

cenovus

E N E R G Y



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
April 1 – June 30, 2023

Ref. No.: WR-ADM-RP-0086

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1.0 Introduction

The following represents Cenovus Energy's Canada-Newfoundland and Labrador Benefits Report for the quarter ending June 30, 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 Q2 2023, a total of 825 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, 781, or 95%, were residents of Newfoundland and Labrador when hired, while another 37, or 4.5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 163, 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 June 30, 2023

Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q2 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	0	2	2	0	2
Newfoundland - Offshore	258	10	268	14	0	14	5	0	5	277	10	287
Newfoundland - Onshore	364	149	513	18	4	22	0	0	0	382	153	535
Other Canadian	0	0	0	1	0	1	0	0	0	1	0	1
Total	622	159	781	33	4	37	7	0	7	662	163	825

Table 2.2 – White Rose Employment Summary of Cenovus and Major Contractors, as of June 30, 2023**Atlantic Region Contractor Stats****Head Count By Contractor**

White Rose - Q2 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	5	1	6	0	0	0	0	0	0	5	1	6
Aker Solutions	71	21	92	1	0	1	1	0	1	73	21	94
Altera	31	0	31	1	0	1	5	0	5	37	0	37
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 Towing	22	4	26	4	0	4	0	0	0	26	4	30
Atlantic XL	10	3	13	0	0	0	0	0	0	10	3	13
Baker Hughes	2	0	2	0	0	0	0	0	0	2	0	2
Cenovus	192	79	271	11	3	14	0	0	0	203	82	285
Cougar	27	7	34	6	0	6	0	0	0	33	7	40
Crosbie Salamis	39	2	41	0	0	0	0	0	0	39	2	41
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	2	1	3	0	0	0	0	0	0	2	1	3
GFL Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Maersk	23	1	24	2	0	2	0	0	0	25	1	26
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	3	0	3	0	0	0	0	0	0	3	0	3
Provincial Airlines	2	2	4	0	0	0	0	0	0	2	2	4
Score	4	1	5	0	0	0	1	0	1	5	1	6
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	16	1	17	1	1	2	0	0	0	17	2	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	35	5	40	0	0	0	0	0	0	35	5	40
Total	622	159	781	33	4	37	7	0	7	662	163	825

***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 June 30, 2023**Atlantic Region Contractor Stats****Head Count By Occupation**

White Rose - Q2 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	10	25	35	1	0	1	0	0	0	11	25	36
Engineers	109	42	151	3	2	5	0	0	0	112	44	156
Management	40	15	55	2	1	3	0	0	0	42	16	58
Marine Crew	110	7	117	4	0	4	5	0	5	119	7	126
Other Field Services	26	4	30	5	0	5	0	0	0	31	4	35
Professionals	102	49	151	5	1	6	0	0	0	107	50	157
Skilled Trades	89	2	91	5	0	5	0	0	0	94	2	96
Technicians & Technologists	136	14	150	8	0	8	2	0	2	146	14	160
Total	622	159	781	33	4	37	7	0	7	662	163	825

Note: In Q2 2023, Cenovus employed 30 work term students (18 men, 12 women) on White Rose operations. Student positions are not reflected in the numbers above.

3.0 West White Rose Project Employment Summary

In the second quarter, two major construction scopes on the West White Rose Project (WWRP) concluded. 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 Argentia, the conical slip was completed after a total of 69 days of continuous slipforming. The job was completed safely and brought the structure to a total height of 139.2 meters.

The completion of these two scopes contributed to an increase in person hours on the project. As of June 30, 2023, 2,421 people were reported employed on the WWRP, representing more than 1.4 million person hours for the quarter. Of those hours, 1.1 million occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 275, or approximately 11% of the total workforce (Table 3.2). This percentage decreased partly due to the steep increase in employment of traditionally-male trades.

Table 3.1 – Person Hours by Contractor, as of June 30, 2023 – West White Rose Project Employment

Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q2 2023

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	10,160	0	10,160	1,987	1,900	14,047
Arup Canada Inc.	2,767	0	2,767	81	2,443	5,291
Cenovus	41,633	0	41,633	3,135	0	44,768
Kiewit (Texas)	0	0	0	0	266,000	266,000
Kvaerner	3,372	0	3,372	0	157	3,529
Lloyd's Register	811	0	811	32	998	1,841
Parker Drilling	5,998	0	5,998	0	1,056	7,054
SDP	1,039,745	0	1,039,745	1,320	820	1,041,885
TechnipFMC	8,125	0	8,125	12,335	0	20,460
Wood	4,533	0	4,533	28	3,171	7,732
Total	1,117,144	0	1,117,144	18,918	276,545	1,412,607

Table 3.2 – Head Count by Contractor and Residency, as of June 30, 2023— West White Rose Project**Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q2 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	18	2	20	3	1	4	4	0	4	25	3	28
Arup Canada Inc.	4	1	5	0	0	0	3	2	5	7	3	10
Cenovus	63	35	98	4	3	7	0	0	0	67	38	105
Kiewit (Texas)	0	0	0	0	0	0	420	24	444	420	24	444
Kvaerner	5	2	7	0	0	0	0	0	0	5	2	7
Lloyd's Register	1	0	1	0	0	0	2	0	2	3	0	3
Parker Drilling	10	5	15	0	0	0	0	0	0	10	5	15
SDP	1,538	187	1,725	9	0	9	11	0	11	1,558	187	1,745
TechnipFMC	9	5	14	30	4	34	0	0	0	39	9	48
Wood	6	3	9	0	0	0	6	1	7	12	4	16
Total	1,654	240	1,894	46	8	54	446	27	473	2,146	275	2,421

***Notes:** 1. Data for Aker Marine Services appears as Kvaerner in the table above. 2. In Q2 2023, SDP employed 21 work term students (14 men, 7 women) on the WWRP. Student positions are not reflected in the numbers 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 June 30, 2023 and does not necessarily represent full time employees.

Table 3.3 – Headcount by Location, as of June 30, 2023 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q2 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	437	27	464	439	27	466
Newfoundland - Onshore	1,652	240	1,892	39	7	46	9	0	9	1,700	247	1,947
Other Canadian	0	0	0	7	1	8	0	0	0	7	1	8
Total	1,654	240	1,894	46	8	54	446	27	473	2,146	275	2,421

Table 3.4 – Headcount by Occupation, as of June 30, 2023 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q2 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	5	5	0	1	1	0	0	0	0	6	6
Administration & Clerical	0	5	5	0	0	0	1	1	2	1	6	7
Engineers	98	19	117	6	0	6	10	3	13	114	22	136
Management	105	10	115	3	0	3	4	0	4	112	10	122
Other Field Services	311	46	357	0	0	0	0	0	0	311	46	357
Professionals	59	60	119	4	2	6	5	0	5	68	62	130
Skilled Trades	1,020	83	1,103	25	1	26	388	19	407	1,433	103	1,536
Technicians & Technologists	61	12	73	8	4	12	38	4	42	107	20	127
Total	1,654	240	1,894	46	8	54	446	27	473	2,146	275	2,421

3.1 Targets for Women

In Q2 2023, the total WWRP workforce was 2,421. 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 – 252 (72 women)
- Engineers –136 (22 women)
- Technicians and technologists – 127 (20 women)
- Skilled trades – 1,536 (103 women)
- Other field services – 357 (46 women)

Table 3.5 outlines the percentage of women working on the WWRP as of June 30, 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	28
Engineers	2131	Civil Engineers	20	18
	0211	Engineering Managers	15	16
	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	2
	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	7
	7271	Journey Person and Apprentices for the following categories: Carpenters and Joiners - Scaffolder, Carpenter (Formwork, Stopends, Accessway)	12	4

	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	4
	7611	Journey Person for the following categories: Laborers - Trades Helpers (Formwork, Concrete, Slip, Accessway)	20	14
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 Q2 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 Q2 2023 was approximately \$265.7 million, with a content breakdown of 64% Newfoundland & Labrador, 21% Other Canadian, and 14% Foreign Content.

Table 4.1 Expenditure Report Summary for Q2 2023

CDN-NL Benefits Expenditure Report Summary									
Total for Q2 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			
Q2 2023		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
White Rose Project	81,131,726	57.83%	31.94%	10.23%	100.00%	46,920,321	25,911,323	8,300,082	81,131,726
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	184,622,409	67.15%	16.90%	15.95%	100.00%	123,970,543	31,197,738	29,454,128	184,622,409
Total for Q2 2023	265,754,135	64.30%	21.49%	14.21%	100.00%	170,890,864	57,109,061	37,754,210	265,754,135

Overall, the combined total-to-date spend is approximately \$16.2 billion, with a content breakdown of 52.8% Newfoundland & Labrador, 20.9% Other Canadian, and 27.1% Foreign (Table 4.2).

Table 4.2 Expenditure Report Summary Total to Date

CDN-NL Benefits Expenditure Report Summary									
Total to Date as at June 30, 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			
Q2 2023		NL	Other CDN	FOR	Total	NL	Other CDN	Foreign	Total
White Rose Project	8,951,051,083	53.79%	21.58%	24.63%	100.00%	4,814,548,722	1,931,520,584	2,204,981,777	8,951,051,083
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	3,308,109,874	39.72%	16.64%	43.64%	100.00%	1,313,916,353	550,594,045	1,443,599,476	3,308,109,874
Total to Date as at June 30, 2023	16,199,944,493	52.05%	20.85%	27.11%	100.00%	8,431,293,386	3,377,540,242	4,391,110,865	16,199,944,493

5.0 Purchase Order Summary

In Q2 2023, 1,500 purchase orders, valued at approximately \$93.7 million, were issued for the White Rose and the West White Rose Projects. 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 Q2 2023				
	NL Location	Other Canadian Location	Foreign Location	Total
POs Issued	990	372	78	1,440
Dollar Value	\$44,551,508	\$16,512,722	\$4,360,850	\$65,425,080

West White Rose Project Purchase Orders Awarded in Q2 2023				
	NL Location	Other Canadian Location	Foreign Location	Total
POs Issued	14	33	13	60
Dollar Value	\$709,624	\$347,249	\$27,213,911	\$28,270,784

6.0 Procurement Summary

Table 6.1 below outlines contracts Cenovus awarded in Q2 2023 that were valued over \$250,000. There were seven new contracts and ten contract extensions awarded in the period.

Table 6.1 Contract Awards and Extensions for the White Rose Project – Q2 2023

Procurement Summary Q2 2023		
New Contracts		
Description	Contract Awarded To:	Contractor Location
1. Full Field Production Chemicals and Related Services	Baker Hughes Canada Company	NL
2. WWRP Mudlogging Equipment and Services	Excellence Logging Canada	FC
3. SeaRose Flash Gas Compressor Revamp	Siemens Energy Canada Limited	OC
4. OEM Support for SeaRose Water Injection Pumps	Clyde Union Canada Ltd.	OC
5. Supply and Distribution of Commodity Chemicals	Univar Solutions Canada Ltd.	NL
6. Enablon Software Licenses	Compagnie Enablon Canada Inc.	FC
7. Subsea Project Management and Engineering Services	Subsea 7	NL
Contract Extensions		
Description	Contract Awarded To:	Contractor Location
1. Offshore Engineering and Maintenance Services	Aker Solutions	NL
2. SeaRose Communication Swivel	Focal Technologies Corporation	OC
3. SeaRose Satellite Communications	RigNet Canada Inc.	FC
4. Full Field OEM Vendor Support for Lifeboats	Palfinger Marine Canada Inc.	OC
5. Simulation and Testing of MP and HP Processes on SeaRose	Enero Solutions Inc.	OC
6. Oil and Gas Metering Services	Cahill Instrumentation	NL
7. Provision of emission.AI Software License & Support	Operational Excellence (OPEX) Group Limited	FC
8. OEM Support for Life Saving Appliances	DSS Protection Group (NL) Inc.	OC
9. Weather Forecasting & Oceanographic Services	Oceans Ltd.	NL
10. SeaRose OEM Information Management System Software	Stratus Technologies Ireland Ltd.	FC
NL=Newfoundland and Labrador OC=Other Canadian FC= Foreign		

7.0 Community Investment

Cenovus, through the West White Rose Project, continues to support scholarships for diverse students at Memorial University, College of the North Atlantic and through the Coalition of Persons with Disabilities NL. In April, Cenovus presented scholarships valued at \$1250 to CNA students Elvira Sosa Zapata (left) and Morgan Cooper (right).

