Husky Energy



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0059

QUARTERLY REPORT January 1 – March 31, 2019

Table of Contents

1.0	Introduction	3
2.0	White Rose Project Employment Summary	3
3.0	West White Rose Project Employment Summary	5
4.0	Procurement Summary (Contracts > \$250,000)	10
5.0	Exploration	10
6.0	Photographs	11

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2019, 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 Q1 2019, a total of 1,122 people were reported employed on Husky's White Rose Operations, of which 515 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, 946 or 84 percent, were residents of Newfoundland and Labrador when hired, while another 114, or 10 percent, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 189, or approximately 17 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 March 31, 2019 - White Rose



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	23	4	27	23	4	27
Newfoundland - Offshore	442	17	459	44	0	44	10	2	12	496	19	515
Newfoundland - Onshore	340	145	485	47	15	62	18	5	23	405	165	570
Other Canadian	1	1	2	8	0	8	0	0	0	9	1	10
Total	783	163	946	99	15	114	51	11	62	933	189	1,122

Table 2.2 - Employment Summary of Husky and Major Contractors, as of March 31, 2019 - White Rose



Atlantic Region Contractor Stats

Head Count By Contractor White Rose - Q1 2019

			NL	Other Canadian	Other Canadian	Other Canadian	Foreign	Foreign	Foreign	Male	Female	
Contractor	NL Male	NL Female		Male	Female	Subtotal	Male	Female		Subtotal		Total
A Harvey	9	2	11	0	0	0	0	0	0	9	2	11
Aker Solutions	31	10	41	0	0	0	2	0	2	33	10	43
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	8	4	12	0	0	0	0	0	0	8	4	12
Atlantic Towing	22	6	28	22	6	28	1	0	1	45	12	57
Atlantic XL	0	0	0	0	0	0	0	0	0	0	0	0
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cormorant Ltd.	1	1	2	0	0	0	0	0	0	1	1	2
Cougar	29	7	36	9	1	10	0	0	0	38	8	46
Crosbie Salamis	35	3	38	4	0	4	0	0	0	39	3	42
DBC Marine Services	2	2	4	0	0	0	0	0	0	2	2	4
DOF Subsea	66	3	69	6	0	6	3	0	3	75	3	78
East Coast Catering	15	5	20	0	0	0	0	0	0	15	5	20
East Coast Tubulars	13	1	14	1	0	1	4	0	4	18	1	19
Enhanced Drilling	1	0	1	0	0	0	0	0	0	1	0	1
Expro Group Canada	9	1	10	0	0	0	1	0	1	10	1	11
FI Oilfield Services Canada ULC	10	0	10	0	0	0	0	0	0	10	0	10
Fugro Jacques GeoSurveys Inc	4	2	6	0	0	0	0	0	0	4	2	6
Halliburton	9	0	9	0	0	0	0	0	0	9	0	9
Husky	223	91	314	29	8	37	18	7	25	270	106	376
Import Tool	2	0	2	6	0	6	0	0	0	8	0	8
Maersk	58	1	59	2	0	2	0	0	0	60	1	61
Oceaneering International Ltd.	0	0	0	0	0	0	5	1	6	5	1	6
Oceans Ltd	5	1	6	0	0	0	0	0	0	5	1	6
OneSubsea	31	3	34	0	0	0	12	3	15	43	6	49
Pennecon	1	0	1	1	0	1	0	0	0	2	0	2
Provincial Airlines	2	1	3	0	0	0	0	0	0	2	1	3
Schlumberger Services	25	6	31	3	0	3	2	0	2	30	6	36
Score	6	2	8	0	0	0	1	0	1	7	2	9
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	8	0	8	0	0	0	0	0	0	8	0	8
SNC Lavalin	3	0	3	1	0	1	0	0	0	4	0	4
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	9	5	14	0	0	0	0	0	0	9	5	14
Teekay	23	0	23	0	0	0	0	0	0	23	0	23
Terrapure Environmental	5	1	6	2	0	2	0	0	0	7	1	8
Trans Ocean	108	5	113	13	0	13	2	0	2	123	5	128
Weatherford	0	0	0	0	0	0	0	0	0	0	0	0
Workstrings Canada	2	0	2	0	0	0	0	0	0	2	0	2
Total	783	163	946	99	15	114	51	. 11	62	933	189	1,122

*Note: Contractors showing "0" headcount, have reported hours for Husky work scopes, however do not meet the requirements for Full Time Equivalents and are therefore reporting a fraction of a full person.

Table 2.3 Employment Summary by Occupation, as of March 31, 2019 – White Rose



Atlantic Region Contractor Stats

Head Count By Occupation White Rose - Q1 2019

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	8	34	42	0	2	2	0	1	1	8	37	45
Engineers	84	32	116	11	4	15	17	2	19	112	38	150
Management	42	2	44	7	1	8	9	2	11	58	5	63
Marine Crew	168	7	175	14	0	14	0	0	0	182	7	189
Other Field Services	101	6	107	12	1	13	0	0	0	113	7	120
Professionals	131	64	195	29	7	36	10	5	15	170	76	246
Skilled Trades	106	2	108	18	0	18	5	0	5	129	2	131
Technicians & Technologists	143	16	159	8	0	8	10	1	11	161	17	178
Total	783	163	946	99	15	114	51	11	62	933	189	1,122

Note: In Q1 2019, Husky employed 33 co-op students (19 female) on the White Rose project. The students are not included in the head count above because they started and ended their term outside of the reporting system period.

3.0 West White Rose Project Employment Summary

As of March 31, 2019, 2,014 people were reported employed on Husky's West White Rose Project (WWRP), representing 1,135,966 person hours. Of those hours, 622,963 or 55 percent, occurred in Newfoundland and Labrador (Table 3.1). The number of females employed on the West White Rose Project was 218, or approximately 11 percent, of the total workforce (Table 3.2).

The majority of person hours expended on the project for this quarter were by SDP for interior works in the CGS. Hours reported by Wood are related to topsides engineering and procurement of topsides equipment. Hours reported by Husky Energy are related to project management. Arup Canada Inc. hours were for continued CGS engineering design work. Similarly, the hours reported by Kiewit (Marystown) reflect construction of living quarters in Marystown. Kiewit (Texas) hours are related to topsides work. Kvaerner hours were for engineering, analysis and planning related to marine operations. TechnipFMC hours relate to engineering of the subsea tie-back system.

Table 3.1 Person Hours by Contractor, as of March 31, 2019 - West White Rose Project Employment



Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Arup Canada Inc.	31,193	0	31,193	369	11,097	42,659
Husky	25,617	0	25,843	1,811	408	27,836
Kiewit (Marystown)	80,220	0	80,220	0	0	80,220
Kiewit (Texas)	0	0	0	0	426,000	426,000
Kvaerner	3,887	0	3,887	0	650	4,537
SDP	450,781	0	450,781	0	1,775	452,556
TechnipFMC	6,074	0	6,074	0	0	6,074
Wood	24,965	0	24,965	0	71,119	96,084
Total	622,737	0	622,737	2,180	511,049	1,135,966

Table 3.2 Head Count by Contractor and Residency, as of March 31, 2019 - White Rose Extension Project



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.	23	18	41	4	0	4	28	4	32	55	22	77
Husky	62	21	83	6	2	8	2	1	3	70	24	94
Kiewit (Marystown)	180	23	203	0	0	0	0	0	0	180	23	203
Kiewit (Texas)	0	0	0	0	0	0	690	20	710	690	20	710
Kvaerner	7	1	8	0	0	0	1	0	1	8	1	9
SDP	608	92	700	1	3	4	15	0	15	624	95	719
TechnipFMC	8	3	11	0	0	0	28	0	28	36	3	39
Wood	42	5	47	0	0	0	91	25	116	133	30	163
Total	930	163	1,093	11	5	16	855	50	905	1,796	218	2,014

Residents of NL comprised 54 percent of the West White Rose Project work force and 1 percent were residents of Canada (Table 3.2).

The majority of positions in Q1 2019 were associated with skilled trades supported by other field service, engineers, management and other professionals (Table 3.3).

Table 3.3 Headcount by Occupation, as of March 31, 2019 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Occupation West White Rose Project - Q1 2019

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	7	19	26	0	0	0	3	6	9	10	25	35
Engineers	92	23	115	6	1	7	110	8	118	208	32	240
Management	86	17	103	1	0	1	6	0	6	93	17	110
Other Field Services	407	36	443	0	0	0	4	0	4	411	36	447
Professionals	62	30	92	3	4	7	6	2	8	71	36	107
Skilled Trades	229	20	249	0	0	0	654	13	667	883	33	916
Technicians & Technologists	47	18	65	1	0	1	72	21	93	120	39	159
Total	930	163	1,093	11	5	16	855	50	905	1,796	218	2,014

Note: In Q1 2019, Husky and its contractors employed 21 co-op students (11 female) on the West White Rose Project.

Table 3.4 Headcount by Location, as of March 31, 2019 - White Rose Extension Project



Atlantic Region Contractor Stats

Head Count By Location West White Rose Project - Q1 2019

Location	NL Male	NLFemale	NL Subtotal	Other Canadian Male	Other Canadian Female	Other Canadian Subtotal	Foreign Male	Foreign Female	Foreign Subtotal	Male Subtotal	Female Subtotal	Total
Foreign	0	0	0	0	0	0	803	48	851	803	48	851
Newfoundland - Onshore	929	163	1,092	11	3	14	24	2	26	964	168	1,132
Other Canadian	0	0	0	0	2	2	28	0	28	28	2	30
Total	930	163	1,093	11	5	16	855	50	905	1,796	218	2,014

The head count shown in Table 3.4 is a snap shot of personnel who have charged hours to the project as of March 31, 2019 and does not necessarily represent full time employees.

Table 3.5 outlines the percentage of women working on the WWRP as of March 31, 2019, against the targets in the project Diversity Plan.

The total workforce of the WWRP for this quarter is 2,014. 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 110 (17 female)
- Engineers 240 (32 female)
- Technicians and technologists 159 (39 female)
- Skilled trades 916 (33 female)

- Other field services 447 (36 female)
- see Other* category in Table 3.5

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 2,014

				A - (1 /0/ - f		
Category	NOC Code	Occupations 30 ivil Engineers gineering Managers lectrical and Electronics Engineers echanical Engineers hemical Engineers echanical Engineers etroleum Engineers etroleum Engineers (Except Software ngineers and Designers) rechitects ivil Engineering Technologists and echnicians rechitectural Technologists and echnicians rechitectural Technologists and echnicians eneral Foreperson and Foreperson for e following categories: Bricklayers and lided Crafts - Concrete Finisher, aborers - Trades Helpers (Formwork, oncrete, Slip, Accessway) eneral Foreperson and Foreperson for e following categories: Plant Operators Crane Operator, Heavy Equipment perators (Stressing, Slip)) onworkers - Rodperson General properson and Foreperson for e following categories: Carpenters and oneral Foreperson and Foreperson for e following categories: Carpenters and oneral Foreperson and Foreperson for e following categories: Carpenters and oneral Foreperson and Foreperson for e following categories: Carpenters and oneral Foreperson and Foreperson for e following categories: Carpenters and oneral Foreperson and Foreperson for e following categories: Carpenters on and Foreperson for e following categories: Plant Operators deavy Equipment Operators	Actual (% of total workforce)			
Managers and other Professionals			30	15.45		
	2131	Civil Engineers	20	13.62		
	0211	Engineering Managers				
	2133	Electrical and Electronics Engineers				
	2132	Mechanical Engineers				
	2134	Chemical Engineers				
Engineers	2141	Industrial and Manufacturing Engineers	15	13.33		
	2144	Geological Engineers		10.00		
	2145	Petroleum Engineers				
	2147	Computer Engineers (Except Software Engineers and Designers)				
	2147 Computer Engineers (Except Software Engineers and Designers) 2151 Architects					
Technicians 2231 Civil Engineering Technologists and Technicians		20	24.43			
Technologists	2251	Architectural Technologists and Technicians	20	21.10		
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	8.08		
	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 Person)	7521	Journey Person and Apprentices for the following categories: Plant Operators (Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip])	15	8.18		
	7271	Journey Person and Apprentices for the following categories: Carpenters and	12	6.61		

Canada-Newfoundland and Labrador Benefits Report

For the Quarter Ending March 31, 2019

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		Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)		
	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	4.9
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	11.39
	6541	Security guards		
Other*	3413	First aid attendants	0	38.83

^{*}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 managers and other professionals was not achieved this quarter. The target set for female technicians and technologists' working on the project has been exceeded by approximately 4.4 percent. The target for engineers, plumbers/pipefitters and ironworkers and journey persons have not been met, however, the target for forepersons was exceed by 3.08 percent in Q1 2019.

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

There were no contracts >250,000 awarded for the West White Rose Project for Q1, 2019.

Table 6.1 Contracts Awarded for the White Rose Project – Q1 2019

Husky East Coast Operations		2019 Q1	Hus	ky	Ene		
Procurement Summary Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
New Contracts	Veliuoi Naille	Velidoi Location	Kange	NF	CDN	FUR	TOTAL
	Constant to the state of the state of	St John's	-	450/	700/	450/	1000/
Personal Protective Equipment	Spartan Industrial Marine		В	15%	70%	15%	100%
Excitation System Management Services	ABB Inc.	Montreal, QC	A	0%	100%	0%	100%
Offshore Support Vessel (Adhoc) for Ice Management - Maersk Mobiliser	Maersk Supply Service Canada	St. John's, NL	D	90%	5%	5%	100%
Offshore Support Vessel (Adhoc) for Drilling Support - Maersk Detector	Maersk Supply Service Canada	St. John's, NL	D	90%	5%	5%	100%
Waste Management Services	Revolution Environmental Solutions LP	St. John's, NL	G	75%	25%	0%	100%
Offshore Support Vessel (Adhoc) for Ice Management - Atlantic Kestrel	Atlantic Towing Limited	St. John's, NL	А	62%	31%	7%	100%
Contract Extensions							
Archer Drilling	Suspension Plugs	Houston, Texas	С	30%	0%	70%	100%
MODU Landing String Services	Expro Group Canada	St. John's, NL	F	47%	0%	53%	100%
Hose Retermination and Inspection/Stem Discharge System	Beattie Industrial	St. John's, NL	A	100%	0%	0%	100%
Subsea Storage and Support Services	Pennecon Marine Base	St. John's, NL	A	100%	0%	0%	100%
Offshore Electrical and Thermal Imaging Services	Pennecon Technical Services	St. John's, NL	A	85%	10%	5%	100%
Offshore Safety Training Services	Falck Safety	Dartmouth, NS	В	80%	20%	0%	100%
Offshore Safety Training Services	Rogers Enterprises	Paradise, NL	A	100%	0%	0%	100%
Provision of Production Chemicals	Baker Hughes Canada Company	St. John's, NL	M	64%	24%	13%	100%
General Engineering and Related Services	Hatch Ltd.	St. John's, NL	С	25%	75%	0%	100%
Offshore Engineering Consultancy Services	Frontier Subsea Inc.	St. John's, NL	Е	97%	0%	3%	100%
Leak Testing and Purging Services	IKM Testing (Canada) Ltd.	St. John's, NL	G	86%	7%	7%	100%
	Cost Range	Code Legend					
A = 250,001 - 500,000 \$	E = 2.000.001 - 3.000.000 \$	I = 10.000.001 - 15.000.000 \$		M = 50 00	00.001 - 75.00	0.000 \$	
B = 500.001 - 1.000.000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$		N = 75,000,001 - 100,000,000 \$			
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$		O = Over 100.000.001 \$			
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$		- 0701	. 55,000,001 0		

5.0 Exploration

The Exploration total to date spend is approximately \$557.8 million, with a content breakdown of 45.61 percent Newfoundland & Labrador, 38.20 percent Other Canadian, and 16.19 percent Foreign. This equates to expenditures totaling approximately \$254.43 million Newfoundland & Labrador, \$213.06 million Other Canadian, and \$90.31 million Foreign (Table 7.1).

6.0 Photographs



Husky employees volunteer to deliver the Junior Achievement program at St. Kevin's High - January 2019



The HSEQ team donates 60 bunker suits to municipal fire departments - March 2019



Husky managers cooked and served a pancake breakfast to fundraise for the Husky Has Heart charities – March 2019



Husky employees presented cheques to representatives from the 3 Husky Has Heart chosen charities. Pictured above is the donation to the Community Food Sharing Association – March 2019