



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0074

QUARTERLY REPORT
July 1 – September 30, 2021

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1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending September 30, 2021 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 2021, a total of 662 people were employed on Husky's White Rose operations, of which 250 were located offshore. The total 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 *SeaRose FPSO*, support vessels, helicopters and tankers.

Of the total personnel, 613, or 92%, were residents of Newfoundland and Labrador when hired, while another 37, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 150, or approximately 22%, of the total workforce (Table 2.1).

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

Table 2.1 – White Rose Employment Summary by Location, as of Sept. 30, 2021



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q3 2021

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	229	9	238	11	1	12	0	0	0	240	10	250
Newfoundland - Onshore	246	129	375	18	6	24	0	1	1	264	136	400
Other Canadian	0	0	0	1	0	1	0	0	0	1	0	1
Total	475	138	613	30	7	37	7	5	12	512	150	662

Table 2.2 – White Rose Employment Summary of Husky and Major Contractors, as of Sept. 30, 2021

Atlantic Region Contractor Stats

Head Count By Contractor

White Rose - Q3 2021

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	6	1	7	0	0	0	0	0	0	6	1	7
Aker Solutions	24	8	32	1	0	1	0	0	0	25	8	33
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 XL	1	0	1	0	0	0	0	0	0	1	0	1
Cougar	30	9	39	7	0	7	0	0	0	37	9	46
Crosbie Salamis	33	2	35	0	0	0	0	0	0	33	2	35
DBC Marine Services	1	2	3	0	0	0	0	0	0	1	2	3
DOF Subsea	57	15	72	2	0	2	0	0	0	59	15	74
East Coast Catering	14	5	19	0	0	0	0	0	0	14	5	19
Fugro Jacques GeoSurveys Inc	3	0	3	0	0	0	0	0	0	3	0	3
Husky	199	86	285	16	7	23	0	1	1	215	94	309
Maersk	23	0	23	2	0	2	0	0	0	25	0	25
Oceaneering International Ltd.	0	0	0	0	0	0	7	4	11	7	4	11
Oceans Ltd	2	1	3	0	0	0	0	0	0	2	1	3
OneSubsea	11	1	12	0	0	0	0	0	0	11	1	12
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	5	2	7	0	0	0	0	0	0	5	2	7
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	9	0	9	0	0	0	0	0	0	9	0	9
SNC Lavalin	3	0	3	0	0	0	0	0	0	3	0	3
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	7	2	9	0	0	0	0	0	0	7	2	9
Teekay	31	0	31	1	0	1	0	0	0	32	0	32
Terrapure Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Total	475	138	613	30	7	37	7	5	12	512	150	662

***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 White Rose Employment Summary by Occupation, as of Sept. 30, 2021

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q3 2021

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	0	0	0	2	2	3	24	27
Engineers	75	30	105	8	4	12	1	1	2	84	35	119
Management	30	9	39	1	0	1	2	1	3	33	10	43
Marine Crew	104	6	110	4	0	4	0	0	0	108	6	114
Other Field Services	24	5	29	5	0	5	0	0	0	29	5	34
Professionals	103	58	161	8	3	11	0	1	1	111	62	173
Skilled Trades	42	0	42	0	0	0	0	0	0	42	0	42
Technicians & Technologists	94	8	102	4	0	4	4	0	4	102	8	110
Total	475	138	613	30	7	37	7	5	12	512	150	662

Note: In Q3 2021, Husky employed 14 work term students (9 men, 5 women) on White Rose operations. Student positions are not reflected in the numbers above.

3.0 West White Rose Project Employment Summary

As of September 30, 2021, 585 people were reported employed on Husky's West White Rose Project (WWRP), representing more than 304,000 person hours. Of those hours, 108,398, or 36% percent, occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 63, or approximately 11% of the total workforce (Table 3.2).

In Argentina, work was focused on care, preservation and maintenance activities as well as some safety-related scopes of work.

In Marystown, Kiewit completed the work on the appurtenances and living quarters, successfully and safely loading them on the Jumbo vessel *Fairmaster* for transportation to the construction yard in Ingleside, TX. The components arrived safely in Ingleside and are being kept in preservation mode until such a time as a project decision is taken.

The company and partners continue to review the West White Rose Project, and a decision will be made mid-2022.

Table 3.1 Person Hours by Contractor, as of September 30, 2021- West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q3 2021

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	968	0	968	194	0	1,162
Arup Canada Inc.	560	0	560	167	916	1,643
Husky	7,971	177	8,148	554	0	8,702
Kiewit (Marystown)	27,605	0	27,605	0	0	27,605
Kiewit (Texas)	0	0	0	0	187,400	187,400
Kvaerner	2,647	0	2,647	0	0	2,647
Lloyd's Register	471	0	471	103	621	1,195
MHWirth	0	0	0	0	1,229	1,229
Parker Drilling	4,376	0	4,376	0	0	4,376
SDP	57,710	0	57,710	0	369	58,079
TechnipFMC	1,412	0	1,412	0	0	1,412
Wood	4,501	0	4,501	0	4,600	9,101
Total	108,221	177	108,398	1,018	195,135	304,551

**Table 3.2 Head Count by Contractor and Residency, as of September 30, 2021-
West White Rose Project****Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q3 2021

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	2	0	2	0	0	0	0	0	0	2	0	2
Arup Canada Inc.	1	0	1	0	0	0	1	0	1	2	0	2
Husky	20	4	24	0	2	2	0	0	0	20	6	26
Kiewit (Marystown)	107	14	121	0	0	0	0	0	0	107	14	121
Kiewit (Texas)	0	0	0	0	0	0	279	8	287	279	8	287
Kvaerner	5	1	6	0	0	0	0	0	0	5	1	6
Lloyd's Register	1	0	1	0	0	0	1	0	1	2	0	2
MHWirth	0	0	0	0	0	0	1	1	2	1	1	2
Parker Drilling	5	4	9	0	0	0	0	0	0	5	4	9
SDP	82	25	107	0	0	0	3	0	3	85	25	110
TechnipFMC	1	1	2	0	0	0	0	0	0	1	1	2
Wood	6	2	8	0	0	0	7	1	8	13	3	16
Total	230	51	281	0	2	2	292	10	302	522	63	585

The head count shown in Tables 3.2 and 3.3 is a snapshot of personnel who have charged hours to the project as of September 30, 2021 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of September 30, 2021 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q3 2021

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	289	10	299	289	10	299
Newfoundland - Offshore	1	0	1	0	0	0	0	0	0	1	0	1
Newfoundland - Onshore	229	51	280	0	2	2	3	0	3	232	53	285
Other Canadian	0	0	0	0	0	0	0	0	0	0	0	0
Total	230	51	281	0	2	2	292	10	302	522	63	585

Table 3.4 Headcount by Occupation, as of September 30, 2021 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Occupation

West White Rose Project - Q3 2021

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	10	18	0	0	0	0	1	1	8	11	19
Engineers	25	6	31	0	1	1	7	0	7	32	7	39
Management	34	6	40	0	0	0	2	1	3	36	7	43
Other Field Services	35	1	36	0	0	0	0	0	0	35	1	36
Professionals	16	11	27	0	1	1	3	1	4	19	13	32
Skilled Trades	96	12	108	0	0	0	253	4	257	349	16	365
Technicians & Technologists	16	5	21	0	0	0	27	3	30	43	8	51
Total	230	51	281	0	2	2	292	10	302	522	63	585

Kiewit Marystown, Parker Drilling and Wood employed work term students during Q3. In total six students were employed in NL, 5 men and 1 woman. Student numbers are not captured in the table above.

3.1 Targets for Women

In Q3, the total WWRP workforce was 585. The total number of people employed in each category is used to calculate the percentage of women employed in the category against the target. This information is shown in Table 3.4. Specifically,

- Managers and other professionals – 75 (20 women)
- Engineers – 39 (7 women)
- Technicians and technologists – 51 (8 women)
- Skilled trades – 365 (16 women)
- Other field services – 36 (1 women)
- see Other* category in Table 3.5

Table 3.5 outlines the percentage of women working on the WWRP as of September 30, 2021, against the targets in the project Diversity Plan.

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 585				
Category	NOC Code	Occupations	Target (% of workforce in category)	Actual (% of workforce in category)
Managers and other Professionals			30	27
Engineers	2131	Civil Engineers	20	20
	0211	Engineering Managers	15	18
	2133	Electrical and Electronics Engineers		
	2132	Mechanical Engineers		
	2134	Chemical Engineers		
	2141	Industrial and Manufacturing Engineers		
	2144	Geological Engineers		
	2145	Petroleum Engineers		
	2147	Computer Engineers (Except Software Engineers and Designers)		
2151	Architects			
Technicians and Technologists	2231	Civil Engineering Technologists and Technicians	20	16
	2251	Architectural Technologists and Technicians		
Foreperson	7205	General Foreperson and Foreperson for the following categories: Bricklayers and Allied Crafts - Concrete Finisher, Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	5	5.8
	7302	General Foreperson and Foreperson for the following categories: Plant Operators (Crane Operator, Heavy Equipment Operator, Construction Equipment Operators [Stressing, Slip])		
	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	0
	7271	Journey Person and Apprentices for the following categories: Carpenters	12	0

		and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)		
	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices	5	0
	7236	Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop)		
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	12.5
Other*	6541	Security guards	0	55
	3413	First aid attendants		

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

4.0 Expenditure Analysis

This report summarizes the Q3 2021 data contained in the individual reports for the following work scopes: White Rose Project, North Amethyst Project, West White Rose Pilot Scheme, South White Rose Extension, and West White Rose Project. The combined spend for Q3 2021 was approximately \$124.4 million (Table 4.1), with a content breakdown of:

- 32.8% Newfoundland & Labrador,
- 21.7% Other Canadian, and
- 45.6% Foreign.

The percentage of NL content decreased from Q2 2021 to Q3 2021 due primarily to two large milestone payments for out of country work completed for the West White Rose Project.

Table 4.1 Expenditure Report Summary for Q3 2021

CDN-NL Benefits Expenditure Report Summary									
Total for Q3 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q3 2021	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	39,237,908	58.29%	34.67%	7.04%	100.00%	22,873,416	13,602,565	2,761,928	39,237,908
North Amethyst Project	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
Exploration	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
White Rose Extension Project	472,163	0.00%	0.00%	100.00%	100.00%	-	-	472,163	472,163
West White Rose Project	84,710,801	21.10%	15.76%	63.15%	100.00%	17,871,770	13,348,279	53,490,752	84,710,801
Total for Q3 2021	124,420,873	32.75%	21.66%	45.59%	100.00%	40,745,185	26,950,844	56,724,843	124,420,873

Notes:

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

- These amounts include payments made to vendors.
- These amounts include payments made to Husky direct employees (payroll).
- These amounts do not include/reflect journal entries or system-generated accounting entries.
- 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
 - White Rose Extension Project
 - West White Rose Project

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

- A vendor content table has been created in our financial management system (SAP).
- 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.
- An SAP report has been developed that assigns the content percentages from the table to all payment amounts made to specific vendors.
- This report can then be summarized to obtain the total content percentages/dollar values for the reporting period.
- Payroll costs for East Coast Husky direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.

The combined total-to-date spend for these work scopes is approximately \$15.2 billion, with a content breakdown of 52% Newfoundland & Labrador, 20% Other Canadian, and 27% Foreign (Table 4.2).

Table 4.2 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at September 30, 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q3 2021	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	8,530,182,021	53.44%	21.21%	25.34%	100.00%	4,558,782,585	1,809,480,873	2,161,918,563	8,530,182,021
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	1,224,229,305	66.63%	11.24%	22.13%	100.00%	815,695,926	137,564,251	270,969,128	1,224,229,305
West White Rose Project	2,687,031,606	36.88%	17.27%	45.85%	100.00%	990,967,380	464,098,949	1,231,965,278	2,687,031,606
Total to Date as at September 30, 2021	15,157,983,824	51.80%	20.91%	27.29%	100.00%	7,852,568,539	3,169,005,167	4,136,410,117	15,157,983,824

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
 - White Rose Extension Project
 - 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.

5.0 Purchase Order Summary

In Q3 2021, 1,389 purchase orders, valued at approximately \$38.4 million, were issued for White Rose and the West White Rose Project. Table 5.1 provides a summary by location.

Purchase order reporting for SWRX (previously reported as White Rose Extension Project) is rolled into White Rose purchase orders and purchase orders associated with the West White Rose Project are reported under West White Rose Project purchase orders.

Table 5.1 Purchase Order Summary by Location

White Rose Purchase Orders Awarded in Q3 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1,058	255	67	1,380
Total Dollar Value	\$23,217,350	\$13,629,273	\$1,303,385	\$38,150,008

West White Rose Project Purchase Orders Awarded in Q3 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	3	2	4	9
Total Dollar Value	\$79,087	\$144,920	\$88,417	\$312,423

6.0 Procurement Summary

Table 6.1 below outlines the new contracts awarded in Q3 2021 that were valued over \$250,000. There were no contract extensions awarded in the period.

Table 6.1 Contracts Awarded for the White Rose Project – Q3 2021

Husky Procurement Summary Q3 2021		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
Offshore Support Vessel - Turnaround Support	Maersk Supply Service Canada	NL
Subsea Cleaning, Inspection and Measurement Services	Welaptega Marine Limited	OC
Supply of Laboratory Commodities	Enviromed Analytical Inc.	NL
Contract Extensions		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
Nothing to report		

7.0 Photographs

The following photographs highlight some of the company's Q3 business and community engagement activities.



The topsides living quarters for the West White Rose platform being loaded onto the heavy lift vessel *Fairmaster* in Marystown for shipment to Ingleside, Texas.



The West White Rose Project donated \$20,000 to the Autism Society of NL in recognition of the strong safety performance of the workforce at the Kiewit Facility in Marystown.

The screenshot shows a Zoom meeting interface. On the left, a presentation slide titled "What do I do?" lists several bullet points: "Look for opportunities for new drills", "Continuously work to optimize current oil production", "Manage water injection into the reservoir – for every 1 m³ of fluid we take out of the ground we try to replace with 1 m³ of water to maintain pressure", and "How do we do this?" with sub-points: "Analyze trends – pressure data, production data", "Modeling – simulation model", and "Economic modeling". Below the text is a small 3D model of a reservoir with wells. The Cenovus logo is at the bottom left of the slide. To the right of the slide is a large 3D geological model of a reservoir, colored in shades of purple and blue, with a vertical color scale legend to its left. Below the model is a software interface with "Property player" and "Time player" controls. On the far right, a vertical list of participants is shown, including "ZoomAdmin WIS...", "Husky Energy- P...", "Alyssa Devergaux", "Ashley Pelley", "Kanika Kaur", and "Elizabeth Ormsby".

Husky continued to support the NL chapter of Women in Science and Engineering (WISE). In 2021, the company contributed \$15,000 to support STEM-based summer employment opportunities for girls. In addition, employees volunteered to speak about their careers as part of the program.



In September, the company contributed \$10,000 to Young Adult Cancer Canada through the NL Energy Industry Shave for the Brave that was held as part of the annual NOIA Conference. In addition to this contribution, the company also donated \$2500 to NOIA to provide five conference passes to people who identify as members of an underrepresented group.