

cenovus

E N E R G Y



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
January 1 – March 31, 2023

Ref. No.: WR-ADM-RP-0085

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1.0 Introduction

The following represents Cenovus Energy's Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2023 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 Q1 2023, a total of 748 people were employed on Cenovus' White Rose operations, of which 287 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, 701, or 94%, were residents of Newfoundland and Labrador when hired, while another 34, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 160, 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, 2023

Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q1 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	2	1	3	2	1	3
Newfoundland - Offshore	254	8	262	15	0	15	9	1	10	278	9	287
Newfoundland - Onshore	293	146	439	15	4	19	0	0	0	308	150	458
Other Canadian	0	0	0	0	0	0	0	0	0	0	0	0
Total	547	154	701	30	4	34	11	2	13	588	160	748

Table 2.2 – White Rose Employment Summary of Cenovus and Major Contractors, as of March 31, 2023**Atlantic Region Contractor Stats****Head Count By Contractor**

White Rose - Q1 2023

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	3	1	4	0	0	0	0	0	0	3	1	4
Aker Solutions	55	20	75	0	0	0	1	0	1	56	20	76
Altera	34	0	34	1	0	1	8	0	8	43	0	43
ASCO Canada Limited	5	0	5	0	0	0	0	0	0	5	0	5
Atlantic Offshore Medical Services	9	4	13	0	0	0	0	0	0	9	4	13
Atlantic Towing	11	3	14	2	0	2	0	0	0	13	3	16
Atlantic XL	9	4	13	0	0	0	0	0	0	9	4	13
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cenovus	179	78	257	12	3	15	0	0	0	191	81	272
Cougar	21	5	26	5	0	5	0	0	0	26	5	31
Crosbie Salamis	35	2	37	0	0	0	0	0	0	35	2	37
DBC Marine Services	1	1	2	0	0	0	0	0	0	1	1	2
DOF Subsea	86	20	106	6	0	6	0	0	0	92	20	112
East Coast Catering	16	5	21	0	0	0	0	0	0	16	5	21
Fugro Jacques GeoSurveys Inc	1	1	2	0	0	0	0	0	0	1	1	2
GFL Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Maersk	23	0	23	2	0	2	0	0	0	25	0	25
Oceans Ltd	3	1	4	0	0	0	0	0	0	3	1	4
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	2	1	3	0	0	0	0	0	0	2	1	3
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	12	1	13	1	1	2	2	2	4	15	4	19
SNC Lavalin	3	0	3	1	0	1	0	0	0	4	0	4
Stantec	0	0	0	0	0	0	0	0	0	0	0	0
TechnipFMC	19	5	24	0	0	0	0	0	0	19	5	24
Total	547	154	701	30	4	34	11	2	13	588	160	748

***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, 2023**Atlantic Region Contractor Stats****Head Count By Occupation**

White Rose - Q1 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	0	1	1	0	0	0	0	0	0	0	1	1
Administration & Clerical	7	23	30	1	0	1	0	1	1	8	24	32
Engineers	101	45	146	3	2	5	1	0	1	105	47	152
Management	42	13	55	2	1	3	0	0	0	44	14	58
Marine Crew	112	6	118	4	0	4	8	0	8	124	6	130
Other Field Services	21	3	24	4	0	4	0	0	0	25	3	28
Professionals	87	46	133	6	1	7	1	1	2	94	48	142
Skilled Trades	52	2	54	3	0	3	0	0	0	55	2	57
Technicians & Technologists	125	15	140	7	0	7	1	0	1	133	15	148
Total	547	154	701	30	4	34	11	2	13	588	160	748

Note: In Q1 2023, Cenovus employed 27 work term students (20 men, 7 women) on White Rose operations. Student positions are not reflected in the numbers above.

3.0 West White Rose Project Employment Summary

On the West White Rose project, the first quarter was spent ramping up activity and preparing for the resumption of major construction in Argentina. The conical slipform began on March 27th and will be a 60 day continuous slipform operation, eventually bringing the project to a height of ~140m. In Ingleside, the team continued installing components on the topsides, such as the lifeboat stations and started preparations for the final heavy-lift of the project, installation of the drilling equipment set.

As of March 31, 2023, 1,222 people were reported employed on Cenovus' West White Rose Project (WWRP), representing more than 700,000 person hours for the quarter. Of those hours, 456,313 occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 168, or approximately 14% of the total workforce (Table 3.2).

Table 3.1 Person Hours by Contractor, as of March 31, 2023- West White Rose Project Employment

Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q1 2023

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	13,277	0	13,277	1,529	2,352	17,158
Arup Canada Inc.	1,167	0	1,167	161	2,354	3,682
Cenovus	36,054	0	36,054	3,046	0	39,100
Kiewit (Texas)	0	0	0	0	224,400	224,400
Kvaerner	3,017	0	3,017	0	195	3,212
Lloyd's Register	852	0	852	16	1,027	1,895
Parker Drilling	5,480	0	5,480	0	1,080	6,560
SDP	387,171	0	387,171	732	750	388,653
TechnipFMC	5,865	0	5,865	2,730	0	8,595
Wood	3,430	0	3,430	0	3,496	6,926
Total	456,313	0	456,313	8,214	235,654	700,181

Table 3.2 Head Count by Contractor and Residency, as of March 31, 2023- West White Rose Project**Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q1 2023

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	22	5	27	3	0	3	5	0	5	30	5	35
Arup Canada Inc.	2	0	2	0	0	0	2	2	4	4	2	6
Cenovus	53	29	82	3	3	6	0	0	0	56	32	88
Kiewit (Texas)	0	0	0	0	0	0	355	19	374	355	19	374
Kvaerner	5	2	7	0	0	0	0	0	0	5	2	7
Lloyd's Register	2	0	2	0	0	0	2	0	2	4	0	4
Parker Drilling	10	3	13	0	0	0	0	0	0	10	3	13
SDP	548	95	643	3	1	4	10	0	10	561	96	657
TechnipFMC	9	4	13	10	3	13	0	0	0	19	7	26
Wood	4	2	6	0	0	0	6	0	6	10	2	12
Total	655	140	795	19	7	26	380	21	401	1,054	168	1,222

***Note:** Data for Aker Marine Services appears as Kvaerner 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 March 31, 2023 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of March 31, 2023 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q1 2023

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	2	0	2	0	0	0	371	21	392	373	21	394
Newfoundland - Onshore	653	140	793	16	6	22	9	0	9	678	146	824
Other Canadian	0	0	0	3	1	4	0	0	0	3	1	4
Total	655	140	795	19	7	26	380	21	401	1,054	168	1,222

Table 3.4 Headcount by Occupation, as of March 31, 2023– West White Rose Project**Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q1 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	0	6	6	0	1	1	0	0	0	0	7	7
Administration & Clerical	0	5	5	0	0	0	0	1	1	0	6	6
Engineers	68	12	80	2	0	2	9	1	10	79	13	92
Management	81	11	92	3	0	3	3	0	3	87	11	98
Other Field Services	91	14	105	0	0	0	0	0	0	91	14	105
Professionals	44	48	92	3	3	6	5	0	5	52	51	103
Skilled Trades	322	33	355	6	1	7	326	15	341	654	49	703
Technicians & Technologists	49	11	60	5	2	7	37	4	41	91	17	108
Total	655	140	795	19	7	26	380	21	401	1,054	168	1,222

3.1 Targets for Women

In Q1 2023, the total WWRP workforce was 1,222. 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 – 201 (62 women)
- Engineers –92 (13 women)
- Technicians and technologists – 108 (17 women)
- Skilled trades – 703 (49 women)
- Other field services – 105 (14 women)

Table 3.5 outlines the percentage of women working on the WWRP as of March 31, 2023 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	31
Engineers	2131	Civil Engineers	20	18
	0211	Engineering Managers	15	14
	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	3
	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	12
	7271	Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)	12	6

	7252	Plumbers and Pipefitters - Pipefitters Journey Person and Apprentices	5	6
	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	20
Other*	6541	Security guards	0	55
	3413	First aid attendants		

***Note** 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

The table below summarizes the Q1 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. The combined spend for Q1 2023 was approximately \$196.7 million, with a content breakdown of 58% Newfoundland & Labrador, 23% Other Canadian, and 19% Foreign Content.

Table 4.1 Expenditure Report Summary for Q1 2023

CDN-NL Benefits Expenditure Report Summary									
Total for Q1 2023									
All Amounts are in CDN Equivalent Dollars									
	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
White Rose Project	71,063,693	51.62%	33.87%	14.51%	100.00%	36,681,962	24,069,599	10,312,132	71,063,693
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	125,599,755	62.02%	16.37%	21.61%	100.00%	77,895,128	20,557,559	27,147,068	125,599,755
Total for Q1 2023	\$196,663,449	58.26%	22.69%	19.05%	100.00%	114,577,090	44,627,158	37,459,200	196,663,449

Overall, the combined total-to-date spend is approximately \$15.9 billion, with a content breakdown of 51.8% Newfoundland & Labrador, 20.9% Other Canadian, and 27.3% Foreign (Table 4.2).

Table 4.2 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at March 31, 2023									
All Amounts are in CDN Equivalent Dollars									
	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
White Rose Project	8,869,919,357	53.75%	21.48%	24.77%	100.00%	4,767,628,401	1,905,609,261	2,196,681,695	8,869,919,357
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	3,123,487,465	38.10%	16.63%	45.27%	100.00%	1,189,945,810	519,396,307	1,414,145,349	3,123,487,465
Total to Date as at March 31, 2023	\$15,934,190,359	51.84%	20.84%	27.32%	100.00%	8,260,402,523	3,320,431,181	4,353,356,655	15,934,190,359

5.0 Purchase Order Summary

In Q1 2023, 1,722 purchase orders, valued at approximately \$83.8 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 Q1 2023				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1,298	291	70	1,659
Total Dollar Value	\$46,664,824	\$17,284,317	\$3,630,399	\$67,534,854

West White Rose Project Purchase Orders Awarded in Q1 2023				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	17	41	5	63
Total Dollar Value	\$6,455,325	\$8,692,176	\$1,147,192	\$16,294,693

6.0 Procurement Summary

Table 6.1 below outlines contracts Cenovus awarded in Q1 2023 that were valued over \$250,000. There were seven new contracts and seven contract extensions awarded in the period.

Table 6.1 Contract Awards and Extensions for the White Rose Project – Q1 2023

Procurement Summary Q1 2023		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
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
Contract Extensions		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
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
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		

7.0 Community Investment

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

