

cenovus

E N E R G Y



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
July 1 – September 30, 2022

Ref. No.: WR-ADM-RP-0080

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1.0 Introduction

The following represents Cenovus Energy's Canada-Newfoundland and Labrador Benefits Report for the quarter ending September 30, 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 subcontractors.

2.0 White Rose Project Employment Summary

In Q3 2022, a total of 741 people were employed on Cenovus' White Rose operations, of which 306 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, 680, or 92%, were residents of Newfoundland and Labrador when hired, while another 36, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 152, or approximately 20%, 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 September 30, 2022

Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q3 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	1	0	1	1	0	1
Newfoundland - Offshore	262	9	271	13	0	13	22	0	22	297	9	306
Newfoundland - Onshore	271	138	409	18	5	23	1	0	1	290	143	433
Other Canadian	0	0	0	0	0	0	1	0	1	1	0	1
Total	533	147	680	31	5	36	25	0	25	589	152	741

Table 2.2 – White Rose Employment Summary of Cenovus and Major Contractors, as of September 30, 2022**Atlantic Region Contractor Stats****Head Count By Contractor**

White Rose - Q3 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	14	0	14	0	0	0	8	0	8	22	0	22
Aker Solutions	50	14	64	0	0	0	1	0	1	51	14	65
Altera	29	0	29	1	0	1	14	0	14	44	0	44
ASCO Canada Limited	5	0	5	0	0	0	0	0	0	5	0	5
Atlantic Offshore Medical Services	11	4	15	0	0	0	0	0	0	11	4	15
Atlantic XL	2	3	5	0	0	0	0	0	0	2	3	5
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cougar	34	10	44	8	0	8	0	0	0	42	10	52
Crosbie Salmis	34	2	36	0	0	0	0	0	0	34	2	36
DBC Marine Services	1	1	2	0	0	0	0	0	0	1	1	2
DOF Subsea	88	20	108	6	0	6	0	0	0	94	20	114
East Coast Catering	14	6	20	0	0	0	0	0	0	14	6	20
Fugro Jacques GeoSurveys Inc	3	1	4	0	0	0	1	0	1	4	1	5
GFL Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Husky	187	78	265	14	4	18	0	0	0	201	82	283
Maersk	24	0	24	1	0	1	0	0	0	25	0	25
Oceans Ltd	2	1	3	0	0	0	0	0	0	2	1	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
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	10	2	12	1	1	2	1	0	1	12	3	15
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	2	2	4	0	0	0	0	0	0	2	2	4
Total	533	147	680	31	5	36	25	0	25	589	152	741

***Notes:** 1.Data for Cenovus appears as Husky in the table above. 2. 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 September 30, 2022**Atlantic Region Contractor Stats****Head Count By Occupation**

White Rose - Q3 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	0	1	1	0	0	0	0	0	0	0	1	1
Administration & Clerical	5	22	27	1	1	2	0	0	0	6	23	29
Engineers	94	40	134	6	2	8	0	0	0	100	42	142
Management	42	15	57	2	0	2	0	0	0	44	15	59
Marine Crew	121	7	128	3	0	3	22	0	22	146	7	153
Other Field Services	27	6	33	6	0	6	0	0	0	33	6	39
Professionals	88	48	136	6	2	8	1	0	1	95	50	145
Skilled Trades	34	0	34	0	0	0	0	0	0	34	0	34
Technicians & Technologists	122	8	130	7	0	7	2	0	2	131	8	139
Total	533	147	680	31	5	36	25	0	25	589	152	741

Note: In Q2 2022, Cenovus employed 24 work term students (19 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, 2022, 636 people were reported employed on Cenovus' West White Rose Project (WWRP), representing more than 362,000 person hours for the quarter. Of those hours, 169,757 occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 79, or approximately 12% of the total workforce (Table 3.2).

On May 31, 2022, Cenovus and its partners announced the restart of the West White Rose Project. Activity across the project team continued to ramp up modestly in Q3.

Table 3.1 Person Hours by Contractor, as of September 30, 2022- West White Rose Project Employment

Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q3 2022

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	3,652	0	3,652	1,989	392	6,033
Arup Canada Inc.	579	0	579	161	1,540	2,280
Husky	13,116	0	13,116	1,237	0	14,353
Kiewit (Texas)	0	0	0	0	180,800	180,800
Kvaerner	2,383	0	2,383	0	69	2,452
Lloyd's Register	712	0	712	0	903	1,615
Parker Drilling	3,842	0	3,842	0	204	4,046
SDP	139,509	0	139,509	269	320	140,098
TechnipFMC	3,117	0	3,117	0	0	3,117
Wood	2,847	0	2,847	0	4,758	7,605
Total	169,757	0	169,757	3,656	188,986	362,399

***Note:** Data for Cenovus appears as Husky in the table above.

**Table 3.2 Head Count by Contractor and Residency, as of September 30, 2022-
West White Rose Project****Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q3 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
Aker Solutions	6	2	8	4	0	4	1	0	1	11	2	13
Arup Canada Inc.	1	0	1	0	0	0	3	3	6	4	3	7
Husky	24	10	34	1	2	3	0	0	0	25	12	37
Kiewit (Texas)	0	0	0	0	0	0	290	11	301	290	11	301
Kvaerner	4	1	5	0	0	0	0	0	0	4	1	5
Lloyd's Register	1	0	1	0	0	0	2	0	2	3	0	3
Parker Drilling	3	4	7	0	0	0	0	0	0	3	4	7
SDP	197	40	237	3	0	3	4	2	6	204	42	246
TechnipFMC	2	3	5	0	0	0	0	0	0	2	3	5
Wood	4	0	4	0	0	0	7	1	8	11	1	12
Total	242	60	302	8	2	10	307	17	324	557	79	636

*Note: Data for Cenovus appears as Husky in the table above.

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, 2022 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of September 30, 2022 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q3 2022

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	303	15	318	303	15	318
Newfoundland - Onshore	242	60	302	4	2	6	4	0	4	250	62	312
Other Canadian	0	0	0	4	0	4	0	2	2	4	2	6
Total	242	60	302	8	2	10	307	17	324	557	79	636

Table 3.4 Headcount by Occupation, as of September 30, 2022– West White Rose Project**Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q3 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	0	1	1	0	0	0	0	0	0	0	1	1
Administration & Clerical	0	4	4	0	0	0	0	2	2	0	6	6
Engineers	28	5	33	1	0	1	9	2	11	38	7	45
Management	33	4	37	2	0	2	1	0	1	36	4	40
Other Field Services	27	5	32	0	0	0	0	0	0	27	5	32
Professionals	22	21	43	1	2	3	3	2	5	26	25	51
Skilled Trades	116	16	132	0	0	0	261	8	269	377	24	401
Technicians & Technologists	16	4	20	4	0	4	33	3	36	53	7	60
Total	242	60	302	8	2	10	307	17	324	557	79	636

3.1 Targets for Women

In Q3 2022, the total WWRP workforce was 636. 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,

- Management and Professionals – 91 (29 women)
- Engineers –45 (7 women)
- Technicians and technologists – 60 (7 women)
- Skilled trades – 401 (24 women)
- Other field services – 32 (5 women)

Table 3.5 outlines the percentage of women working on the WWRP as of September 30, 2022 against the targets in the project Diversity Plan.

Table 3.5 Women Working on WWRP Compared to Project Targets

Category	NOC Code	Occupations	Target (% of workforce in category)	Actual (% of workforce in category)
Managers and other Professionals			30	32
Engineers	2131	Civil Engineers	20	12
	0211	Engineering Managers	15	15.5
	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	11.6
	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	4
	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	30
	7271	Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)	12	3

	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices		
	7236	Ironworkers - Rodperson Journey Person and Apprentices, Structural Journey Person and Apprentices and Journey person (shop)	5	13
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	17
Other*	6541	Security guards	0	50
	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.

4.1 Expenditure Analysis

Table 4.1 below summarizes the Q3 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 Q3 2022 was approximately \$123.3 million, with a content breakdown of 38.5% Newfoundland & Labrador, 17.2% Other Canadian, and 44.2% Foreign Content. The increase in Foreign Content in Q3 can be linked to a large payment made to a single Original Equipment Manufacturer.

Overall, the combined total-to-date spend is approximately \$15.6 billion, with a content breakdown of 51.8% Newfoundland & Labrador, 20.9% Other Canadian, and 27.4% Foreign (Table 4.2).

Table 4.1 Expenditure Report Summary for Q3 2022

CDN-NL Benefits Expenditure Report Summary									
Total for Q3 2022									
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)			
Q3 2022		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
White Rose Project	55,517,222	57.39%	29.61%	13.00%	100.00%	31,862,414	16,437,803	7,217,005	55,517,222
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	67,721,212	23.03%	7.08%	69.89%	100.00%	15,595,178	4,794,456	47,331,577	67,721,212
Total for Q3 2022	\$123,238,433	38.51%	17.23%	44.26%	100.00%	\$47,457,592	\$21,232,259	\$54,548,582	\$123,238,433

Table 4.2 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at September 30, 2022									
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
Q3 2022									
White Rose Project	8,723,732,758	53.74%	21.30%	24.96%	100.00%	4,688,096,122	1,858,140,578	2,177,496,057	8,723,732,758
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	2,910,165,678	36.94%	16.77%	46.29%	100.00%	1,074,979,986	488,148,158	1,347,037,534	2,910,165,678
Total to Date as at 09/30/22	\$15,574,681,971	51.79%	20.81%	27.40%	100.00%	8,065,904,419	3,241,714,349	4,267,063,202	\$15,574,681,971

5.0 Purchase Order Summary

In Q3 2022, 1,011 purchase orders, valued at approximately \$53.3 million, were issued for the 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 Project and Location

White Rose Purchase Orders Awarded in Q3 2022				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	762	160	63	985
Total Dollar Value	\$17,889,099	\$15,848,082	\$14,344,023	\$48,081,204

West White Rose Project Purchase Orders Awarded in Q3 2022				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	17	6	3	26
Total Dollar Value	\$4,155,015	\$651,716	\$407,218	\$5,213,949

6.0 Procurement Summary

Table 6.1 below outlines contracts Cenovus awarded in Q3 2022 that were valued over \$250,000. There were four new contracts and nine contract extensions awarded in the period.

Table 6.1 Contract Awards and Extensions for the White Rose Project – Q3 2022

Procurement Summary Q3 2022		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
1. Turbine Maintenance Services (Long Term Service Agreement)	Siemens Energy Canada Ltd.	OC
2. WWRP Engineering Support Services for ICSS, PDM & IMS	Siemens Energy Canada Ltd.	OC
3. WWRP Installation and Commissioning of the Integrated Control & Safety Systems (ICSS)	Siemens Energy Inc.	FC
4. ALE Turret Disconnect & Reconnect Support Services	Pennecon Hydraulic Systems Ltd.	NL
Contract Extensions		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
1. WWRP OEM Vendor Support for Hypochlorite Package	H2O LLC	FC
2. WWRP Contracts Management System	Aveva Canada	OC
3. Weather Forecasting and Oceanographic Services	Oceans Limited	NL
4. Helicopter Passenger Suits and Management	DBC Marine (Survitec)	NL
5. WWRP Operating Procedures Development	Wood Canada Ltd.	OC
6. Provision of NetApp FAS 8040 Controller Upgrade and Support	Open Storage Solutions Inc.	NL
7. General Engineering and Related Services	Hatch Ltd.	NL
8. FPSO Benchmarking Consulting Services	McKinsey & Company Inc United States	FC
9. Valve Maintenance & Services	Score (Canada) Ltd.	NL
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		