

cenovus

E N E R G Y



Canada-Newfoundland and Labrador Benefits

Ref. No.: WR-ADM-RP-0077

QUARTERLY REPORT
January 1 – March 31, 2022

Table of Contents

1.0	Introduction.....	3
2.0	White Rose Project Employment Summary	3
3.0	West White Rose Project Employment Summary	6
4.0	Expenditure Analysis	11
5.0	Purchase Order Summary.....	13
6.0	Procurement Summary.....	14

1.0 Introduction

The following represents Cenovus Energy's Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2022 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 Q1 2022, a total of 670 people were employed on Cenovus' White Rose operations, of which 192 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, 625, or 93%, were residents of Newfoundland and Labrador when hired, while another 39, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 142, 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 March 31, 2022

Atlantic Region Contractor Stats Head Count By Location White Rose - Q1 2022

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	0	0	0	0	0	0
Newfoundland - Offshore	172	7	179	7	0	7	6	0	6	185	7	192
Newfoundland - Onshore	318	128	446	25	7	32	0	0	0	343	135	478
Total	490	135	625	32	7	39	6	0	6	528	142	670

Table 2.2 – White Rose Employment Summary of Cenovus and Major Contractors, as of March 31, 2022**Atlantic Region Contractor Stats****Head Count By Contractor**

White Rose - Q1 2022

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	5	1	6	0	0	0	0	0	0	5	1	6
Aker Solutions	38	11	49	0	0	0	0	0	0	38	11	49
Altera	31	0	31	1	0	1	6	0	6	38	0	38
ASCO Canada Limited	5	0	5	0	0	0	0	0	0	5	0	5
Atlantic Offshore Medical Services	10	4	14	0	0	0	0	0	0	10	4	14
Atlantic XL	3	2	5	0	0	0	0	0	0	3	2	5
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cougar	34	9	43	8	0	8	0	0	0	42	9	51
Crosbie Salamis	22	2	24	0	0	0	0	0	0	22	2	24
DBC Marine Services	2	2	4	0	0	0	0	0	0	2	2	4
DOF Subsea	68	13	81	3	0	3	0	0	0	71	13	84
East Coast Catering	15	5	20	0	0	0	0	0	0	15	5	20
Fugro Jacques GeoSurveys Inc	3	1	4	0	0	0	0	0	0	3	1	4
GFL Environmental	1	0	1	0	0	0	0	0	0	1	0	1
Husky	190	77	267	18	6	24	0	0	0	208	83	291
Maersk	24	0	24	1	0	1	0	0	0	25	0	25
Oceans Ltd	3	0	3	0	0	0	0	0	0	3	0	3
OneSubsea	14	1	15	0	0	0	0	0	0	14	1	15
Pennecon	0	0	0	0	0	0	0	0	0	0	0	0
Provincial Airlines	1	1	2	0	0	0	0	0	0	1	1	2
Score	4	1	5	0	0	0	0	0	0	4	1	5
Siemens	9	2	11	1	1	2	0	0	0	10	3	13
SNC Lavalin	3	0	3	0	0	0	0	0	0	3	0	3
TechnipFMC	3	3	6	0	0	0	0	0	0	3	3	6
Total	490	135	625	32	7	39	6	0	6	528	142	670

***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 March 31, 2022**Atlantic Region Contractor Stats****Head Count By Occupation**

White Rose - Q1 2022

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	4	19	23	1	1	2	0	0	0	5	20	25
Engineers	90	35	125	7	3	10	0	0	0	97	38	135
Management	39	13	52	1	0	1	0	0	0	40	13	53
Marine Crew	111	6	117	2	0	2	6	0	6	119	6	125
Other Field Services	30	5	35	6	0	6	0	0	0	36	5	41
Professionals	86	48	134	10	3	13	0	0	0	96	51	147
Skilled Trades	23	0	23	0	0	0	0	0	0	23	0	23
Technicians & Technologists	107	9	116	5	0	5	0	0	0	112	9	121
Total	490	135	625	32	7	39	6	0	6	528	142	670

Note: In Q1 2022, Cenovus employed 15 work term students (13 men, 2 women) on White Rose operations. Student positions are not reflected in the numbers above.

3.0 West White Rose Project Employment Summary

As of March 31, 2022, 406 people were reported employed on Cenovus' West White Rose Project (WWRP), representing more than 231,000 person hours. Of those hours, 60,000, occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 43, or approximately 11% of the total workforce (Table 3.3).

Work on the WWRP concluded in Marystown. Meanwhile, the team in Argentina continued with site preservation and maintenance and also worked on some schedule-critical scopes that are required, should a restart decision be made. 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 March 31, 2022- West White Rose Project Employment

Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q1 2022

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	1,766	0	1,766	1,952	0	3,718
Arup Canada Inc.	434	0	434	71	205	710
Husky	8,567	0	8,567	472	0	9,039
Kiewit (Marystown)	176	0	176	0	0	176
Kiewit (Texas)	0	0	0	0	162,800	162,800
Kvaerner	2,635	0	2,635	0	0	2,635
Lloyd's Register	335	0	335	30	532	897
Parker Drilling	2,310	0	2,310	0	0	2,310
SDP	38,700	0	38,700	89	662	39,451
TechnipFMC	2,421	0	2,421	0	0	2,421
Wood	2,771	0	2,771	0	4,896	7,667
Total	60,115	0	60,115	2,614	169,095	231,824

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

West White Rose Project - Q1 2022

Contractor	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
Aker Solutions	3	0	3	4	0	4	0	0	0	7	0	7
Arup Canada Inc.	1	0	1	0	0	0	0	0	0	1	0	1
Husky	16	3	19	0	1	1	0	0	0	16	4	20
Kiewit (Marystown)	0	0	0	0	0	0	0	0	0	0	0	0
Kiewit (Texas)	0	0	0	0	0	0	262	10	272	262	10	272
Kvaerner	3	1	4	0	0	0	0	0	0	3	1	4
Lloyd's Register	1	0	1	0	0	0	1	0	1	2	0	2
Parker Drilling	2	3	5	0	0	0	0	0	0	2	3	5
SDP	51	20	71	0	0	0	4	0	4	55	20	75
TechnipFMC	3	2	5	0	0	0	0	0	0	3	2	5
Wood	4	2	6	0	0	0	8	1	9	12	3	15
Total	84	31	115	4	1	5	275	11	286	363	43	406

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 March 31, 2022 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of March 31, 2022 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q1 2022

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	272	11	283	272	11	283
Newfoundland - Onshore	84	31	115	0	1	1	3	0	3	87	32	119
Other Canadian	0	0	0	4	0	4	0	0	0	4	0	4
Total	84	31	115	4	1	5	275	11	286	363	43	406

Table 3.4 Headcount by Occupation, as of March 31, 2022– West White Rose Project**Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q1 2022

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	4	4	0	0	0	0	1	1	0	5	5
Engineers	22	3	25	0	0	0	6	0	6	28	3	31
Management	22	4	26	0	0	0	1	0	1	23	4	27
Other Field Services	3	2	5	0	0	0	0	0	0	3	2	5
Professionals	11	11	22	0	1	1	3	1	4	14	13	27
Skilled Trades	21	5	26	0	0	0	236	6	242	257	11	268
Technicians & Technologists	5	2	7	4	0	4	29	3	32	38	5	43
Total	84	31	115	4	1	5	275	11	286	363	43	406

3.1 Targets for Women

In Q1 2022, the total WWRP workforce was 406. 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 – 54 (17 women)
- Engineers –31 (3 women)
- Technicians and technologists – 43 (5 women)
- Skilled trades – 268 (11 women)
- Other field services – 5 (2 women)
- see Other* category in Table 3.5

Table 3.5 outlines the percentage of women working on the WWRP as of March 31, 2022 against the targets in the project Diversity Plan.

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 406				
Category	NOC Code	Occupations	Target (% of workforce in category)	Actual (% of workforce in category)
Managers and other Professionals			30	31
Engineers	2131	Civil Engineers	20	14
	0211	Engineering Managers	15	10
	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	0
	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 and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)	12	0
	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices	5	40
	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	0
Other*	6541	Security guards	0	71
	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

Table 4.1 below summarizes the Q1 2022 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 Q1 2022 was approximately \$97.4 million, with a content breakdown of:

- 49.5% Newfoundland & Labrador,
- 17% Other Canadian, and
- 33% Foreign Content.

The Foreign Content percentage in Q1 2022 increased over Q4 2021 due to the timing of payments related to WWRP work being executed in Texas.

Overall, the combined total-to-date spend for these work scopes is approximately \$15.4 billion, with a content breakdown of 52% Newfoundland & Labrador, 21% Other Canadian, and 27% Foreign (Table 4.2).

Table 4.1 Expenditure Report Summary for Q1 2022

CDN-NL Benefits Expenditure Report Summary									
Total for Q1 2022									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q1 2022	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	47,947,882	69.33%	25.42%	5.25%	100.00%	33,240,034	12,189,543	2,518,305	47,947,882
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	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose Project	49,438,678	30.30%	9.21%	60.50%	100.00%	14,979,304	4,551,009	29,908,365	49,438,678
Total for Q1 2022	97,386,560	49.51%	17.19%	33.30%	100.00%	48,219,338	16,740,552	32,426,670	97,386,560

<p>Notes:</p> <p>(1) Please note the following with respect to the expenditure totals being reported:</p> <p>(a) These amounts include payments made to vendors.</p> <p>(b) These amounts include payments made to Husky direct employees (payroll).</p> <p>(c) These amounts do not include/reflect journal entries or system-generated accounting entries.</p> <p>(d) This report summarizes the Q3 2017 data contained in the individual reports for the following work scopes:</p> <ul style="list-style-type: none"> - White Rose Project - North Amethyst Project - Exploration - West White Rose - White Rose Extension Project - West White Rose Project <p>(2) Please note the following with respect to the content information being reported:</p> <p>(a) A vendor content table has been created in our financial management system (SAP).</p> <p>(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.</p> <p>(c) An SAP report has been developed that assigns the content percentages from the table to all payment amounts made to specific vendors.</p> <p>(d) This report can then be summarized to obtain the total content percentages/dollar values for the reporting period.</p> <p>(e) Payroll costs for East Coast Husky direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.</p>

Table 4.2 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at March 31, 2022									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q1 2022	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	8,632,591,974	53.61%	21.29%	25.10%	100.00%	4,627,760,379	1,837,796,860	2,167,034,734	8,632,591,974
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	2,790,217,266	36.96%	17.08%	45.96%	100.00%	1,031,145,520	476,596,955	1,282,474,791	2,790,217,266
Total to Date as at March 31, 2022	15,363,592,775	51.82%	20.89%	27.29%	100.00%	7,961,734,210	3,209,819,428	4,192,039,137	15,363,592,775

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 Q1 2022, 1,347 purchase orders, valued at approximately \$57.3 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 Q1 2022				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1,031	194	101	1,326
Total Dollar Value	\$43,959,797	\$7,733,526	\$5,517,438	\$55,115,095

West White Rose Project Purchase Orders Awarded in Q1 2022				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	19	0	2	21
Total Dollar Value	\$2,095,666	0	\$43,862	\$2,139,528

6.0 Procurement Summary

Table 6.1 below outlines the new contracts awarded in Q1 2022 that were valued over \$250,000. There were also five contract extensions awarded in the period.

Table 6.1 Contracts Awarded for the White Rose Project – Q1 2022

Genovus Procurement Summary Q1 2022		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
1. Leak Testing and Purging Services	IKM Testing (Canada) Ltd.	NL
2. Flow Profiling Technology and Equipment Services	Tracerco Radioactive Diagnostics Services Canada Inc.	OC
3. Provision of emission.AI Software License & Support	Operational Excellence (OPEX) Group Ltd.	FC
4. Offshore Supply Vessel - Vinland Backfill	Atlantic Towing Limited (Atlantic Kingfisher)	NL
5. Offshore Support Vessel - 2022 Ice Management	Maersk Supply Service Canada (Maersk Mobiliser)	NL
6. Offshore Waste Management Services	GFL Environmental Services Inc. (formally Revolutions dbaTerrapure)	NL
7. Subsea Inspection, Maintenance, Repair and Support Services	DOF Subsea Canada Corp.	NL
Contract Extensions		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
1. Full Field Excitation Systems Management Services	ABB Inc.	OC
2. Helicopter Passenger Suits and Management	DBC Marine (Survitec)	NL
3. Lifeboat Simulator Training, Support & Maintenance	Virtual Marine Technology Inc.	NL
4. Subsea Engineering Services	Frontier Subsea	NL
5. Oil Spill Response Preparedness Funding Agreement	Eastern Canada Response Corporation Ltd.	NL
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		