



## **Hibernia Management and Development Company Ltd.**



**Canada-Newfoundland and Labrador Benefits Report for the Period  
January 1, 2022 to December 31, 2022**



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## 1.0 INTRODUCTION

The Hibernia field is located on the northeastern Grand Banks, approximately 315 km south-southeast of St. John's, Newfoundland and Labrador. The field was discovered in 1979 by Chevron et al. when they drilled the Hibernia P-15 well.

On September 15, 1985, Mobil, on behalf of the Hibernia co-venturers, filed the Hibernia Benefits Plan and Hibernia Development Plan with the Federal and Provincial governments. The Hibernia Benefits Plan was approved by the C-NLOPB in June 1986. The Plan covers all phases of the Hibernia project from project development to abandonment. An Amendment was submitted in February 2010 and subsequently approved in September 2010 to address the Hibernia Southern Extension. This was the first amendment to Hibernia's Benefits Plan since the original was approved by the Board in Decision 86.01.

Several key principles of the Plan include:

- The provision for a local office where appropriate levels of decision-making are to take place;
- The requirement for full, fair and timely opportunities for Newfoundland and Canadian industry to participate in the supply of goods and services on a competitive basis;
- Utilizing, to the extent practical and cost effective, the principle of first consideration to Newfoundlanders and Labradorians and Canadians in procurement, contracting and employment policies for the project including the construction, development and operating phases;
- Engineering and construction work that can be performed in Newfoundland and Labrador shall be performed in Newfoundland and Labrador;
- Establishment of a Gender Equity and Diversity Program; and
- Expenditures shall be made for research and development to be carried out in the province and for education and training to be provided in the province.

This report summarizes the Hibernia Project activities for the period of January 1, 2022 to December 31, 2022 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 2022 for Hibernia Base and Hibernia Southern Extension (HSE Unit).

2022 Canada-NL Content Estimates				
	NL	OC	NC	Total
Percentage (%)	61%	22%	17%	100%

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

### Notes:

1. SAP reports are analyzed to determine the NL, Other Canadian and Non-Canadian Content Estimates
2. The table has been populated with NL, Other Canadian and Non-Canadian percentages for existing vendors based on historical content percentages with updates during an annual verification process.
3. For non-major contractors, information collected from the vendor or standard rules and assumptions are utilized to determine the content percentages

## 3.0 EMPLOYMENT

Hibernia and its contractors have been successful in achieving a high level of participation by Canadians, and in particular residents of the Province, in project employment over the reporting period as per Table 1 below. Please note the following interpretation notes regarding Hibernia employment information:

- Full time equivalent (FTE) represented in these tables are as of Q4-2022. Hours included in the tables are cumulative for January to December 2022. Companies with FTE of zero did not have person hours to report in Q4-2022.
- The figures in this report may be subject to rounding differences.
- FTE represents the total hours worked divided by the average hours worked for a full time position per quarter.
- FTEs 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.

**Employment Table 1: Hibernia 2022 Residency Summary (as of Q4-2022)**

Residency Summary	Newfoundland and Labrador	Other Canadian	Non-Canadian	Total FTE
Offshore	666	19	18	704
Onshore	447	9	21	476
<b>Total</b>	<b>1,113</b>	<b>28</b>	<b>39</b>	<b>1,180</b>
<b>Percentage</b>	<b>94%</b>	<b>2%</b>	<b>3%</b>	

**Employment Table 2: Hibernia 2022 Headcount by Gender and Discipline (as of Q4-2022)**

Discipline	Number of FTE				Total FTE
	Female	%	Male	%	
Administrative and Clerical	44	65%	24	35%	69
Engineers	16	23%	55	77%	71
Manual Workers	12	8%	149	92%	161
Professionals	21	13%	144	87%	165
Sales and Service	4	17%	22	83%	26
Skilled Crafts and Trades	6	2%	350	98%	356
Students	5	20%	18	80%	22
Supervisors, Middle and Senior Managers	19	14%	119	86%	138
Technicians	22	13%	150	87%	172
<b>Total</b>	<b>149</b>	<b>13%</b>	<b>1,031</b>	<b>87%</b>	<b>1,180</b>

## 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 new service contracts, services contract extensions, material contracts and material contract extensions with a value greater than \$250,000 awarded during 2022.

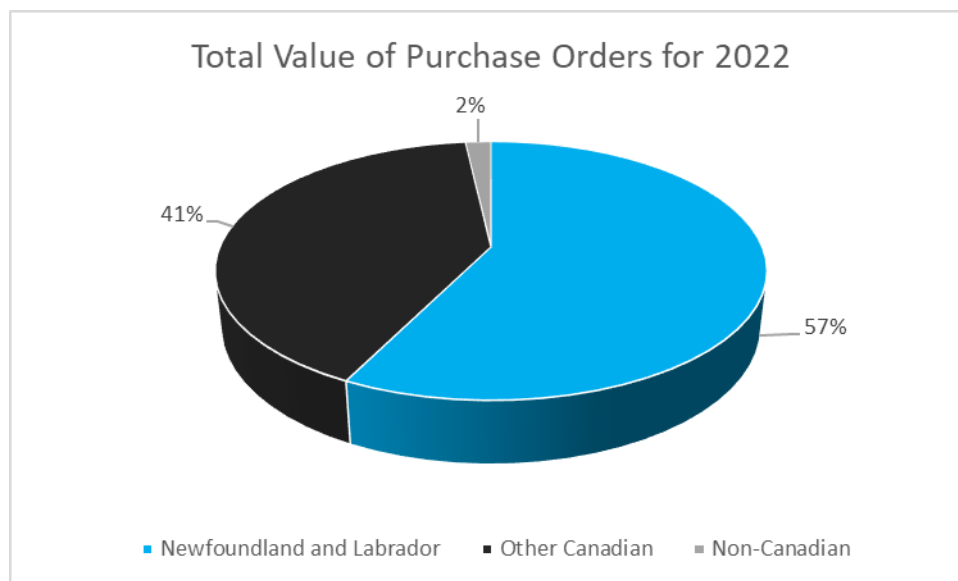
The table includes a description of the contract, name of the contractor and the contractor's location at the time of award.

Hibernia Contracting Activity 2022			
Description	Contract Type	Contract Awarded to	Contractor Location (NL, OC, NC)
Deck Services	Services	Crosbie Salamis Limited	NL
Supply of Environmental Services – Wells Operations	Services	Parker Drilling Canada Company	NL
Provision of Wellheads & Xmas Trees	Materials	Vault Pressure Controls	NL
Provision of Packers	Materials	Baker Hughes	NL
Provision of Packers	Materials	Baker Hughes	NL
Produced Water Pumps (3) (Subcontract Award Wood)	Materials	Clyde Union Canada Ltd.	OC
Provision of Digital Application for Inspection Processes	Services	Radiant360	NL
Supply of Fibre Optic Cable Repair & Storage of Spares	Materials & Services	ITT	OC
Purging & Leak Testing Campaign (2022 Turnaround) (Subcontract Award)	Material & Services	IKM Testing (Canada) Limited	NL
Flowback Centrifugal Pump (Subcontract Award)	Materials	Clyde Union Canada Limited	OC
Pipe Cold Cutting and Plugging (2022 Turnaround) (Subcontract Award)	Materials & Services	Pennecon Energy Hydraulic Systems	NL
Torquing & Tensioning Service (2022 Turnaround) (Subcontract Award)	Services	Pennecon Energy Hydraulic Systems	NL
Underdeck Piping Replacement (Hubs) (Subcontract Award)	Materials & Services	Scandinavian Fittings & Flanges Canada Inc.	NL
Purchase/ Repair of aftermarket LM2500 components	Materials & Services	TransCanada Turbines	OC
Work String Operated Stage Cementing Equipment & Services (1st award)	Materials and Services	Archer BCH Canada	NC
Work String Operated Stage Cementing Equipment & Services (2nd award)	Materials and Services	TAM International Oil Services	NL
Tracerco Profiler Training	Services	Tracerco	NC
HMDC Production Chemicals	Materials and Services	Baker Hughes Canada Company	NL
Supply of Hydraulic Power Units (HPUs) for M71 and M72	Materials and Services	Pennecon Hydraulic Systems	NL
HP Flowback Injection Pump Skid (Sub Contract Award – Wood)	Materials	Calder Ltd.	NC



## Purchase Order Analysis

During 2022, 10,785 Purchase Orders (POs) were awarded with a total value of \$426,553,104.34. The table below summarizes the percentage of the total awarded value by location.



## 5.0 SUPPLIER DEVELOPMENT

Throughout 2022, Supplier Development activity continued with local vendors regarding the Hibernia Project and potential opportunities.

## 6.0 RESEARCH AND DEVELOPMENT

Listed below are some key research and development and education and training activities related to the Hibernia Project that took place in 2022.

- Biometrics and Adaptive Learning Technology - Future of Maritime Fatigue Management
- C-Core Suction Caisson Piles
- Open Offshore Project - Digital Technologies Roadmap
- Wind Power Study
- Development of Ducted Fan Unmanned Aerial System (DFUAS)
- Genesis Centre Sponsorship
- Environmental Genomics
- Flowline Protection Requirements for Extended Tiebacks
- Let's Talk Science
- Hydrate Management for Marginal Fields
- Ocean Supercluster Canada/Petroleum Research NL Digital Offshore Canada Project
- Shuttle Tanker Operations Competency Assurance Program
- Crisis Intervention and Operability Analysis for Digital Ocean Operations





## 7.0 HIBERNIA PHOTOS



HMDC President Stephen Edwards brought greetings at the Avalon Ride for Dad opening ceremony and presented a cheque in support of prostate cancer research and awareness.





HMDC President Stephen Edwards joined St. John's Regional Fire Department and A Dollar a Day Foundation at Raise the Bucket to raise funds in support of mental health and additions care for first responders.



To mark the 25th anniversary of Hibernia production, HMDC made a contribution of \$25,000 to support accessibility enhancements for a local trail in Carbonear. The project was nominated by a member of the offshore workforce, and many offshore workers came together to help complete the trail enhancements.





## 8.0 INCLUSION & DIVERSITY

### 2022 Hibernia Inclusion & Diversity Report

#### Introduction

It is the ongoing responsibility of HMDC to oversee the implementation and execution of the Hibernia Project Inclusion & Diversity (I&D) Plan to meet its regulatory and contractual requirements. HMDC's approach to achieving success in inclusion and diversity takes a long-term view, and focuses on sustainability following implementation. The report below includes results from HMDC's workforce self-identification survey and initiatives completed in 2022.

Representation of Designated Groups				
Employment Categories	Women	Indigenous Peoples	Visible Minorities	Persons with Disabilities
	2022	2022	2022	2022
Managers and Supervisors	16%	1%	2%	1%
Professional and Technical	15%	2%	3%	1%
Administrative	67%	2%	3%	1%
Skilled Crafts and Trades	2%	1%	0%	0%
Sales and Service	16%	0%	18%	0%
Manual Workers	8%	1%	8%	0%

#### Representation

- Representation numbers indicate a percentage of the total project workforce, including HMDC 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 Hibernia's Inclusion & Diversity Plan

The Plan is comprised of 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 2022, HMDC, 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 the community. Some examples of community investment include Let's Talk Science, Women in Resource Development Corporation (WRDC), and scholarships.

### **Pillar 2 - Recruitment and Selection of Qualified Candidates**

HMDC has a recruitment and selection process that emphasizes equity and fairness and has proven effective over time. The effectiveness of the process will continue to be monitored and reviewed over the life of the Project, and HMDC 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.

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

### **Pillar 3 - Establishment and Development of a Supportive Work Environment**

In 2022 HMDC 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
- Consistent dialogue with representatives from contractors and sub-contractors regarding Hibernia platform strategies, including diversity best practices and expectations
- Integration of diversity and inclusion considerations in Hibernia's operations planning and succession planning
- HMDC employees invited to ongoing events by the ExxonMobil Women's Interest Network.
- PRIDE Network organized a number of awareness events for PRIDE awareness month.
- I&D Core Team representatives attended external diversity sessions.
- HMDC 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.
- Residents of the 20 Hebron Way office were invited to bring family and friends to tour the office, check out new technology, and hear from employee resource groups (PRIDE, Women's Interest Network) and more.
- Celebrated Hibernia 25th anniversary of production with onshore and offshore workforce, which highlighted some of the many benefits the project has brought to the province with the support of the workforce.



#### **Pillar 4 - Monitoring, Reporting and Stewardship**

In 2022, HMDC and its contractors implemented the following monitoring, reporting and stewardship measures:

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

#### **Pillar 5 - Business Access**

Business access for diverse companies in a Canadian supplier environment remains a focus. The Supplier Diversity Program used by HMDC 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 and 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 HMDC's Supplier Diversity Program in 2013. In 2022 HMDC continued efforts on outreach, consultation and supplier development.

#### **2023 Implementation**

In 2023, HMDC and its main contractors will:

- 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 internal initiatives related to I&D
- 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