



Canada-Newfoundland and Labrador Benefits Annual Report 2023

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1.0 Introduction

Cenovus (formerly Husky Energy) has been working offshore Newfoundland and Labrador for more than 35 years. We are the operator and majority owner of the White Rose field and extensions, which are located approximately 350 km offshore Newfoundland and Labrador.

The White Rose field and extensions produce using the *SeaRose* floating, production, storage and offloading (FPSO) vessel. The original White Rose development was discovered in 1984 and first oil was in 2005. Subsequent development was added when the extension fields of White Rose came online: North Amethyst started production in 2010 and South White Rose started production in 2015.

As operator of the White Rose field, Cenovus adheres to its Benefits Plan and is responsible for ensuring:

- Canada-Newfoundland and Labrador benefits principles and guidelines are applied consistently to White Rose Project business; and
- Accurate reporting of Canada-Newfoundland and Labrador content to the C-NLOPB.

This report summarizes White Rose and West White Rose activity for the period of January 1 to December 31, 2023 in the areas of expenditures, employment, procurement, research and development, education and training. An annual Diversity Report is provided under separate cover.

2023 Highlights

In 2023, Cenovus completed its 18th full year of production operations in the Atlantic Region at the White Rose field and the *SeaRose* FPSO produced approximately 4.8 million barrels of oil. Other 2023 Atlantic Region highlights include:

- At the end of 2023, 824 people were employed on White Rose operations; 96% of those were residents of Newfoundland and Labrador and another 3.5% were residents of other regions in Canada.
- Newfoundland and Canadian content represents 72% (more than \$12 billion) of total expenditures on the White Rose project to date (52% NL; 20% Other Canadian).
- Cenovus invested \$3 million in local research and development and education and training and hired 59 co-op students.
- In 2023, the Beothuk Spirit, Norse Spirit, Dorset Spirit and Altera Thule transported White Rose crude. A total of 8.5 White Rose cargoes were completed and all were delivered to Newfoundland Transshipment Terminal in Placentia Bay, NL.

2.0 Employment Summary

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

2.1 White Rose Project

In Q4 2023, a total of 824 people were employed on Cenovus' White Rose operations, of which 285 were located offshore. The total number includes people employed with Cenovus and its contractors and includes North Amethyst and South White Rose Extension. The offshore number for this reporting period includes personnel from SeaRose FPSO, support vessels, helicopters, and tankers.

Of the total personnel, 790, or 96%, were residents of Newfoundland and Labrador when hired, while another 29, or 3.5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 166, or approximately 20% 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, 2023– White Rose

Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q4 2023

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	259	8	267	14	0	14	4	0	4	277	8	285
Newfoundland - Onshore	370	153	523	9	4	13	0	0	0	379	157	536
Other Canadian	0	0	0	1	1	2	0	0	0	1	1	2
Total	629	161	790	24	5	29	5	0	5	658	166	824

Table 2.2 Employment Summary of Cenovus and Major Contractors by Occupation, as of December 31, 2023– White Rose

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q4 2023

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	24	28	0	0	0	0	0	0	4	24	28
Engineers	123	48	171	1	2	3	0	0	0	124	50	174
Management	43	13	56	4	2	6	0	0	0	47	15	62
Marine Crew	111	6	117	4	0	4	4	0	4	119	6	125
Other Field Services	22	2	24	3	0	3	0	0	0	25	2	27
Professionals	103	50	153	4	1	5	0	0	0	107	51	158
Skilled Trades	69	2	71	1	0	1	0	0	0	70	2	72
Technicians & Technologists	154	16	170	7	0	7	1	0	1	162	16	178
Total	629	161	790	24	5	29	5	0	5	658	166	824

Note: In Q4 2023, Cenovus employed 29 work term students (20 men, 9 women) on White Rose operations. Student positions are not reflected in the numbers above.

2.2 West White Rose Project

In the first half of 2023, the West White Rose Project (WWRP) team concluded two major construction scopes. In Ingleside, the final heavy-lift of the project was safely executed when the drilling equipment set was installed on the topsides. The operation took a total of 20 hours and saw the ~2300 tonne structure jacked to a height of ~47 meters then skidded sideways into position. In Argentinia, the conical slip was completed after a total of 69 days of continuous slipforming. The job was completed safely and brought the structure to its full height of 146 meters.

While employment peaked in Q2 during the slipforming, at the end of the year 1,790 people were reported employed on this project, representing more than 1,001,000 person hours for the quarter. Of those hours, 650,257 or 65%, occurred in Newfoundland and Labrador (Table 2.5). The number of women employed on the WWRP was 214, or approximately 12% of the total workforce (Table 2.3).

Table 2.3 Headcount by Location, as of December 31, 2023 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Location

West White Rose Project - Q4 2023

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	10	0	10	0	0	0	519	37	556	529	37	566
Newfoundland - Onshore	1,002	170	1,172	33	6	39	7	0	7	1,042	176	1,218
Other Canadian	0	0	0	5	1	6	0	0	0	5	1	6
Total	1,012	170	1,182	38	7	45	526	37	563	1,576	214	1,790

Table 2.4 Headcount by Occupation, as of December 31, 2023 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Occupation

West White Rose Project - Q4 2023

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	20	20	0	0	0	0	3	3	0	23	23
Engineers	83	14	97	1	0	1	17	3	20	101	17	118
Management	124	15	139	4	0	4	5	0	5	133	15	148
Other Field Services	102	24	126	0	0	0	0	0	0	102	24	126
Professionals	44	42	86	2	1	3	6	0	6	52	43	95
Skilled Trades	589	49	638	23	2	25	443	22	465	1,055	73	1,128
Technicians & Technologists	70	6	76	8	4	12	55	9	64	133	19	152
Total	1,012	170	1,182	38	7	45	526	37	563	1,576	214	1,790

The head count shown in the tables above is a snapshot of personnel who have charged hours to the WWRP as of December 31, 2023 and does not necessarily represent full time employees.

3.0 Canadian-NL Content and Expenditures

The table below summarizes the 2023 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. Overall, the total expenditure to date for Cenovus' Atlantic Region activities (White Rose and West White Rose) is approximately \$16.75 billion (Table 3.1). Of this amount, 72% is Canadian content: 52% NL content and 20% Other Canadian.

Table 3.1 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary Total to Date as at December 31, 2023 All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period	Total Being Reported	Summary of Project Expenditures As a Percentage of Total Cost				Summary of Project Expenditures Dollar Values			
		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
Q4 2023									
White Rose Project	9,153,201,958	53.74%	21.57%	24.68%	100.00%	4,919,356,686	1,974,396,492	2,259,448,780	9,153,201,958
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	3,657,602,164	41.00%	16.34%	42.66%	100.00%	1,499,445,983	597,683,027	1,560,473,155	3,657,602,164
Total for Q4 2023	16,751,587,659	52.06%	20.70%	27.24%	100.00%	\$8,721,630,980	\$3,467,505,132	\$4,562,451,546	\$16,751,587,659

4.0 Procurement

Cenovus 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 Cenovus website where Cenovus procurement opportunities are identified and links to contractor procurement websites are available. Cenovus also regularly posts procurement opportunities with Energy NL. During 2023, Cenovus awarded 29 new contracts and 29 contract extensions that were each valued at more than \$250,000. Tables 4.1 and 4.2 summarize this activity.

Table 4.1 New Contract Summary for 2023

2023 New Contract Summary		
Description	Contract Awarded To	Contractor Location
1. Marine Fuel	Irving Oil Limited	NL
2. Well Integrity Assurance Service	DNV AS	FC
3. 2023 Ice Management Vessel	Atlantic Kingfisher Partnership Limited	NL
4. Inspection, Maintenance and Repairs of SeaRose Heli-Fuel System	Petroleum & Environmental Services Inc.	NL
5. Fabric Maintenance Services	Crosbie Salamis Ltd.	NL
6. Offshore Satellite Communications Services	Marlink AS	FC
7. Subsea Project Management and Engineering Services	Frontier Subsea Inc.	NL
8. Full Field Production Chemicals and Related Services	Baker Hughes Canada Company	NL
9. WWRP Mudlogging Equipment and Services	Excellence Logging Canada	FC
10. SeaRose Flash Gas Compressor Revamp	Siemens Energy Canada Limited	OC
11. OEM Support for SeaRose Water Injection Pumps	Clyde Union Canada Ltd.	OC
12. Supply and Distribution of Commodity Chemicals	Univar Solutions Canada Ltd.	NL
13. Enablon Software Licenses	Compagnie Enablon Canada Inc.	FC
14. Subsea Project Management and Engineering Services	Subsea 7	NL
15. WWRP Tubular Running Equipment and Services	Expro Group Canada Inc.	NL

16. WWRP Conductor Seals and Services	VIPO AS	FC
17. WWRP Elevator Installation Services	KONE Inc.	FC
18. WWRP OEM Drilling Construction and Installation Support	MH Wirth AS	FC
19. Specialized Engineering, Consulting & Analysis Services	Stress Engineering Services, Inc.	FC
20. Flowline Inspection Services	TSC Subsea AS	FC
21. Subsea Engineering Services	TechnipFMC Canada Ltd.	NL
22. Subsea Surveying Services	EPCO Services Inc.	NL
23. Subsea Surveying Services & iSite Software	UTEC Survey Canada Ltd.	NL
24. WWRP Drilling, Completions & Interventions Fluids	SLB (Schlumberger Canada)	NL
25. Provision of DaWinci Software	Quorum Software	FC
26. Provision of Management Consulting Services	Evolve Partners LLC	OC
27. Provision of Mooring Program Support Vessel	Horizon Maritime Services Ltd.	NL
28. SeaRose Drydock Services	Harland and Wolff Ltd.	FC
29. Mooring Management Services	Koninklijke Roeiers Vereniging Eendracht (KRVE)	FC
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		

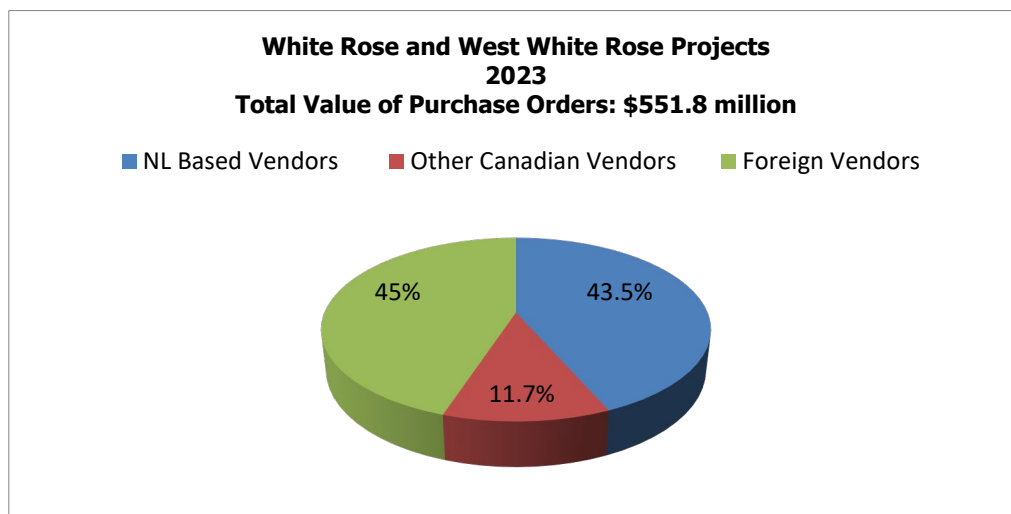
Table 4.2 Contract Extension Summary for 2023

2023 Contract Extension Summary		
Description	Contract Awarded To	Contractor Location
1. Offshore Helicopter Services	Cougar Helicopters	NL
2. Subsea Equipment and Support	Oceaneering International Inc.	FC
3. Offshore Personnel Logistics System (PLS)	Bell Canada	NL
4. Subsea Maintenance and Quality Control Inspections	Bureau Veritas North America Inc.	FC

5. Subsea Equipment Storage and Maintenance Facility	OneSubsea	NL
6. Full Field Excitation Systems Management Services	ABB Inc.	OC
7. Subsea Engineering, Inspection and Repair Services	Flexlife Limited	FC
8. Offshore Engineering and Maintenance Services	Aker Solutions	NL
9. SeaRose Communication Swivel	Focal Technologies Corporation	OC
10. SeaRose Satellite Communications	RigNet Canada Inc.	FC
11. Full Field OEM Vendor Support for Lifeboats	Palfinger Marine Canada Inc.	OC
12. Simulation and Testing of MP and HP Processes on SeaRose	Enero Solutions Inc.	OC
13. Oil and Gas Metering Services	Cahill Instrumentation	NL
14. Provision of emission.AI Software License & Support	Operational Excellence (OPEX) Group Limited	FC
15. OEM Support for Life Saving Appliances	DSS Protection Group (NL) Inc.	OC
16. Weather Forecasting & Oceanographic Services	Oceans Ltd.	NL
17. SeaRose OEM Information Management System Software	Stratus Technologies Ireland Ltd.	FC
18. Fire Safety and Maintenance Services - WWR & SeaRose	K&D Pratt Group	NL
19. OEM Vendor Support for SeaRose Boiler	Hamworthy Combustion Engineering Limited	FC
20. Condition Based Electric Motor Monitoring Services	Iris Power LP	OC
21. SeaRose OEM Vendor Support for Main Power Generation	Wartsila Canada Inc.	NL
22. Motor Preservation and Repair	NorthPoint Technical Services ULC	NL
23. OEM Vendor Support for Offshore Crane Maintenance	Liebherr Canada Ltd.	NL
24. SeaRose OEM Vendor Support for Fire	Cummins Canada ULC	NL

Water Pump Motors		
25. Aviation Consulting Services	Conrail Aviation Safety Ltd.	OC
26. Ice and Environmental Observation and Monitoring	PAL Aerospace Ltd	NL
27. EDM Engineering Software	Landmark Technology Holdings	OC
28. Supply of Personal Protective Equipment	Spartan Industrial Marine	NL
29. Schlumberger Software	Schlumberger Information Solutions	NL
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		

In addition, in 2023 Cenovus awarded 7,532 purchase orders for the White Rose and West White Rose Projects valued at \$551.8 million and 55% of that total value was awarded to Canadian companies.



4.0 Research and Development & Technology Transfer

Cenovus considers investments to develop Newfoundland and Labrador’s technological, industrial and economic capacity to be strategic to the industry’s sustainable growth. Developing the technologies that can support improvements in safety, sustainability, performance, and productivity for the Grand Banks environment is key to supporting future activity in the region.

Cenovus has progressed a number of projects, both internally and through third party organizations such as C-CORE, Memorial University, and ERINL. A summary of the projects is provided below.

4.1 R&D Projects

Cenovus

- **Alternate Wellheads** – The goal of this project is to understand the application of Stand-Alone Subsea Trees (XMT) as a safe alternative technology concept to be used in place of excavated drill centers for the mitigation of iceberg risk in the subsea development of petroleum resources.

C-CORE

- **Glacial Ice Impact Loads on Floaters—Joint Industry Project (JIP)** – The overall goal of the project is to increase confidence in procedures for estimating actions and action effects due to iceberg impacts with a moored, floating platform.

Memorial University of Newfoundland

- **NSERC/Husky Industrial Research Chair for Safety at Sea.** This position at the Faculty of Engineering and Applied Science promotes the development of simulation technologies to improve operational safety leading to a more robust, inherent safe design, of offshore facilities.
- **Harsh Environment Research Facility.** A world-class facility that will strengthen the region’s infrastructure and expertise in technologies operating in harsh environments, such as the ocean, energy, shipping, and aerospace sectors.

Energy Research & Innovation Newfoundland and Labrador (ERINL)

As a member of ERINL, Cenovus is providing baseline support to the organization to advance local R&D, and is also participating in a number of projects, through JIPs with other operators.

- **Baseline scopes** - Through baseline support from members like Cenovus, ERINL is advancing the following projects:
 - X-Band Radar Oil Spill Detection
 - Ocean Supercluster Ecosystem Development
 - Critical Intervention and Operability Analysis

- Ice Management
- Safe Marine Operations During the Digital Transformation
- **Joint Industry Projects**
 - **Flowline Protection Requirements for Extended Tiebacks** – The goal of this project is to develop a flowline failure model that considers probability of iceberg contact and the consequences associated with some level of damage (i.e. limit state) without loss of containment – consistent with other offshore structure design practice. This project could impact future (and marginal) developments by increasing subsea tieback lengths without trenching flowlines, which may be cost prohibitive for smaller fields.
 - **Digital Oceans Canada, formerly known as Digital Offshore Canada** - The goal of this project is to research and develop a shared platform that could enable the creation and commercialization of digital twins and other digital products and services for a range of ocean industries across the full project life-cycle: concept development, engineering and rapid prototyping, technology demonstration and validation, optimization of operations, operational planning and training, predictive modelling and maintenance.

5.0 Education and Training

In 2023, Cenovus and its contractors invested more than \$2.5 million in education and training. Highlights include:

- Cenovus continued its strong commitment to co-operative education programs by hiring 59 students. Students were hired from a variety of disciplines from Memorial University and College of the North Atlantic. In 2023, total expenditure on co-operative education by Cenovus was over \$1,850,000.
- Cenovus’ contractors continued to support education and training for students and employees. Contractors spent approximately \$87,000 on work-term students and cadets.

Community-Based Education and Training

In 2023, Cenovus continued its commitment to increasing access to education and training opportunities in the community. In the Atlantic Region, Cenovus focused its efforts on key community partners who deliver quality educational programming and share an interest in building a more inclusive community. Highlights include:

- \$200,000 to support students at Memorial through a variety of initiatives including bursaries and teaching assistant positions in the Faculty of Engineering and Applied Science and the Department of Earth Sciences;
- \$50,000 to support Dr. Svetlana Barkanova, NSERC Chair in Inclusion in Science and Engineering;
- \$25,000 each to Thrive, Choices for Youth, and the Murphy Centre to support education and outreach programs;

- Continued the Future Leaders Award program at Marine Institute. This experiential learning award for Nautical Science students provides recipients with financial assistance while on campus and also supports the cadet's sea phase portion of their program;
- \$75,000 to support the Nature Conservancy of Canada's Conservation Internship program in NL. This allowed the program to grow from 2 to 3 interns and to establish a connection with Qalipu First Nation;
- \$75,000 to support WRDC's STEM for Girls programming for an additional three years;
- \$20,000 to The Rooms for the maintenance of an EduKit, which was developed with previous support from Cenovus;
- \$15,000 to support the summer student employment program through WISE-NL;
- \$15,000 to support the Eastern Region Science and Technology Fair, plus an additional \$2,500 to support an Indigenous STEM scholarship;
- \$5000 to MATE ROV Competition at Marine Institute;
- \$5000 to the Model Boat Race at the Marine Institute;
- \$5000 to the Eating Disorder Foundation of NL to support their awareness and outreach initiatives;
- \$5750 to EnergyNL to enable members from equity-seeking groups attend the annual conference; and
- \$1000 to support Memorial University's Robogals high school outreach initiatives.

Other Community Support

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

- \$100,000 to Rovers Search and Rescue to support the purchase of a new cold water/ice rescue vehicle;
- \$47,500 to support food banks--\$20,000 to the Community Food Sharing Association, \$10,000 to Bridges to Hope, \$7,500 to the Placentia Area Food Bank; and \$10,000 to Memorial University's Campus Food Bank;
- \$10,000 to the Jimmy Pratt Memorial Outreach Centre to support their breakfast program;
- \$10,000 to Wonderbolt Circus to deliver programming to Labrador youth;
- \$10,000 to the Single Parents Association of NL;

- \$10,000 to the Iris Kirby House;
- \$10,000 to the Gathering Place;
- \$7,500 to The Salvation Army's Wiseman Centre;
- \$7,500 to the Seniors Resource Centre; and
- \$2,000 to the Voices of Placentia community concert event.

*The amounts noted in Other Community Support are not included in E&T spend.

6.0 Diversity

In 2023, Cenovus continued to progress against its diversity commitments and a report on Cenovus' White Rose Diversity Plan has been submitted under separate cover.

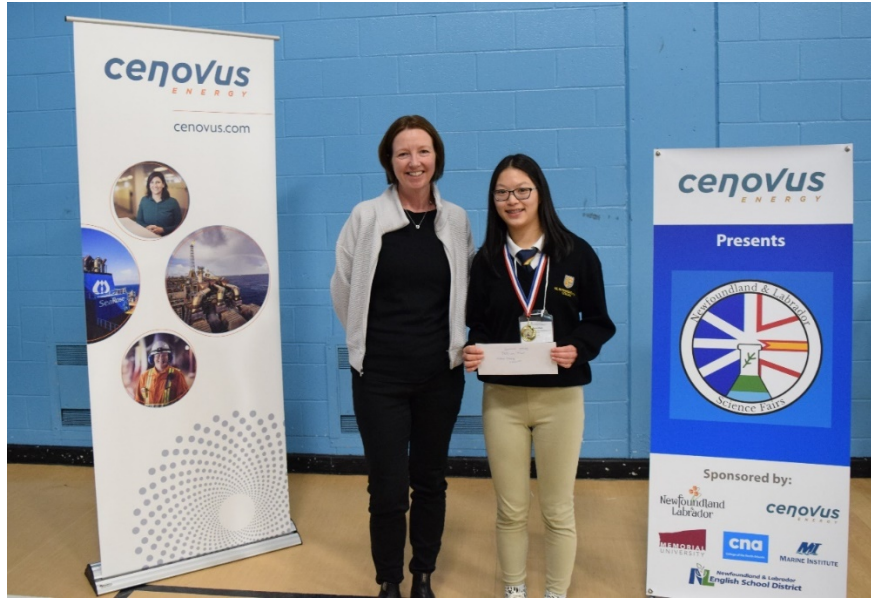
7.0 Photographs

The photos below highlight some of the ways Cenovus supported the community in 2023.

Throughout the year, Cenovus hired 59 co-op students. As part of their experience, the company also offers a mentoring program to expose students to different career paths and help them build their networks. As part of their mentoring, students had the opportunity to meet some senior leaders in the region and ask them questions.



Cenovus continues to be the major sponsor of the Eastern Newfoundland Science Fair. In April, Cenovus R&D Manager Stephanie Fleming (left) attended the fair to present student awards. This year, Sophia Zhang (right) took home the region's top prize.



In November, Nautical Science student Brady Synard (centre) was named the latest recipient of the Cenovus Future Leaders Award at Marine Institute. This award comes with financial assistance during school semesters and a paid sea cadet program.



In December, Cenovus' Atlantic Stronger Together with Women@CVE team, spearheaded a campaign to support the Iris Kirby House. In total, employees raised \$10,800 and collected a large assortment of much needed hygiene items for the local women's shelter.



In December, Cenovus' Atlantic Region made a number of contributions to local food banks and organizations that support some of the community's most vulnerable people including \$10,000 for Bridges To Hope.



In late 2023, Cenovus provided \$250,000 to various initiatives at Memorial University. In keeping with Cenovus' diversity objectives, \$50,000 was awarded to Dr. Svetlana Barkanova (below). Dr. Barkanova, a physicist at Grenfell College, was named an NSERC Chair in Inclusion in Science and Engineering. The funding will help in her efforts to encourage more young girls, especially those in rural areas, pursue STEM.



Cenovus also contributed \$200,000 to directly support Memorial students through a suite of investments including bursaries and teaching assistant positions in the Faculty of Engineering and Applied Science and the Department of Earth Sciences. James Carter (below right) met with students at the Student Design Hub in the Carew Building on the St. John's Campus. The hub is a collaborative innovation space for engineering students and also received funding support from Cenovus.

