

ExxonMobil Canada Properties



Hebron Project Canada-Newfoundland and Labrador Benefits Report for the Period January 1, 2023 to March 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 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 to March 31, 2023 in the areas of expenditures, contracting and procurement, employment, research and development, and diversity.

2.0 CANADIAN-NL CONTENT ESTIMATES

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

Q1-2023 Canada-NL Content Estimates				
NL	ос	NC	Total	
61%	18%	21%	100%	



The number of full-time equivalents (FTE) employed on the Hebron Project during Q1-2023 was 975 of which 93% were Newfoundland & Labrador residents, 3% were other Canadian and 3% were non-Canadian. Please note the following interpretation notes regarding Hebron employment information:

- The figures in this report may be subject to rounding difference
- FTE represents the total hours worked divided by the average hours worked for a full-time position per quarter
- Previous reports listed 'Number Filled' and included some individuals who worked on the project less than full time. The numbers in this report reflect FTE as defined in the bullet above.

Employment Table 1: Hebron Q1-2023 Residency Summary

Residency Summary	Newfoundland and Labrador	Other Canadian	Non-Canadian	Total FTE
Offshore	485	17	18	520
Onshore	427	17	12	456
Total	912	34	30	975
Percentage	93%	3%	3%	

Employment Table 2: Hebron Q1-2023 Total FTE by Gender and Discipline

	Number of FTE				
Discipline	Female	%	Male	%	Total FTE
Administrative and Clerical	35	70%	15	30%	50
Engineers	24	30%	55	70%	79
Manual Workers	11	10%	100	90%	110
Professionals	30	22%	103	78%	133
Sales and Service	3	19%	13	81%	16
Skilled Crafts and Trades	5	2%	296	98%	301
Students	4	18%	18	82%	22
Supervisors, Middle and Senior Managers	20	18%	87	82%	107
Technicians	15	9%	143	91%	157
Total	146	15%	830	85%	975

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 semiprofessional 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



Q1-2023 Hebron Canada-Newfoundland & Labrador Benefits Report 4.0 CONTRACTING & PROCUREMENT

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

Hebron Contracting Activity Q1-2023					
Description	Contract Type	Contract Awarded to:	Contractor Location (NL, OC, NC)		
Supply of Shaker Baskets	Material & Services	Derrick Solutions International	OC		
D2212R - Mud Cooler (Sub-contract Award – Aker Solutions)	Materials	NOV Canada	OC		
G2103 – Piping (Sub-contract Award – Aker Solutions)	Materials	Scandanavian Fittings and Flanges (SFF)	NL		
G2103 – Techlok Fittings (Sub-contract Award – Aker Solutions)	Materials	Westlund Offshore	NL		
G2104 – Techlok Fittings (Sub-contract Award – Aker Solutions)	Materials	Westlund Offshore	NL		
W2107 – Water Injector Manifold Valve (Sub-contract Award – Aker Solutions)	Materials	Score Canada	NL		
G2104 – Water Injector Manifold Isolation Valve (Sub-contract Award – Aker Solutions)	Materials	Score Canada	NL		
Trucking Services (Sub-contract Award – A. Harvey and Company)	Services	Akita Equipment	NL		

Purchase Order Analysis

During the first quarter of 2023, there were 2655 Purchase Orders (POs) issued for a total value of \$65,296,880.51. The chart below summarizes the percentage of the total awarded value by location.

