



Canada-Newfoundland and Labrador Benefits Annual Report 2020

Husky Energy Ref. No.: WR-ADM-RP-0070



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1.0 Introduction – 2020 Highlights

Every year, the health, safety, and wellbeing of the people who support Husky's operations is our top priority. In 2020, Husky completed its 15th full year of operations at the White Rose field, safely. The *SeaRose* FPSO remained in operation, with enhanced COVID-19 screening provisions and physical distancing measures for workers, and produced approximately 9.1 million barrels of oil. To the end of 2020, the White Rose field and satellites have produced over 309 million barrels of oil.

In September, Husky announced a review of the West White Rose Project (WWRP). Major construction was suspended in March due to impacts related to the COVID-19 pandemic. In October, the company announced the continued suspension of construction on the concrete gravity structure in Argientia, NL through 2021. In December, the Government of Newfoundland and Labrador announced \$41.5 million in funding to help maintain jobs in the near-term and protect the option of re-starting the project in 2022, if conditions permit. With this support, work on the living quarters and topsides appurtenances continued in Marystown, NL. At the end of 2020, the project was approximately 60% complete and the joint venture continues to evaluate its options beyond 2021.

Also in Fall 2020, Husky announced a merger with Cenovus. As of January 2021, Husky is a wholly-owned subsidiary of Cenovus; its regulatory requirements and benefits commitments are unchanged.

Other 2020 Atlantic Region Highlights:

- The total number employed on White Rose Operations was 604; 91% of those were residents of Newfoundland and Labrador and another 6.7% were residents of other regions in Canada.
- Total Newfoundland and Canadian content for expenditures on the White Rose project for the period January 1 to December 31, 2020 was 74% (53% NL; 21% Other Canadian).
- From January to February 2020, Husky safely completed the reservoir abandonment of White Rose B-07 1 and demobilized the *Henry Goodrich* drilling rig. Following rig demobilization, resources were refocused to support the WWRP development.
- Husky invested over \$15.6 million in research and development and education and training and hired 55 co-op students (30 males and 25 females).
- A total of 14 White Rose crude cargoes were completed in 2020. All cargoes were delivered to the NTL terminal at Come by Chance, Placentia Bay, NL by the *Beothuk Spirit*, *Norse Spirit*, *Dorset Spirit* and *Navion Anglia*.
- The North Amethyst field completed its 11th year of production and produced approximately 2.3 million barrels of oil.
- The South White Rose Extension (SWRX) completed its fifth year of oil production, and produced approximately 2.5 million barrels of oil.

2.0 Employment Summary

Husky works proactively to ensure that Newfoundland and Labrador residents and members of the local supply community are full participants in the White Rose and satellite projects.

2.1 White Rose Project

As of Q4 2020, a total of 604 people were employed on Husky's White Rose operations, of which 215 were located offshore. The total employment number includes people employed with Husky and its contractors and includes North Amethyst and SWRX. The offshore number for this reporting period includes personnel from *SeaRose* FPSO, support vessels, helicopters and tankers.

Of the total personnel, 551, or 91%, were residents of Newfoundland and Labrador when hired, while another 40, or 6.7%, were residents of other regions of Canada at the time of hire. The number of females employed on White Rose operations was 136, or approximately 22.5%, of the total workforce (Table 2.1).

Employment for the WWRP is reported separately in Section 2.2.

Table 2.1 - Employment Summary by Location, as of December 31, 2020– White Rose



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q4 2020

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	7	4	11	7	4	11
Newfoundland - Offshore	195	8	203	12	0	12	0	0	0	207	8	215
Newfoundland - Onshore	234	114	348	17	10	27	2	0	2	253	124	377
Other Canadian	0	0	0	1	0	1	0	0	0	1	0	1
Total	429	122	551	30	10	40	9	4	13	468	136	604

Table 2.2 - Employment Summary of Husky and Major Contractors, as of December 31, 2020—White Rose

Atlantic Region Contractor Stats
Head Count By Contractor

White Rose - Q4 2020

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
A Harvey	4	1	5	0	0	0	0	0	0	4	1	5
Aker Solutions	20	6	26	0	0	0	0	0	0	20	6	26
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	9	4	13	0	0	0	0	0	0	9	4	13
Atlantic Towing	8	0	8	5	6	11	1	0	1	14	6	20
Atlantic XL	1	0	1	0	0	0	0	0	0	1	0	1
Baker Hughes	1	2	3	0	0	0	0	0	0	1	2	3
Cougar	23	5	28	5	0	5	0	0	0	28	5	33
Crosbie Salmis	27	1	28	1	0	1	0	0	0	28	1	29
DBC Marine Services	1	1	2	0	0	0	0	0	0	1	1	2
DOF Subsea	56	14	70	2	0	2	0	0	0	58	14	72
East Coast Catering	14	4	18	0	0	0	0	0	0	14	4	18
East Coast Tubulars	2	0	2	0	0	0	0	0	0	2	0	2
Fugro Jacques GeoSurveys Inc	1	0	1	0	0	0	0	0	0	1	0	1
Husky	173	78	251	13	4	17	1	0	1	187	82	269
Maersk	16	0	16	2	0	2	0	0	0	18	0	18
Oceaneering Canada Ltd.	0	0	0	0	0	0	2	1	3	2	1	3
Oceaneering International Ltd.	0	0	0	0	0	0	5	3	8	5	3	8
Oceans Ltd	3	0	3	0	0	0	0	0	0	3	0	3
OneSubsea	17	2	19	0	0	0	0	0	0	17	2	19
Pennecon	0	0	0	1	0	1	0	0	0	1	0	1
Provincial Airlines	1	0	1	0	0	0	0	0	0	1	0	1
Score	2	2	4	0	0	0	0	0	0	2	2	4
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	8	1	9	0	0	0	0	0	0	8	1	9
SNC Lavalin	2	0	2	0	0	0	0	0	0	2	0	2
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	1	1	2	0	0	0	0	0	0	1	1	2
Teekay	33	0	33	1	0	1	0	0	0	34	0	34
Terrapure Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Total	429	122	551	30	10	40	9	4	13	468	136	604

*Note: Contractors showing “0” headcount, may 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 of Husky and Major Contractors by Occupation, as of December 31, 2020– White Rose

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q4 2020

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	3	22	25	0	3	3	0	1	1	3	26	29
Engineers	65	21	86	5	2	7	1	1	2	71	24	95
Management	27	10	37	3	1	4	2	2	4	32	13	45
Marine Crew	105	5	110	4	0	4	0	0	0	109	5	114
Other Field Services	23	3	26	4	0	4	0	0	0	27	3	30
Professionals	89	56	145	10	4	14	1	0	1	100	60	160
Skilled Trades	35	0	35	1	0	1	0	0	0	36	0	36
Technicians & Technologists	82	5	87	3	0	3	5	0	5	90	5	95
Total	429	122	551	30	10	40	9	4	13	468	136	604

2.2 West White Rose Project

As of December 31, 2020, 732 people were reported as employed on Husky's West White Rose Project (WWRP) and 368 or 50% of them were residents of Newfoundland and Labrador. The number of females employed on the WWRP was 88, or approximately 12% of the total workforce (Table 2.4).

Table 2.4 Headcount by Location, as of December 31, 2020 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Location

West White Rose Project - Q4 2020

Location	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
Foreign	0	0	0	0	0	0	330	19	349	330	19	349
Newfoundland - Onshore	300	68	368	4	0	4	7	1	8	311	69	380
Other Canadian	0	0	0	3	0	3	0	0	0	3	0	3
Total	300	68	368	7	0	7	337	20	357	644	88	732

Table 2.5 Head Count by Contractor and Residency, as of December 31, 2020- West White Rose Project



Atlantic Region Contractor Stats

Head Count By Contractor

West White Rose Project - Q4 2020

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
Aker Solutions	7	0	7	3	0	3	0	0	0	10	0	10
Arup Canada Inc.	2	0	2	0	0	0	1	0	1	3	0	3
Husky	18	8	26	1	0	1	0	0	0	19	8	27
Kiewit (Marystown)	141	15	156	0	0	0	0	0	0	141	15	156
Kiewit (Texas)	0	0	0	0	0	0	285	7	292	285	7	292
Kvaerner	7	1	8	0	0	0	0	0	0	7	1	8
MHWirth	0	0	0	0	0	0	19	4	23	19	4	23
Parker Drilling	3	4	7	0	0	0	0	0	0	3	4	7
SDP	106	35	141	3	0	3	7	1	8	116	36	152
TechnipFMC	3	2	5	0	0	0	0	0	0	3	2	5
Wood	13	3	16	0	0	0	25	8	33	38	11	49
Total	300	68	368	7	0	7	337	20	357	644	88	732

Table 2.6 Headcount by Occupation, as of December 31, 2020 – West White Rose Project



Atlantic Region Contractor Stats

Head Count By Occupation

West White Rose Project - Q4 2020

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	9	8	17	0	0	0	1	2	3	10	10	20
Engineers	38	10	48	2	0	2	23	2	25	63	12	75
Management	65	13	78	2	0	2	13	3	16	80	16	96
Other Field Services	26	6	32	0	0	0	0	0	0	26	6	32
Professionals	26	18	44	0	0	0	2	3	5	28	21	49
Skilled Trades	109	6	115	0	0	0	256	3	259	365	9	374
Technicians & Technologists	27	7	34	3	0	3	42	7	49	72	14	86
Total	300	68	368	7	0	7	337	20	357	644	88	732

The head count shown in the tables above is a snapshot of personnel who have charged hours to the WWRP as of December 31, 2020 and does not necessarily represent full time employees.

3.0 Canadian-NL Content Estimates

3.1 Atlantic Region Expenditures Summary

The total expenditure to date for all Husky's Atlantic Region activities is approximately \$14.8 billion (Table 3.1). Of this amount, 72% is Canadian content: 52.2% NL content and 20.9% Other Canadian.

Table 3.1 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at December 31, 2020									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q4 2020	Total Being Reported (1)	Summary of Project Expenditures As a Percentage of Total Cost (2)				Summary of Project Expenditures Dollar Values (2)			
		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
White Rose Project	8,411,601,053	53.29%	21.09%	25.61%	100.00%	4,482,942,558	1,774,062,818	2,154,595,677	8,411,601,053
North Amethyst Project	1,874,316,103	56.63%	25.61%	17.76%	100.00%	1,061,514,718	479,971,794	332,829,590	1,874,316,103
Exploration	620,900,109	47.02%	36.10%	16.88%	100.00%	291,945,521	224,134,334	104,820,255	620,900,109
West White Rose	221,324,680	60.39%	24.29%	15.32%	100.00%	133,662,409	53,754,967	33,907,304	221,324,680
White Rose Extension Project	1,222,923,737	66.66%	11.25%	22.10%	100.00%	815,147,086	137,549,215	270,227,436	1,222,923,737
West White Rose Project	2,443,003,000	37.87%	17.30%	44.83%	100.00%	925,098,179	422,661,684	1,095,243,137	2,443,003,000
Total to Date as at December 31, 2020	14,794,068,683	52.12%	20.90%	26.98%	100.00%	7,710,310,472	3,092,134,812	3,991,623,399	14,794,068,683

Notes:

(1) Please note the following with respect to the expenditure totals being reported:

- (a) These amounts include payments made to vendors.
- (b) These amounts include payments made to Husky direct employees (payroll).
- (c) These amounts do not include/reflect journal entries or system-generated accounting entries.
- (d) This report summarizes the data contained in the individual reports for the following work scopes:
 - White Rose Project
 - North Amethyst Project
 - Exploration
 - West White Rose (pilot)
 - White Rose Extension Project (SWRX)
 - West White Rose Project

(2) Please note the following with respect to the content information being reported:

- (a) A vendor content table has been created in our financial management system (SAP).
- (b) This table has been populated with NL, Other CDN, and FOR content percentages for vendors based on rules of thumb, historical content data obtained to date, and updates supplied by vendors.
- (c) An SAP report has been developed that assigns the content percentages from the table to all payment amounts made to specific vendors.
- (d) This report can then be summarized to obtain the total content percentages/dollar values for the reporting period.
- (e) Payroll costs for East Coast Husky direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.

For the period January 1 to December 31, 2020, approximately \$240 million was spent on White Rose Operations (Table 3.2). Of this amount, 74% is Canadian content: 53% NL and 21% Other Canadian. This includes costs related to production operations, drilling and other White Rose activities; however, there were no exploration expenses incurred in 2020.

Table 3.2 White Rose Project Expenditure Report - Total to Date

White Rose Project CDN-NL Benefits Expenditure Report to December 31, 2020 All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period	Total Being Reported (1)	Summary of Project Expenditures As a Percentage of Total Cost (2)				Summary of Project Expenditures Dollar Values (2)			
		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
Total for 2003 (excl. CAPEX I)	25,757,608	44.44%	30.39%	25.16%	100.00%	11,447,941	7,828,534	6,481,133	25,757,608
Total for 2004 (excl. CAPEX I)	1,728,238	61.77%	21.86%	16.38%	100.00%	1,067,486	377,732	283,020	1,728,238
Total for 2005 (excl. CAPEX I)	93,321,468	48.21%	21.48%	30.31%	100.00%	44,987,890	20,044,594	28,288,984	93,321,468
CAPEX I Reconciliation to Q1 2006	2,034,978,548	40.09%	13.00%	46.90%	100.00%	815,827,094	264,647,419	954,504,034	2,034,978,548
Total for 2006 (excl. CAPEX I in Q1)	467,916,488	45.49%	22.60%	31.91%	100.00%	212,857,957	105,765,484	149,293,048	467,916,488
Total for 2007	475,883,460	48.04%	19.10%	32.85%	100.00%	228,633,598	90,899,614	156,350,248	475,883,460
Total for Q1 2008	119,501,589	46.44%	22.57%	31.00%	100.00%	55,493,541	26,966,295	37,041,753	119,501,589
Total for Q2 2008	124,446,410	43.53%	20.36%	36.11%	100.00%	54,171,518	25,334,053	44,940,839	124,446,410
Total for Q3 2008	175,803,130	34.99%	30.64%	34.37%	100.00%	61,508,950	53,872,897	60,421,283	175,803,130
Total for Q4 2008	201,177,670	45.02%	23.37%	31.62%	100.00%	90,563,110	47,010,187	63,604,372	201,177,670
Total for Q1 2009	160,200,235	46.41%	21.06%	32.53%	100.00%	74,350,489	33,740,934	52,108,813	160,200,235
Total for Q2 2009	115,565,646	46.29%	21.37%	32.34%	100.00%	53,492,396	24,699,850	37,373,401	115,565,646
Total for Q3 2009	179,799,074	67.55%	14.01%	18.44%	100.00%	121,448,775	25,188,775	33,161,524	179,799,074
Total for Q4 2009	89,141,508	59.41%	17.34%	23.25%	100.00%	52,961,361	15,452,729	20,727,418	89,141,508
Total for Q1 2010	40,883,359	68.98%	13.64%	17.39%	100.00%	28,199,382	5,575,849	7,108,128	40,883,359
Total for Q2 2010	84,123,319	61.57%	17.57%	20.86%	100.00%	51,794,265	14,779,829	17,549,224	84,123,319
Total for Q3 2010	83,015,573	69.94%	13.41%	16.65%	100.00%	58,059,898	11,129,436	13,826,239	83,015,573
Total for Q4 2010	75,259,562	67.08%	21.49%	11.43%	100.00%	50,481,887	16,176,492	8,601,183	75,259,562
Total for Q1 2011	53,509,292	72.18%	19.06%	8.76%	100.00%	38,621,269	10,200,476	4,687,547	53,509,292
Total for Q2 2011	63,764,120	74.78%	13.27%	11.95%	100.00%	47,681,970	8,461,600	7,620,549	63,764,120
Total for Q3 2011	62,535,809	73.89%	14.66%	11.45%	100.00%	46,208,509	9,169,074	7,158,226	62,535,809
Total for Q4 2011	61,878,462	73.62%	9.80%	16.58%	100.00%	45,553,404	6,065,271	10,259,787	61,878,462
Total for Q1 2012	85,839,696	68.44%	13.89%	17.67%	100.00%	58,749,104	11,920,120	15,170,472	85,839,696
Total for Q2 2012	119,977,391	64.27%	12.71%	23.02%	100.00%	77,106,803	15,247,710	27,622,879	119,977,391
Total for Q3 2012	157,022,750	55.63%	15.44%	28.93%	100.00%	87,354,595	24,247,864	45,420,292	157,022,750
Total for Q4 2012	159,209,128	56.24%	15.23%	28.53%	100.00%	89,540,972	24,247,864	45,420,292	159,209,128
Total for Q1 2013	76,910,689	67.40%	22.88%	9.72%	100.00%	51,837,385	17,594,808	7,478,497	76,910,689
Total for Q2 2013	68,104,666	70.64%	18.12%	11.24%	100.00%	48,109,287	12,343,706	7,651,673	68,104,666
Total for Q3 2013	65,303,772	74.14%	13.75%	12.11%	100.00%	48,415,571	8,980,127	7,908,074	65,303,772
Total for Q4 2013	109,331,414	55.01%	35.83%	9.15%	100.00%	60,146,009	39,178,409	10,006,996	109,331,414
Total for Q1 2014	145,943,461	63.17%	28.41%	8.42%	100.00%	92,189,939	41,465,027	12,288,495	145,943,461
Total for Q2 2014	143,316,778	52.95%	37.06%	9.99%	100.00%	75,886,621	53,117,297	14,312,859	143,316,778
Total for Q3 2014	197,468,105	55.56%	38.02%	6.42%	100.00%	109,715,441	75,082,789	12,669,875	197,468,105
Total for Q4 2014	153,332,273	41.74%	53.37%	4.89%	100.00%	63,997,398	81,834,702	7,500,173	153,332,273
Total for Q1 2015	158,934,065	56.60%	34.31%	9.09%	100.00%	89,959,806	54,523,776	14,450,484	158,934,065
Total for Q2 2015	119,746,934	55.44%	36.27%	8.29%	100.00%	66,389,772	43,431,357	9,925,805	119,746,934
Total for Q3 2015	149,007,214	68.32%	22.27%	9.41%	100.00%	101,808,137	33,184,569	14,014,508	149,007,214
Total for Q4 2015	100,154,410	73.49%	19.42%	7.10%	100.00%	73,599,114	19,448,768	7,106,528	100,154,410
Total for Q1 2016	71,113,800	69.22%	20.40%	10.39%	100.00%	49,221,961	14,504,954	7,386,886	71,113,800
Total for Q2 2016	41,188,732	80.01%	14.53%	5.46%	100.00%	32,956,872	5,983,126	2,248,735	41,188,732
Total for Q3 2016	49,426,330	64.10%	30.12%	5.77%	100.00%	31,682,852	14,889,213	2,854,265	49,426,330
Total for Q4 2016	69,621,929	67.70%	26.46%	5.83%	100.00%	47,135,916	18,424,563	4,061,450	69,621,929
Total for Q1 2017	89,627,962	62.01%	27.52%	10.47%	100.00%	55,577,734	24,663,668	9,386,560	89,627,962
Total for Q2 2017	109,600,229	56.79%	20.15%	23.06%	100.00%	62,244,546	22,079,576	25,276,108	109,600,229
Total for Q3 2017	69,976,247	64.41%	27.36%	8.23%	100.00%	45,068,815	19,147,871	5,759,562	69,976,247
Total for Q4 2017	84,214,639	65.46%	23.67%	10.87%	100.00%	55,123,721	19,936,705	9,154,213	84,214,639
Total for Q1 2018	85,483,233	61.69%	27.45%	10.86%	100.00%	52,736,013	23,467,069	9,280,151	85,483,233
Total for Q2 2018	89,190,603	59.46%	32.89%	7.65%	100.00%	53,031,425	29,335,408	6,823,769	89,190,603
Total for Q3 2018	65,667,105	69.62%	19.82%	10.55%	100.00%	45,719,977	13,016,617	6,930,511	65,667,105
Total for Q4 2018	160,235,612	60.75%	24.94%	14.31%	100.00%	97,344,486	39,955,245	22,935,881	160,235,612
Total for Q1 2019	82,620,132	72.96%	15.67%	11.37%	100.00%	60,282,330	12,946,002	9,391,800	82,620,132
Total for Q2 2019	115,221,509	57.87%	31.98%	10.15%	100.00%	66,681,453	36,849,653	11,690,403	115,221,509
Total for Q3 2019	49,222,610	64.79%	24.60%	10.61%	100.00%	31,890,288	12,108,650	5,223,671	49,222,610
Total for Q4 2019	139,165,344	66.04%	24.08%	9.88%	100.00%	91,900,748	33,515,597	13,749,000	139,165,344
Total for Q1 2020	112,762,561	70.77%	22.46%	6.77%	100.00%	79,803,673	25,321,477	7,637,411	112,762,561
Total for Q2 2020	53,654,503	62.93%	24.39%	12.68%	100.00%	33,765,890	13,084,171	6,804,442	53,654,503
Total for Q3 2020	44,937,390	62.31%	25.83%	11.86%	100.00%	27,999,967	11,606,323	5,331,100	44,937,390
Total for Q4 2020	28,877,270	78.11%	13.82%	8.07%	100.00%	22,555,250	3,990,914	2,331,107	28,877,270
Total to Date as at December 31, 2020	8,411,601,053	53.29%	21.09%	25.61%	100.00%	4,482,942,558	1,774,062,818	2,154,595,677	8,411,601,053

Notes:**(1) Please note the following with respect to the expenditure totals being reported:**

- (a) These amounts include payments made to vendors.
- (b) These amounts include payments made to Husky direct employees (payroll).
- (c) These amounts do not include/reflect journal entries or system-generated accounting entries.
- (d) 2003 - 2004 expenditure breakdown for Well F-04/F-04Z as per SAP CJ74 Detailed Cost Report; multiplied by content noted in 2(f) below.
- (d) White Rose CAPEX I totals to March 31, 2006 as per CAPEX I Reconciliation file/notes submitted in Q1 2006. All subsequent CAPEX I costs analyzed in accordance with the guidelines listed on this report.
- (e) The White Rose Project Report includes the following work scopes/costs:
 - White Rose CAPEX I
 - White Rose CAPEX II
 - White Rose CAPEX II Long Lead Items
 - White Rose OPEX
 - White Rose Area Development and Research/Development
 - White Rose Satellite TieBacks
 - Some costs which partially relate to the North Amethyst Project but cannot easily be segregated (for this report) due to a complex general ledger structure
 - Some costs which partially relate to Exploration but cannot easily be segregated (for this report) due to a complex general ledger structure

(2) Please note the following with respect to the content information being reported:

- (a) A vendor content table has been created in our financial management system (SAP).
- (b) This table has been populated with NL, Other CDN, and FOR content percentages for vendors based on rules of thumb, historical content data obtained to date, and updates supplied by vendors.
- (c) An SAP report has been developed that assigns the content percentages from the table to all payment amounts made to specific vendors.
- (d) This report can then be summarized to obtain the total content percentages/dollar values for the reporting period.
- (e) Payroll costs for East Coast Husky direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.
- (f) 2003 - 2004 vendor content for Well F-04/F-04Z was manually entered based on information available at that time; multiplied by expenditures noted in 1(d) above.

4.0 Procurement

Husky ensures procurement and business opportunities are shared broadly to provide local companies full and fair opportunity to participate in the supply of goods and services. Opportunities are posted on the Husky and WWRP websites where Husky procurement opportunities are identified and links to contractor procurement websites are available. Husky also regularly posts procurement opportunities with NOIA.

During 2020, a total of 24 new contracts and 22 contract extensions, that were each valued at more than \$250,000, were awarded. Tables 4.1 and 4.2 provide a summary of these contracts.

Table 4.1 New Contract Summary for 2020



Husky Atlantic Region Procurement Summary		2020					
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total
New Contracts							
Preservation of Topside Modules for Sea Transportation	Universal Corrosion Specialist	Texas, USA	A	0%	0%	100%	100%
Subsea Power Conditioning Technology, Equipment and Services	Viper Innovations Ltd.	United Kingdom	E	0%	0%	100%	100%
Provision of Seismic Consultancy Services	Palaeodate	United Kingdom	A	0%	0%	100%	100%
ICSS, IMS and Electrical Support Services for the SeaRose FPSO	Siemens Canada Ltd.	St John's, NL	I	57%	17%	26%	100%
WWRP Direction Drilling, LWD and LWL	Schlumberger Canada Ltd.	St John's, NL	N	42%	21%	37%	100%
Environmental Effects Monitoring	Stantec Consulting Ltd.	St John's, NL	D	71%	29%	0%	100%
Echelon Software for G&G Renewal	Stone Ridge Technologies	Houston, TX	B	0%	0%	100%	100%
COVID-19 SeaRose Pre-Shift Isolation Accommodations	The Wilds	Salmonier, NL	B	100%	0%	0%	100%
Onshore and Offshore Training Services	Fisheries and Marine Institute of Newfoundland	St John's, NL	B	100%	0%	0%	100%
Chemistry Consulting & Assured Flow Engineering Modeling	Assured Flow Solutions	Sugarland, TX	A	0%	0%	100%	100%
Supply of Electrical Components and Related Consumables	Graybar Canada	St John's, NL	F	22%	65%	13%	100%
Supply of John Crane & Indufill Products	BASIL FEARN (93) LTD	Mount Pearl, NL	E	35%	55%	10%	100%
Offshore Structural Integrity Management Services	Marine Technical Limits Ltd.	Aberdeenshire, United Kingdom	F	0%	0%	100%	100%
Provision of Gas Compression Services for SeaRose FPSO	Siemens Energy Canada Limited	St John's, NL	K	10%	70%	20%	100%
Vendor Support Services - Machinery Protection & Condition Monitoring Systems	Baker Hughes Energy Services Canada Inc.	Edmonton, AB	A	0%	100%	0%	100%
Vendor Support Services - Wellhead Control Panel	Proserv Operations LLC	Houston, TX	A	0%	0%	100%	100%
OCTG and Tubular Management Services	Tenaris Global Services (Canada) Inc.	St John's, NL	O	35%	25%	40%	100%
Subsea Survey & Positioning Services	Fugro GeoSurveys of Canada	St John's, NL	F	63%	13%	25%	100%
Offshore HVAC System Maintenance Services	Black and MacDonald	Mount Pearl, NL	D	100%	0%	0%	100%
Adhoc Fabrication Services	Rothlochston Subsea Inc.	Paradise, NL	B	100%	0%	0%	100%
Core Storage & Viewing Services	Geotech Services (2016) Inc.	Paradise, NL	A	100%	0%	0%	100%
Gas Lift, Wellbore Cleanout and Lower / Sandface Equipment and Services	Schlumberger Canada Limited	St John's, NL	K	58%	5%	37%	100%
Completions Equipment and Services	Halliburton Group Canada	Mount Pearl, NL	M	50%	3%	47%	100%
Open-Hole Isolation Packers	Welltec Oilfield Solutions AG	Mount Pearl, NL	J	0%	0%	100%	100%
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$				
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 \$					

Table 4.2 Contract Extension Summary for 2020

Husky Atlantic Region Procurement Summary		2020					
Description	Vendor Name	Vendor Location	Range	NL	CDN	FOR	Total
Contract Extensions							
Offshore Catering Services	East Coast Catering	St John's, NL	E	100%	0%	0%	100%
Helicopter Passenger Suits and Management	DBC Marine (Survitec)	St John's, NL	B	80%	15%	5%	100%
PLS Services Extension	Bell Aliant	St John's, NL	B	100%	0%	0%	100%
Sigma 6 Radar Extension	Rutter Inc.	St John's, NL	B	100%	0%	0%	100%
Consulting Services	Blade Energy Partners Ltd.	Texas, USA	A	0%	0%	100%	100%
OEM IT Hardware Upgrade and Maintenance	Tucker Electronics Ltd.	St John's, NL	A	100%	0%	0%	100%
Office Equipment and Maintenance Services	Pinnacle Office Solutions	Paradise, NL	A	70%	30%	0%	100%
Risk Assessment Services	Atkins Limited	Glasgow, UK	A	0%	0%	100%	100%
Supply of Safety Training Services	Norm Survey of Canada Ltd.	Red Deer, AB	A	0%	100%	0%	100%
Telecommunications Support	Atlantic XL	St John's, NL	H	100%	0%	0%	100%
Asset Integrity, Unmanned Aerial Vehicle (UAV) Inspection, Project Management and Software Services	Waterford Energy Services Inc. (WESI)	Halifax, NS	A	0%	100%	0%	100%
Provision of Engineering, Integrity Management and Products	Axess Baffin Inc	St John's, NL	A	100%	0%	0%	100%
Provision of Valve Maintenance and Services	Score (Canada) Ltd.	St John's, NL	F	94%	2%	4%	100%
Provision of Production Chemicals and Related Services	Baker Hughes Canada Company	St John's, NL	F	64%	24%	13%	101%
Provision of ROV Services on the Skandi Vinland	DOF Subsea Canada Corp.	Mount Pearl, NL	J	38%	25%	37%	100%
Offshore HVAC System Maintenance	Dawe Enterprises Ltd.	Coley's Point South, NL	A	100%	0%	0%	100%
Subsea Engineering Services	TechnipFMC	St John's, NL	F	98%	0%	2%	100%
Independent Verification Services	Det Norske Veritas (Canada) Ltd.	St John's, NL	G	70%	0%	30%	100%
Hydraulic Equipment and Services	Hydraulic Limited	Mount Pearl, NL	B	100%	0%	0%	100%
Offshore Survey Support	EPCO Services Inc.	St John's, NL	A	100%	0%	0%	100%
Offshore Support Vessel SeaRose Support	Maersk Supply Service Canada (Maersk Cutter)	St John's, NL	K	80%	15%	5%	100%
Real Time Ice Net Situational Systems	Notus Electronics Limited	St John's, NL	B	90%	0%	10%	100%
A = 250,001 - 500,000 \$ E = 2,000,001 - 3,000,000 \$ I = 10,000,001 - 15,000,000 \$ M = 50,000,001 - 75,000,000 \$ 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 \$							

5.0 Research and Development & Technology Transfer

Developing the technologies to support improvements in safety, performance, and productivity for the harsh offshore environment is key to supporting future activity in the region. In 2020, Husky invested more than \$14.9 million in research that was executed in Newfoundland and Labrador with a range of local companies and academic institutions.

5.1 Ongoing R&D Projects

A number of Husky directed, or sponsored R&D initiatives already in flight continued into 2020, including those with:

Memorial University

- Husky is supporting two key activities associated with the Faculty of Engineering and Applied Science by providing funding for:
 - The NSERC/Husky Chair for Safety at Sea which aims to promote the development of simulation technologies to improve operational safety leading to a more robust, inherent safe design, of offshore facilities; and
 - The Harsh Environment Research Facility which, when built, will be a world-class development and testing facility that will enhance Newfoundland and Labrador's position as a global leader in operating in harsh environments.
- In the Department of Earth Sciences, Husky has supported the Geomechanics Project, led by Dr. Michael Slawinski to advance understanding of seismology.

Petroleum Research (PRNL)

- Environment
 - Bioindicators – Diagnostic Tools for Effects Assessment
 - X-Band Radar Oil Spill Detection
 - Advanced Satellite Observations for Oil Spill Response
- Health & Safety
 - Unmanned Aerial Iceberg Tracking Project
 - Performance of Personal Locator Beacons (PLBs)
- Integrated Operations / Digitalization
 - An Integrated Approach to Digital Oilfield Education
 - Digitizing Extractive Industries
 - Digital Innovation Strategy
- Enabling Marginal Fields
 - Enabling Marginal Field Development
 - AFT Program – Flowline Protection for Extended Tiebacks
 - AWL - Evaluation of use of Weaklinks for Iceberg Mitigation
 - Technology Advancement for Subsea Excavations (Scanmudring)

- Other
 - Ocean Supercluster
 - OceanVision Phase 0 – Kraken Seavision

C-CORE

- Water Cannon Target Tracking for Ice Management
- Water Cannon Phase 2
- Evaluation and Optimization of an Iceberg Drift Forecast Model for the Smart Iceberg Management System (SIMS)
- Ice Loads on Floating Structures Joint Industry Project (JIP)

Innovation and Business Development Fund

- Administered by the Government of Newfoundland and Labrador, and supported by funding from Husky, this fund invests in projects that help strengthen the province's position as a preferred location for oil and gas development globally.

Other

- Hatch—WWRP Weak Link Load Assessment Validation Study
- Marine Institute and Notus—Developing an ice net for use in high sea states

5.2 New R&D Projects

Notable new projects initiated in 2020 include:

Petroleum Research (PRNL)

- Health & Safety
 - Shuttle Tanker Operations Competency Assurance Program
- Environment
 - Advancing Environmental Genomics in the Marine Environment
- Other
 - Ocean Supercluster
 - Digital Offshore Canada Phase 0

C-Core

- WWRP Evaluation and Downtime Due to Ice

Other

- Rutter Internet of Things (IoT) Project – Ocean Supercluster Project
- Environmental Effects Monitoring with Stantec/DOF

6.0 Education and Training

Investing in education and training remains a key priority for Husky for the benefits it brings to its workforce and operations, and the contribution it makes to developing the local offshore industry.

In 2020, Husky invested more than \$1.4 million in education and training; below is a description of the major initiatives undertaken in relation to the White Rose project. Section 6.3 lists highlights from Husky's contractors.

6.1 Husky Co-operative Education

Husky continued its strong commitment to co-operative education programs in 2020. While the number of positions decreased due to COVID-19, Husky hired 55 students (30 males and 25 females) in 2020. Students were hired from a variety of disciplines from Memorial University and College of the North Atlantic. Total expenditure on co-operative education for 2020 by Husky was over \$1,000,000.

6.2 Husky Personnel Training

In 2020, there was a decrease from previous levels in discretionary employee training due to interruptions caused by the pandemic. However, as online options increased and restrictions relaxed, activity rebounded in the second half of the year.

6.3 Contractor Training Initiatives

Despite a challenging year, Husky's contractors continued to support education and training for students and employees. For example,

- Aker spent over \$120,000 on work term students and leadership training for women.
- Atlantic Towing spent over \$200,000 on work term students from the Marine Institute and College of the North Atlantic.
- TechnipFMC spent over \$66,000 on work term students from Memorial University and the College of the North Atlantic and tuition support for employees.

6.4 Community-Based Education and Training

In 2020, Husky continued its commitment to increasing access to education and training opportunities for vulnerable groups in our community.

Early in 2020, we committed \$100,000 to Stella's Circle to support participants in their Horticultural Therapy social enterprise program. Combining wellness and education, this program helps participants, who face a variety of employment barriers, build skills and gain experience that will help them enter or return to the workforce.

We further supported education with two new investments in 2020:

- \$12,500 to Thrive for the delivery of their GED programming; and

- \$2,500 to the Learning Disabilities Association of NL for their assistive technology program.

The COVID-19 pandemic and its associated economic challenges impacted Husky's community investment throughout the year. In the Atlantic Region, Husky focused its efforts on preserving relationships with key community partners and many of our contributions were payments under existing agreements that were previously announced including:

- \$120,000 to support the Husky Centre of Excellence in Sales and Supply Chain Management at Memorial University's Faculty of Business Administration;
- \$30,000 to support the delivery of the CNIB's Eye Safety Program;
- \$25,000 to support WRDC launch their virtual STEM for Girls programming;
- \$20,000 to support the Nature Conservancy of Canada's Conservation Internship program in NL; and
- \$15,000 to support the Eastern Region Science and Technology Fair.

6.5 Other Community Support

In addition to the education-focused investments noted above, Husky also supported other local organizations* including:

- \$15,000 to the Jimmy Pratt Memorial Outreach Centre to support their breakfast program;
- \$10,000 to the Canadian Cancer Society's Daffodil Place to support patients and their families;
- \$10,000 to Artistic Fraud Theatre Company to support new writers and diverse stories; and
- \$7500 to five local organizations to assist them with their COVID-19 protocols.

The pandemic highlighted the needs of organizations in our community that serve vulnerable populations. Husky contributed \$50,000 to the United Way's Atlantic Compassion Fund to support frontline community organizations in Newfoundland and Labrador. Following the company's lead, Husky employees stepped up to support organizations that were meaningful to them.

In total, Atlantic Region employees used the Husky Gives platform to contribute to 84 local causes. Employees contributed \$24,383 and Husky matched that with \$40,055 for a total contribution of \$64,437. In addition, Husky employees were eligible to receive grants in recognition of their volunteer service. Through this channel, employees contributed a further \$11,980. In 2020, Husky employees used the internal Husky Gives platform to contribute more than \$76,000 to local organizations.

*The amounts noted in Section 6.5 are not included in E&T spend.

7.0 Diversity

In 2020, Husky continued to progress against its diversity commitments and a report on Husky's White Rose Diversity Plan will be submitted under separate cover.

8.0 Photographs

The photos below highlight some of the ways Husky supported the community and demonstrated its commitment to inclusion and diversity in 2020 (Note: Photos were taken throughout the year and reflect public health guidelines at the time).



Husky employees volunteered to deliver the Junior Achievement Economics of Staying in School program at St. Kevin's High - January 2020



Husky employees recognized Pink Shirt Day and took a stand against bullying- February 2020.



Husky recognized Environment Week with a focus on plastic pollution and a clean-up in the downtown area—June 2020.



Husky supported the Nature Conservancy of Canada's internship program in NL. Here, Intern Jennifer Sullivan is identifying wetland plant species within the Grand Codroy Estuary Nature Reserve.



Following physical distancing guidelines, Husky participated in Pride Week in St. John's, NL - July 2020.



Husky contributed \$10,000 to the Canadian Cancer Society NL Division to support Daffodil Place.



In October, Husky supported *The Other Side of This*, a drive-in series of radio plays created by Artistic Fraud of Newfoundland. The project, which employed more than 25 local artists, allowed audience members to safely enjoy original pieces of performance art presenting culturally important and diverse works.



Husky employees volunteered to support the Salvation Army Kettle Campaign – December 2020.



Through the Husky Gives platform, employees contributed more than \$76,000 to local organizations—December 2020.