL	OC	NC	Total	
TOTAL	59%	15%	26%	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 Q4-2023 was 1,023, of which 94% were NL residents, 3% 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 Q4-2023.

Residency Summary	Newfoundland and Labrador	Other Canadian	Non-Canadian	Total FTE
Offshore	538	15	10	563
Onshore	428	18	14	460
Total	966	33	24	1,023
Percentage	94%	3%	2%	

Hebron 2023 Residency Summary (as of Q4-2023)

Total FTE by Gender and Discipline

Discipline	Number of FTE				Total FTE
- stepine	Female	%	Male	%	
Administrative and Clerical	39	73%	15	27%	53
Engineers	21	27%	57	73%	78
Manual Workers	11	9%	103	91%	113
Professionals	30	22%	108	78%	137
Sales and Service	3	22%	12	78%	15
Skilled Crafts and Trades	4	1%	342	99%	346
Students	4	14%	22	86%	25
Supervisors, Middle and Senior Managers	20	19%	88	81%	108
Technicians	16	11%	131	89%	147
2021 Total	147	14%	877	86%	1,023

Notes:

- 1. 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 2023. The table includes a description of the contract, name of the contractor and the contractor's location at the time of award.

Description	Contract Awarded to:	Contractor Location (NL, OC, NC)
Supply of Shaker Baskets	Derrick Solutions International	OC
D2212R - Mud Cooler (Sub-contract Award – Aker Solutions)	NOV Canada	OC
G2103 – Piping (Sub-contract Award – Aker Solutions)	Scandanavian Fittings and Flanges (SFF)	NL
G2103 – Techlok Fittings (Sub-contract Award – Aker Solutions)	Westlund Offshore	NL
G2104 – Techlok Fittings (Sub-contract Award – Aker Solutions)	Westlund Offshore	NL
W2107 – Water Injector Manifold Valve (Sub-contract Award – Aker Solutions)	Score Canada	NL
G2104 – Water Injector Manifold Isolation Valve (Sub-contract Award – Aker Solutions)	Score Canada	NL
Trucking Services (Sub-contract Award – A. Harvey and Company)	Akita Equipment	NL
Supply of Managed Pressure Drilling (MPD) Equipment and Services	Beyond Energy	OC
Catering Services (Atlantic Towing Limited – Subcontract Award)	East Coast Catering	NL
LE Mud Cooler - Piping Bulk (Metallic) (Aker Solutions – Subcontract Award)	Scandinavian Fittings and Flanges (SFF)	NL
Temperature & Pressure Transmitters (Aker Solutions – Subcontract Award)	Atlantic Controls	NL
OEM Parts for Pumps with Eureka Pumps AS	Eureka Pumps AS	OC
Purchase of 30″ Low Pressure Rider Running Tool	Mechanical Research and Design	OC
Supply of Agitator Components for LP Mud System	Gratec	OC
Provide public affairs support for Hebron, Hibernia and Exploration	Cove Public Affairs	NL
Supply of HVAC Duct Cleaning	Belfor Property Restoration	NL
Supply of Fisher, Daniel and Rosemount Materials for Hebron and Hibernia	Atlantic Controls	OC Page 5 of 13

5Y Supply of AR-AFFF Foam	K&D Pratt	NL
Hebron Flowline P4C-OP1 Techlock Piping (Aker Solutions –Subcontract award)	Westlund	NL
Hebron Flowline P5-OP14 Techlock Piping (Aker Solutions –Subcontract award)	Westlund	NL
Hebron HP Inventory Autoclave Materials (Aker Solutions Subcontract award)	Eastern Valve & Control Specialties	NL
LE Mud Cooler LM Spool Fabrication (Aker Solutions Subcontract award)	Pennecon	NL
OEM Goods & Services	NOV Canada ULC	ос
Provision of 4D Seismic (Acquisition) Surveying	Shearwater Geoservices Singapore Ptd Ltd.	NC
Shaker Screens	Derrick and NOV	NL
Supply of Clothing, Rainwear, Protective Footwear, and Misc	Campbells Ships Supplies	NL
Supply of Deck Services	Crosbie Salamis Limited	NL
Supply of OCTG	Sumitomo Corporation	NC
Supply of Valve Management Services, Warehousing and Inventory Management	NewValve Services & Consulting Inc.	NL
Supply of Well Annular Barrier (WAB)	Welltec Canada Inc.	ос

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

Purchase Order Analysis

During 2023, 8,747 Purchase Orders (POs) were awarded with a total value of \$347,513,690.13. The chart below summarizes the percentage of the total awarded value by location.



5.0 SUPPLIER DEVELOPMENT

Throughout 2023, Supplier Development activity continued with local vendors regarding the Hebron Project and potential opportunities.

- Participated in planning committee for CAPP/Indigenous Development Directors' Session in St. John's, NL. Attendees included local supplier base, representatives of Indigenous groups and development corporations, and local oil and gas operators.
- ExxonMobil Canada President provided an overview of local activities at the Energy NL Conference. Representatives also attended the conference to network with suppliers, including hosting an ExxonMobil Canada exhibitor booth where scannable QR codes were available for interested suppliers to learn about procurement opportunities.
- Met with founder of Guide To Good, to learn more about their focus on growing local business and sustainability initiatives and how EMCP can get involved.
- Hosted a Lunch and Learn Session on Indigenous Cultural Awareness for EMCP Procurement & Benefits teams with Labrador Consulting Services.
- Attended WEConnect Conference and International Global Monthly Member Calls.

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 2023.

- Wind Power Study
- Carbon Capture and Storage Study
- MUN AI Phase 1

7.0 HEBRON PHOTOS



Safety, Health, and Environment Manager, Keith Pike visited with Karen at The Rock Wildlife Rescue to present a cheque on behalf of the Hebron Project.

EMCP employees participated in the East Coast Trail Hike.

EMCP employees spoke with Memorial University students about careers in the industry and the EMCP recruitment process.



EMCP employees and guests attended the ExxonMobil NSO Big Ticket. ExxonMobil Canada has been a long-time supporter of the Newfoundland Symphony Orchestra.

EMCP and its employees raised more than \$135,000 to support United Way NL.

EMCP sponsored St. John's International Women's Film Festival and invited employees to attended the screening of Black Barbie.

HMDC and EMCP employees and contractors supported families in need of assistance during the holiday season. Together they supported 18 families, including two families of new Canadians.



8.0 INCLUSION & DIVERSITY

2023 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 2023.

Representation of Designated Groups					
Employment Categories	Women	Indigenous Peoples	Visible Minorities	Persons with Disabilities	
	2023	2023	2023	2023	
Managers and Supervisors	20%	0%	1%	0%	
Professional and Technical	17%	2%	3%	0%	
Administrative	71%	1%	2%	1%	
Skilled Crafts and Trades	2%	2%	1%	1%	
Sales and Service	27%	0%	10%	0%	
Manual Workers	9%	0%	8%	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.

Implementation of Hebron's Diversity Plan

The Plan comprises five pillars, representing the types of initiatives required to support meaningful, longterm 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 2023, 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 2023, Hebron and its main contractors also participated in 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 2023, 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
- EMCP's Women's Interest Network (WIN) provided information sessions, resources and volunteer opportunities for employees.
- The PRIDE Network collaborated with their allies to provide resources and opportunities to celebrate PRIDE Month.
- EMCP representatives attended I&D sessions
- EMCP employees acknowledged the intergenerational harm that residential schools caused to Indigenous families and communities by wearing orange on National Day of Truth and Reconciliation.
- EMCP employees were invited to participate in the Black Employee Support Network's celebrations of Black History Month.

Pillar 4 - Monitoring and Reporting

In 2023, EMCP and its contractors implemented the following monitoring, reporting and stewardship measures:

- Onboarding process for new contractors includes review of key policies, guidelines, plans and requirements.
- Continued dialogue with representatives from contractors and sub-contractors regarding diversity best practices and expectations
- Continued internal monitoring of contractor's recruitment and supportive work environment effort
- 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), 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.

2024 Implementation

In 2024, 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.