



Canada-Newfoundland and Labrador Benefits Husky Energy Ref. No.: WR-ADM-RP-0049

QUARTERLY REPORT July 1 – September 30, 2017

Table of Contents

| 1.0 | Introduction | 3 |
|-----|---|----|
| 2.0 | White Rose Project Employment Summary | 3 |
| 3.0 | West White Rose Project Employment Summary | 4 |
| 4.0 | Procurement Summary (Contracts > \$250,000) | 9 |
| 5.0 | Exploration | 9 |
| 6.0 | Photographs | 10 |

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending September 30, 2017, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and also includes activities of its major sub-contractors.

2.0 White Rose Project Employment Summary

In Q3 2017, a total of 1,266 people were reported employed on Husky's White Rose Operations, of which 612 were located offshore. The total employment number includes people employed with Husky and its contractors and includes North Amethyst and South White Rose Extension (SWRX). The offshore number for this reporting period includes personnel from Henry Goodrich, SeaRose FPSO, support vessels, helicopters and tankers.

Of the total personnel, 1,106 or 87 percent, were residents of Newfoundland and Labrador when hired, while another 111, or 9 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 191, or approximately 15 percent, of the total workforce (Table 2.1).

Employment for the West White Rose Project is reported separately in Section 3.0

Table 2.1 - Employment Summary by Location, as of September 30, 2017 – White Rose



Atlantic Region Contractor Stats Head Count By Location White Rose - Q3 2017

| Location | NL Male | NLFemale | NL Subtotal | Other Canadian Male | | Other Canadian Subtotal | Foreign Male | Foreign Female | Foreign Subtotal | Male Subtotal | Female Subtotal | Total |
|-------------------------|---------|----------|----------------|---------------------------|----|-------------------------------|-----------------|-------------------|---------------------|------------------|--------------------|-------|
| Foreign | 0 | 0 | 0 | 0 | 0 | 0 | 17 | 3 | 20 | 17 | 3 | 20 |
| Newfoundland - Offshore | 529 | 21 | 550 | 48 | 0 | 48 | 13 | 1 | 14 | 590 | 22 | 612 |
| Newfoundland - Onshore | 405 | 151 | 556 | 48 | 14 | 62 | 13 | 1 | 14 | 466 | 166 | 632 |
| Other Canadian | 0 | 0 | 0 | 1 | 0 | 1 | 1 | 0 | 1 | 2 | 0 | 2 |
| Total | 934 | 172 | 1,106 | 97 | 14 | 111 | 44 | 5 | 49 | 1,075 | 191 | 1,266 |

3.0 West White Rose Project Employment Summary

As of September 30, 2017, 334 people were reported employed on Husky's West White Rose Project (WWRP), representing approximately 161,000 person hours. Of those hours, 95,711 or 59 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 77, or approximately 23 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by Wood; These hours are related to topsides engineering. Hours reported by Husky Energy are related to project management. Arup Canada Inc. hours were for continued CGS engineering design work. Hours reported by Edward Collins and Garda World represent graving dock maintenance activities. The hours reported by SDP represent continuing CGS constructability reviews and the start of early works at the Argentia graving dock to prepare the site for CGS construction beginning in 2018. Similarly, the hours reported by Kiewit reflect the start of planning for living quarters construction in Marystown, due to start in Q4 2017.

Table 3.1 Person Hours by Contractor, as of September 30, 2017 - West White RoseProject Employment



Atlantic Region Contractor Stats

Hours By Contractor West White Rose Project - Q3 2017

| Contractor | Onshore | Offshore | Subtotal | Other Canadian | Foreign | Total |
|------------------|---------|----------|----------|----------------|---------|---------|
| Arup Canada Inc. | 26,811 | 0 | 26,811 | 18 | 1,101 | 27,930 |
| Edward Collins | 1,614 | 0 | 1,614 | 0 | 0 | 1,614 |
| Garda World | 2,316 | 0 | 2,316 | 0 | 0 | 2,316 |
| Husky | 16,442 | 0 | 16,442 | 1,116 | 880 | 18,522 |
| Kiewit | 4,480 | 0 | 4,480 | 0 | 0 | 4,480 |
| SDP | 10,047 | 0 | 10,047 | 383 | 0 | 10,430 |
| WoodGroup | 33,917 | 0 | 33,917 | 0 | 61,840 | 95,757 |
| Total | 95,627 | 0 | 95,711 | 1,517 | 63,821 | 161,049 |

Table 3.2 Head Count by Contractor and Residency, as of September 30, 2017 - WhiteRoseExtension Project

| M | Atlantic Region Contractor Stats |
|----|--|
| C) | Atlantic Region Contractor Stats Head Count By Contractor |
| | West White Rose Project - O3 2017 |

| Contractor | NL Male | NL Female | NL Subtotal | Other Canadian Male | Other Canadian Female | Other Canadian Subtotal | Foreign Male | Foreign Female | Foreign Subtotal | Male Subtotal | Female Subtotal | Total |
|------------------|---------|-----------|----------------|---------------------------|-----------------------------|-------------------------------|-----------------|-------------------|---------------------|------------------|--------------------|-------|
| Arup Canada Inc. | 21 | 13 | 34 | 4 | 0 | 4 | 18 | 2 | 20 | 43 | 15 | 58 |
| Edward Collins | 4 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 0 | 4 |
| Garda World | 1 | 5 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 5 | 6 |
| Husky | 34 | 9 | 43 | 1 | 1 | 2 | 2 | 0 | 2 | 37 | 10 | 47 |
| Kiewit | 8 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 0 | 8 |
| SDP | 16 | 5 | 21 | 1 | 2 | 3 | 0 | 0 | 0 | 17 | 7 | 24 |
| WoodGroup | 54 | 13 | 67 | 0 | 0 | 0 | 94 | 27 | 121 | 148 | 40 | 188 |
| Total | 138 | 45 | 183 | 6 | 3 | 9 | 114 | 29 | 143 | 258 | 77 | 33.4 |

Residents of NL comprised 55 percent of the West White Rose Project work force and three percent were residents of Canada (Table 3.2).

The majority of positions in Q3 2017 were associated with engineering supported by technicians and technologists, professionals and management (Table 3.3).

Table 3.3 Headcount by Occupation, as of September 30, 2017 - White Rose Extension Project



Atlantic Region Contractor Stats Head Count By Occupation

West White Rose Project - Q3 2017

| Occupation | NL Male | NL Female | NL Subtotal | Other Canadian Male | Other Canadian Female | Other Canadian Subtotal | Foreign Male | Foreign Female | Foreign Subtotal | Male Subtotal | Female Subtotal | Total |
|--------------------------------|---------|-----------|----------------|---------------------------|-----------------------------|-------------------------------|-----------------|-------------------|---------------------|------------------|--------------------|-------|
| Administration & Clerical | 1 | 7 | 8 | 0 | 0 | 0 | 0 | 5 | 5 | 1 | 12 | 13 |
| Engineers | 68 | 15 | 83 | 4 | 0 | 4 | 61 | 11 | 72 | 133 | 26 | 159 |
| Management | 14 | 2 | 16 | 1 | 1 | 2 | 6 | 0 | 6 | 21 | 3 | 24 |
| Other Field Services | 4 | 4 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 | 8 |
| Professionals | 27 | 10 | 37 | 1 | 2 | 3 | 10 | 5 | 15 | 38 | 17 | 55 |
| Skilled Trades | 6 | 0 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 0 | 6 |
| Technicians & Technologists | 18 | 7 | 25 | 0 | 0 | 0 | 37 | 8 | 45 | 55 | 15 | 70 |
| Total | 138 | 45 | 183 | 6 | 3 | 9 | 114 | 29 | 143 | 258 | 77 | 33.4 |

Note: In Q3 2017, Husky employed 8 co-op students (4 female) on the West White Rose Project.

Table 3.4 Headcount by Location, as of September 30, 2017 - White Rose Extension Project



| Location | NL Male | NLFemale | NL Subtotal | Other Canadian Male | | Other Canadian Subtotal | | | | | Female Subtotal | Total |
|------------------------|---------|----------|----------------|---------------------------|---|-------------------------------|-----|----|-----|-----|--------------------|-------|
| Foreign | 0 | 0 | 0 | 0 | 0 | 0 | 97 | 27 | 124 | 97 | 27 | 124 |
| Newfoundland - Onshore | 137 | 45 | 182 | 6 | 3 | 9 | 17 | 2 | 19 | 160 | 50 | 210 |
| Other Canadian | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 138 | 45 | 183 | 6 | 3 | 9 | 114 | 29 | 143 | 258 | 77 | 33.4 |

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project as of September 30, 2017 and does not necessarily represent full time employees.

Table 3.5 outlines the percentage of women working on the WWRP as of September 30, 2017, against the targets in the project Diversity Plan.

The total workforce of the WWRP for this quarter is 334. The percent of the workforce in each category is used to calculate the actual percent of the female workforce against the target. This information is shown in Table 3.3. Specifically,

- Managers and other professionals 24 (3 female)
- Engineers 159 (26 female)

For the Quarter Ending September 30, 2017

- Technicians and technologists 70 (15 female)
- Skilled trades 6 (0 female)
- Other field services 8 (4 female) see Other category in Table 3.5

Table 3.5 Women Working on WWRP Compared to Project Targets

| Total Workfo | orce: 334 | 4 | | | | |
|--|-------------|--|----------------------------------|-------------------------------------|--|--|
| Category | NOC Code | Occupations | Target (% of total workforce) | Actual (% of total workforce) | | |
| Managers and other Professionals | | | 30 | 12.5 | | |
| | 2131 | Civil Engineers | 20 | 4.4 | | |
| | 0211 | Engineering Managers | | | | |
| | 2133 | Electrical and Electronics Engineers | | | | |
| | 2132 | Mechanical Engineers | | | | |
| | 2134 | Chemical Engineers |] | 44.0 | | |
| Engineers | 2141 | Industrial and Manufacturing Engineers | | | | |
| C | 2144 | Geological Engineers | 15 | 11.9 | | |
| | 2145 | Petroleum Engineers | | | | |
| | 2147 | Computer Engineers (Except Software Engineers and Designers) | | | | |
| | 2151 | Architects | | | | |
| Technicians and | 2231 | Civil Engineering Technologists and Technicians | 20 | 21.4 | | |
| Technologists | 2251 | Architectural Technologists and Technicians | 20 | 21.7 | | |
| Foreperson | 7205 | General Foreperson and Foreperson for the following categories: Bricklayers and Allied Crafts - Concrete Finisher, Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway) | | | | |
| | 7302 | General Foreperson and Foreperson for the following categories: Plant Operators (Crane Operator, Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip]) | 5 | 0 | | |
| | 7201 | Ironworkers - Rodperson General Foreperson and Foreperson, Structural General Foreperson and Foreperson | | | | |
| | 7204 | General Foreperson and Foreperson for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway) | | | | |
| Trades (Apprentice and Journey | 7521 | Journey Person and Apprentices for the following categories: Plant Operators (Heavy Equipment Operator, Construction Equipment Operators | 15 | 0 | | |

| | [Stressing, Slip]) | | | |
|------|--|--|--|--|
| 7271 | Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway) | 12 | 0 | |
| 7252 | Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices | | | |
| 7236 | Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop) | 5 | 0 | |
| 7611 | Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway) | 20 | 0 | |
| 6541 | Security guards | | | |
| 3413 | First aid attendants | 0 | 71.4 | |
| | 7252 7236 7611 6541 | 7271 Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway) 7252 Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices 7236 Ironworkers - Rodperson Journey Person and Apprentices and Journey Person and Apprentices and Journey Person and Apprentices and Journey person (shop) 7611 Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway) 6541 Security guards | 7271Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)127252Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices57236Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop)57611Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)206541Security guards0 | |

For the Quarter Ending September 30, 2017

*Note that there were no targets for these employment categories but they are being reported as they constitute non-traditional employment for women.

The target set for female technicians and technologists' working on the project has been exceeded by just over one percent. The targets for engineers, forepersons and trades have not yet been reached for the project. Hiring of the majority of trade persons will not take place until early Q2 2018.

Note that the Targets for Women report for Q2, 2017 indicated that the total project workforce was 769 persons. This was approximately twice the actual workforce for that quarter and was the result of a calculation error in the database which has since been rectified.

4.0 Procurement Summary (Contracts > \$250,000)

There were no contracts >250,000 awarded for the White Rose project for Q3, 2017.

Table 6.1 Contracts Awarded for West White Rose Project – Q3 2017

| Husky East Coast Operations | | 2017 Q3 🏻 🛃 | Hu | sky | Er | ner | gy |
|-------------------------------------|-------------------------------|--------------------------------|-------|---------|----------|-----------|-----------|
| Procurement Summary Description | Vendor Name | Vendor Location | Range | NL | CDN | FOR | Total |
| Description | Vendor Manie | Vendor Edealion | Kange | | ODIN | TUK | Total |
| NEW CONTRACTS | | | | | | | |
| WWRP Topsides Transport services | Dockwise Shipping B.V | Netherlands | L | 0% | 0% | 100% | 1009 |
| WWRP Topsides Installation services | Excalibur Marine Contractors | Switzerland | N | 0% | 0% | 100% | 100% |
| Topsides Fabrication | Kiewit Offshore Services | Ingleside, TX | 0 | 0% | 0% | 100% | 1009 |
| Living Quarters Fabrication | Kiewit Offshore Services | Marystown, NL | N | 100% | 0% | 0% | 100% |
| CGS Construction | SNC-Dragados-Pennecon G.P. | St. John's | 0 | 78% | 17% | 5% | 1009 |
| ACDO Phase II, DED Engineering | Arup Canada Inc. | St. John's | L | 93% | 1% | 6^% | 94% |
| A = 250,001 - 500,000 \$ | E = 2,000,001 - 3,000,000 \$ | I = 10,000,001 - 15,000,000 \$ | | M = 50, | ,000,001 | - 75,0 | 00,000 \$ |
| B = 500,001 - 1,000,000 \$ | F = 3,000,001 - 5,000,000 \$ | J = 15,000,001 - 20,000,000 \$ | | N = 75, | 000,001 | - 100,00 | 00,000 \$ |
| C = 1,000,001 - 1,500,000 \$ | G = 5,000,001 - 7,500,000 \$ | K = 20,000,001 - 30,000,000 \$ | | 0 = 0v | er 100,0 | 00,001 \$ | 5 |
| D = 1,500,001 - 2,000,000 \$ | H = 7,500,001 - 10,000,000 \$ | L = 30,000,001 - 50,000,000 | \$ | | | | |

5.0 Exploration

The Exploration spend for the third quarter of 2017 was approximately \$1.26 million, with a content breakdown of 44.33 percent Newfoundland & Labrador, 15.33 percent Other Canadian, and 40.34 percent Foreign. This equates to expenditures totaling approximately \$556.76 thousand Newfoundland & Labrador, \$192.50 thousand Other Canadian, and \$506.62 thousand Foreign (Table 7.1).

The Exploration total to date spend is approximately \$502.06 million, with a content breakdown of 43.75 percent Newfoundland & Labrador, 40.14 percent Other Canadian, and 16.11 percent Foreign. This equates to expenditures totaling approximately \$219.67 million Newfoundland & Labrador, \$201.53 million Other Canadian, and \$80.86 million Foreign (Table 7.1).

6.0 Photographs



Husky welcomes the Skandi Vinland, which will provide support to subsea inspections, maintenance and repair, construction and offshore logistics – August 2017



Husky work term students collect donations for Thrive Street Reach program – August 2017





Husky volunteers attend Engineering Solutions: Design, Empower, Impact at the Mundy Pond Boys and Girls Club – August 2017



WISE students visit Husky office for 'Husky Day' to learn about company operations and various industry professions – August 2017



SeaRose fundraises for local charities, Kids Eat Smart and the Autism Society – August 2017