

# cenovus

E N E R G Y



Canada-Newfoundland and Labrador Benefits

Ref. No.: WR-ADM-RP-0075

QUARTERLY REPORT  
October 1 – December 31, 2021

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## 1.0 Introduction

The following represents Cenovus Energy's (previously Husky Energy's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending December 31, 2021 as required under the conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of activities related to Cenovus' Atlantic Region operations (White Rose and West White Rose) and also includes activities of its major sub-contractors.

## 2.0 White Rose Project Employment Summary

In Q4 2021, a total of 667 people were employed on Cenovus' White Rose operations, of which 245 were located offshore. The total number includes people employed with Cenovus 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, 616, or 92%, were residents of Newfoundland and Labrador when hired, while another 38, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 145, or approximately 21%, 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 December 31, 2021**

### Atlantic Region Contractor Stats

#### Head Count By Location

White Rose - Q4 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	10	3	13	10	3	13
Newfoundland - Offshore	226	9	235	10	0	10	0	0	0	236	9	245
Newfoundland - Onshore	255	126	381	21	7	28	0	0	0	276	133	409
Other Canadian	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>481</b>	<b>135</b>	<b>616</b>	<b>31</b>	<b>7</b>	<b>38</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>522</b>	<b>145</b>	<b>667</b>

**Table 2.2 – White Rose Employment Summary of Cenovus and Major Contractors, as of December 31, 2021****Atlantic Region Contractor Stats****Head Count By Contractor**

White Rose - Q4 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	27	10	37	0	0	0	0	0	0	27	10	37
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	10	4	14	0	0	0	0	0	0	10	4	14
Atlantic XL	1	0	1	0	0	0	0	0	0	1	0	1
Cougar	34	9	43	9	0	9	0	0	0	43	9	52
Crosbie Salamis	29	2	31	0	0	0	0	0	0	29	2	31
DBC Marine Services	2	3	5	0	0	0	0	0	0	2	3	5
DOF Subsea	54	15	69	3	0	3	0	0	0	57	15	72
East Coast Catering	14	4	18	0	0	0	0	0	0	14	4	18
Fugro Jacques GeoSurveys Inc	3	0	3	0	0	0	0	0	0	3	0	3
Husky	196	80	276	17	7	24	0	0	0	213	87	300
Maersk	24	1	25	1	0	1	0	0	0	25	1	26
Oceaneering International Ltd.	0	0	0	0	0	0	10	3	13	10	3	13
Oceans Ltd	3	1	4	0	0	0	0	0	0	3	1	4
OneSubsea	16	0	16	0	0	0	0	0	0	16	0	16
Pennecon	0	0	0	0	0	0	0	0	0	0	0	0
Provincial Airlines	2	0	2	0	0	0	0	0	0	2	0	2
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	1	10	0	0	0	0	0	0	9	1	10
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	5	2	7	0	0	0	0	0	0	5	2	7
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
<b>Total</b>	<b>481</b>	<b>135</b>	<b>616</b>	<b>31</b>	<b>7</b>	<b>38</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>522</b>	<b>145</b>	<b>667</b>

**\*Note:** Contractors showing “0” headcount, may have reported hours for Cenovus 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 December 31, 2021****Atlantic Region Contractor Stats****Head Count By Occupation**

White Rose - Q4 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	20	23	0	0	0	0	1	1	3	21	24
Engineers	82	32	114	7	4	11	2	1	3	91	37	128
Management	41	13	54	1	0	1	2	1	3	44	14	58
Marine Crew	108	6	114	3	0	3	0	0	0	111	6	117
Other Field Services	28	5	33	7	0	7	0	0	0	35	5	40
Professionals	92	52	144	9	3	12	0	0	0	101	55	156
Skilled Trades	36	0	36	0	0	0	0	0	0	36	0	36
Technicians & Technologists	91	7	98	4	0	4	6	0	6	101	7	108
<b>Total</b>	<b>481</b>	<b>135</b>	<b>616</b>	<b>31</b>	<b>7</b>	<b>38</b>	<b>10</b>	<b>3</b>	<b>13</b>	<b>522</b>	<b>145</b>	<b>667</b>

**Note:** In Q4 2021, Cenovus 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 December 31, 2021, 505 people were reported employed on Cenovus' West White Rose Project (WWRP), representing more than 310,000 person hours. Of those hours, 135,589, or 44% percent, occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 54, or approximately 11% of the total workforce (Table 3.3).

In Argentina, the team continued with preservation and maintenance and also worked on some schedule-critical scopes that are required for the central shaft slipform, should a restart decision be made. This included the fabrication of some pre-cast roof panels, the removal and preservation of the girder star, and the beginning of assembly of a tower crane.

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 December 31, 2021- West White Rose Project Employment**

#### Atlantic Region Contractor Stats

##### Hours By Contractor

West White Rose Project - Q4 2021

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	1,676	0	1,676	1,056	0	2,732
Arup Canada Inc.	916	0	916	128	770	1,814
Husky	10,076	0	10,076	1,008	0	11,084
Kiewit (Marystown)	968	0	968	0	0	968
Kiewit (Texas)	0	0	0	0	167,200	167,200
Kvaerner	2,323	0	2,323	0	0	2,323
Lloyd's Register	871	0	871	38	553	1,462
Parker Drilling	3,472	0	3,472	0	0	3,472
SDP	110,758	0	110,758	21	483	111,262
TechnipFMC	1,790	0	1,790	0	0	1,790
Wood	2,739	0	2,739	0	3,919	6,658
<b>Total</b>	<b>135,589</b>	<b>0</b>	<b>135,589</b>	<b>2,251</b>	<b>172,925</b>	<b>310,765</b>

**Table 3.2 Head Count by Contractor and Residency, as of December 31, 2021-  
West White Rose Project****Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q4 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	3	0	3	2	0	2	0	0	0	5	0	5
Arup Canada Inc.	2	0	2	1	0	1	1	1	2	4	1	5
Husky	18	6	24	2	1	3	0	0	0	20	7	27
Kiewit (Marystown)	2	1	3	0	0	0	0	0	0	2	1	3
Kiewit (Texas)	0	0	0	0	0	0	249	10	259	249	10	259
Kvaerner	4	1	5	0	0	0	0	0	0	4	1	5
Lloyd's Register	2	0	2	0	0	0	1	0	1	3	0	3
Parker Drilling	3	4	7	0	0	0	0	0	0	3	4	7
SDP	146	26	172	0	0	0	3	0	3	149	26	175
TechnipFMC	2	2	4	0	0	0	0	0	0	2	2	4
Wood	4	1	5	0	0	0	6	1	7	10	2	12
<b>Total</b>	<b>186</b>	<b>41</b>	<b>227</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>260</b>	<b>12</b>	<b>272</b>	<b>451</b>	<b>54</b>	<b>505</b>

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 December 31, 2021 and does not necessarily represent full time employees.

**Table 3.3 Headcount by Location, as of December 31, 2021 – West White Rose Project****Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q4 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	257	12	269	257	12	269
Newfoundland - Offshore	0	0	0	0	0	0	0	0	0	0	0	0
Newfoundland - Onshore	186	41	227	2	1	3	3	0	3	191	42	233
Other Canadian	0	0	0	3	0	3	0	0	0	3	0	3
<b>Total</b>	<b>186</b>	<b>41</b>	<b>227</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>260</b>	<b>12</b>	<b>272</b>	<b>451</b>	<b>54</b>	<b>505</b>

**Table 3.4 Headcount by Occupation, as of December 31, 2021– West White Rose Project****Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q4 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	0	5	5	0	0	0	0	1	1	0	6	6
Engineers	21	4	25	1	0	1	6	0	6	28	4	32
Management	30	4	34	1	0	1	2	0	2	33	4	37
Other Field Services	23	3	26	0	0	0	0	0	0	23	3	26
Professionals	14	12	26	1	1	2	1	1	2	16	14	30
Skilled Trades	85	11	96	0	0	0	223	6	229	308	17	325
Technicians & Technologists	13	2	15	2	0	2	28	4	32	43	6	49
<b>Total</b>	<b>186</b>	<b>41</b>	<b>227</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>260</b>	<b>12</b>	<b>272</b>	<b>451</b>	<b>54</b>	<b>505</b>

Husky had one work term student supporting West White Rose scopes in Q4. There were no other work term students employed on the project in the quarter.

### 3.1 Targets for Women

In Q4, the total WWRP workforce was 505. 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 – 60 (18 women)
- Engineers – 32 (4 women)
- Technicians and technologists – 49 (6 women)
- Skilled trades – 325 (17 women)
- Other field services – 26 (3 women)
- see Other\* category in Table 3.5

Table 3.5 outlines the percentage of women working on the WWRP as of December 31, 2021, against the targets in the project Diversity Plan.



**Table 3.5 Women Working on WWRP Compared to Project Targets**

<b>Total Workforce: 505</b>				
<b>Category</b>	<b>NOC Code</b>	<b>Occupations</b>	<b>Target (% of workforce in category)</b>	<b>Actual (% of workforce in category)</b>
Managers and other Professionals			30	30
Engineers	2131	Civil Engineers	20	16
	0211	Engineering Managers	15	13
	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	12
	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
	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	14
Other*	6541	Security guards	0	57
	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 Q4 2021 data contained in the individual reports for the following work scopes: White Rose Project, North Amethyst Project, Exploration, West White Rose Pilot, South White Rose Extension, and West White Rose Project. The combined spend for Q4 2021 was approximately \$108.2 million (Table 4.1), with a content breakdown of:

- 56.3% Newfoundland & Labrador,
- 22.2% Other Canadian, and
- 21.4% Foreign.

**Table 4.1 Expenditure Report Summary for Q4 2021**

CDN-NL Benefits Expenditure Report Summary									
Total for Q4 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q4 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	54,462,071	65.62%	29.61%	4.77%	100.00%	35,737,760	16,126,445	2,597,866	54,462,071
North Amethyst Project	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
Exploration	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose Pilot	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
South White Rose Extension	13,339	73.00%	2.00%	25.00%	100.00%	9,738	267	3,335	13,339
West White Rose Project	53,746,981	46.88%	14.79%	38.33%	100.00%	25,198,835	7,946,997	20,601,149	53,746,981
<b>Total for Q4 2021</b>	<b>108,222,392</b>	<b>56.32%</b>	<b>22.24%</b>	<b>21.44%</b>	<b>100.00%</b>	<b>60,946,333</b>	<b>24,073,709</b>	<b>23,202,350</b>	<b>108,222,392</b>

**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 Cenovus direct employees (payroll).
- These amounts do not include/reflect journal entries or system-generated accounting entries.
- This report summarizes the Q3 2017 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 Cenovus 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 \$15.3 billion, with a content breakdown of 52% Newfoundland & Labrador, 21% 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 December 31, 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q4 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	8,584,644,092	53.52%	21.27%	25.21%	100.00%	4,594,520,345	1,825,607,317	2,164,516,429	8,584,644,092
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 Pilot	221,324,680	60.39%	24.29%	15.32%	100.00%	133,662,409	53,754,967	33,907,304	221,324,680
South White Rose Extension	1,224,242,644	66.63%	11.24%	22.13%	100.00%	815,705,663	137,564,518	270,972,463	1,224,242,644
West White Rose Project	2,740,778,587	37.08%	17.22%	45.70%	100.00%	1,016,166,215	472,045,946	1,252,566,426	2,740,778,587
<b>Total to Date as at December 31, 2021</b>	<b>15,266,206,215</b>	<b>51.84%</b>	<b>20.92%</b>	<b>27.25%</b>	<b>100.00%</b>	<b>7,913,514,872</b>	<b>3,193,078,876</b>	<b>4,159,612,467</b>	<b>15,266,206,215</b>

**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 Cenovus 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 Cenovus direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.

## 5.0 Purchase Order Summary

In Q4 2021, 1,369 purchase orders, valued at approximately \$91.8 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**

<b>White Rose Purchase Orders Awarded in Q4 2021</b>				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1,034	241	58	1,333
Total Dollar Value	\$65,762,419	\$13,964,533	8,746,084	\$88,473,036

<b>West White Rose Project Purchase Orders Awarded in Q4 2021</b>				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	17	7	12	36
Total Dollar Value	\$1,114,233	\$1,326,714	\$900,331	\$3,341,278

## 6.0 Procurement Summary

Table 6.1 below outlines the new contracts awarded in Q4 2021 that were valued over \$250,000. There were also two contract extensions awarded in the period.

**Table 6.1 Contracts Awarded for the White Rose Project – Q4 2021**

<b>Husky Procurement Summary Q4 2021</b>		
<b>New Contracts</b>		
<b>Description</b>	<b>Contract Awarded To:</b>	<b>Contractor Location (NL, OC, FC)</b>
Full Field OEM Lubricants	Blue Water Newfoundland Ltd.	NL
Hydraulic Equipment and Services	Hyflodraulic Ltd.	NL
Training Services	Puglisevich Crews & Services Ltd.	NL
WWRP OEM Drilling Construction & Installation Support	MHWirth LLC	FC
WWRP OEM Vendor Support for Well Control System	Hydril PCB Canada Inc.	OC
WWRP OEM Vendor Support for Well Control System	Hydril USA Distribution LLC.	FC
<b>Contract Extensions</b>		
<b>Description</b>	<b>Contract Awarded To:</b>	<b>Contractor Location (NL, OC, FC)</b>
Supply of Offshore Analyzer Services	Atlantic Controls Laurentide Controls Ltd.	OC
Supply of Software License and Support	Triware Technologies Inc.	NL
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		

## 7.0 Photographs

The following photographs highlight some of the company's Q4 business and community engagement activities.



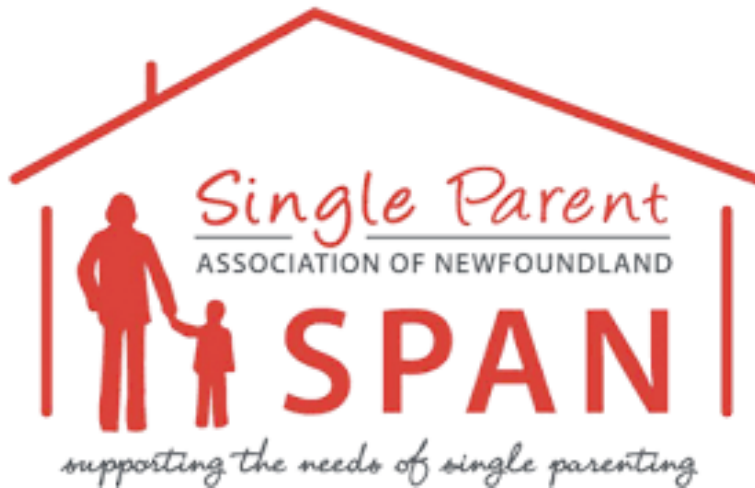
**In Argentina, the West White Rose Project team continued with preservation and maintenance and also worked on some schedule-critical scopes that are required for the central shaft slipform, including the removal and preservation of the girder star.**



**In December, Cenovus continued its support of the Future Leaders Award at Memorial University's Marine Institute. Two Nautical Science students received the award which includes financial assistance and the opportunity to work as cadets in a variety of marine settings.**



**In 2021, Cenovus continued its support of the Jimmy Pratt Memorial Outreach Centre through its sponsorship of a weekly hot breakfast program. In addition to \$15,000 in financial assistance, Cenovus employees volunteer with the program every week.**



**In 2021, Cenovus contributed more than \$13,500 to the Single Parent Association of NL through its employee giving and corporate matching program.**