



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0071

QUARTERLY REPORT
January 1 – March 31, 2021

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1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending March 31, 2021 as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and also includes activities of its major sub-contractors.

2.0 White Rose Project Employment Summary

In Q1 2021, a total of 662 people were employed on Husky's White Rose operations, of which 256 were located offshore. The total number includes people employed with Husky 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, 610, or 92%, were residents of Newfoundland and Labrador when hired, while another 44, or 6.6%, 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 21.5%, 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, 2021



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q1 2021

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	6	2	8	6	2	8
Newfoundland - Offshore	235	9	244	11	1	12	0	0	0	246	10	256
Newfoundland - Onshore	243	123	366	24	7	31	0	0	0	267	130	397
Other Canadian	0	0	0	1	0	1	0	0	0	1	0	1
Total	478	132	610	36	8	44	6	2	8	520	142	662

Table 2.2 – White Rose Employment Summary of Husky and Major Contractors, as of March 31, 2021

Atlantic Region Contractor Stats

Head Count By Contractor

White Rose - Q1 2021

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	4	1	5	0	0	0	0	0	0	4	1	5
Aker Solutions	19	4	23	0	0	0	0	0	0	19	4	23
ASCO Canada Limited	6	0	6	0	0	0	0	0	0	6	0	6
Atlantic Offshore Medical Services	8	4	12	0	0	0	0	0	0	8	4	12
Atlantic XL	0	0	0	0	0	0	0	0	0	0	0	0
Cougar	33	8	41	9	0	9	0	0	0	42	8	50
Crosbie Salamis	15	2	17	0	0	0	0	0	0	15	2	17
DBC Marine Services	1	2	3	0	0	0	0	0	0	1	2	3
DOF Subsea	82	21	103	1	0	1	0	0	0	83	21	104
East Coast Catering	15	4	19	0	0	0	0	0	0	15	4	19
Fugro Jacques GeoSurveys Inc	1	0	1	0	0	0	0	0	0	1	0	1
Husky	203	80	283	21	8	29	0	0	0	224	88	312
Maersk	23	0	23	3	0	3	0	0	0	26	0	26
Oceaneering International Ltd.	0	0	0	0	0	0	6	2	8	6	2	8
Oceans Ltd	3	0	3	0	0	0	0	0	0	3	0	3
OneSubsea	17	2	19	0	0	0	0	0	0	17	2	19
Pennecon	1	0	1	1	0	1	0	0	0	2	0	2
Provincial Airlines	1	0	1	0	0	0	0	0	0	1	0	1
Score	2	2	4	0	0	0	0	0	0	2	2	4
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	7	0	7	0	0	0	0	0	0	7	0	7
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	1	3	0	0	0	0	0	0	2	1	3
Teekay	33	0	33	1	0	1	0	0	0	34	0	34
Terrapure Environmental	0	1	1	0	0	0	0	0	0	0	1	1
Total	478	132	610	36	8	44	6	2	8	520	142	662

***Note:** Contractors showing “0” headcount, may have reported hours for Husky 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, 2021

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q1 2021

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	3	25	28	0	0	0	0	1	1	3	26	29
Engineers	80	29	109	10	5	15	1	0	1	91	34	125
Management	31	11	42	1	0	1	2	1	3	34	12	46
Marine Crew	120	6	126	5	0	5	0	0	0	125	6	131
Other Field Services	27	5	32	7	0	7	0	0	0	34	5	39
Professionals	100	49	149	11	3	14	0	0	0	111	52	163
Skilled Trades	20	0	20	0	0	0	0	0	0	20	0	20
Technicians & Technologists	97	7	104	2	0	2	3	0	3	102	7	109
Total	478	132	610	36	8	44	6	2	8	520	142	662

Note: In Q1 2021, Husky employed one work-term student. The number of students is expected to increase to more typical levels for the summer semester.

3.0 West White Rose Project Employment Summary

As of March 31, 2021, 574 people were reported employed on Husky's West White Rose Project (WWRP), representing more than 318,000 person hours. Of those hours, 134,734, or 42% percent, occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 68, or approximately 11.8% of the total workforce (Table 3.2).

In October 2020, Husky confirmed the WWRP would not resume construction in 2021. The majority of person hours expended on the project for Q1 2021 were by:

- Kiewit (Texas) for topsides fabrication and preservation activities,
- Kiewit (Marystown) for construction on the appurtenances and living quarters in Marystown, NL; and
- SDP for preservation work at the construction site in Argentina.

As such, the majority of positions in Q1 2021 were associated with skilled trades and technicians and technologists (Table 3.4).

Table 3.1 Person Hours by Contractor, as of March 31, 2021- West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q1 2021

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	1,821	0	1,821	1,056	0	2,877
Arup Canada Inc.	864	0	864	168	588	1,620
Husky	12,144	0	12,144	3,334	0	15,478
Kiewit (Marystown)	61,129	0	61,129	0	0	61,129
Kiewit (Texas)	0	0	0	0	155,700	155,700
Kvaerner	2,877	0	2,877	0	38	2,915
Lloyd's Register	631	8	639	87	806	1,532
MHWirth	0	0	0	0	8,308	8,308
Parker Drilling	3,528	0	3,528	0	0	3,528
SDP	42,182	0	42,182	0	1,070	43,252
TechnipFMC	1,787	0	1,787	0	0	1,787
Wood	7,763	0	7,763	0	12,446	20,209
Total	134,726	8	134,734	4,645	178,956	318,335

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 2021

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	3	0	3	2	0	2	0	0	0	5	0	5
Arup Canada Inc.	2	0	2	0	0	0	1	0	1	3	0	3
Husky	22	8	30	7	2	9	0	0	0	29	10	39
Kiewit (Marystown)	136	15	151	0	0	0	0	0	0	136	15	151
Kiewit (Texas)	0	0	0	0	0	0	232	7	239	232	7	239
Kvaerner	5	1	6	0	0	0	0	0	0	5	1	6
Lloyd's Register	2	0	2	0	0	0	1	0	1	3	0	3
MHWirth	0	0	0	0	0	0	16	3	19	16	3	19
Parker Drilling	3	4	7	0	0	0	0	0	0	3	4	7
SDP	39	16	55	0	0	0	4	1	5	43	17	60
TechnipFMC	1	2	3	0	0	0	0	0	0	1	2	3
Wood	10	5	15	0	0	0	20	4	24	30	9	39
Total	223	51	274	9	2	11	274	15	289	506	68	574

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, 2021 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of March 31, 2021 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Location**

West White Rose Project - Q1 2021

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	270	14	284	270	14	284
Newfoundland - Onshore	223	51	274	7	2	9	4	1	5	234	54	288
Other Canadian	0	0	0	2	0	2	0	0	0	2	0	2
Total	223	51	274	9	2	11	274	15	289	506	68	574

Table 3.4 Headcount by Occupation, as of March 31, 2021 – West White Rose Project**Atlantic Region Contractor Stats****Head Count By Occupation**

West White Rose Project - Q1 2021

Occupation	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
Administration & Clerical	9	10	19	0	0	0	0	2	2	9	12	21
Engineers	27	8	35	5	1	6	18	1	19	50	10	60
Management	38	7	45	2	0	2	8	2	10	48	9	57
Other Field Services	26	0	26	0	0	0	0	0	0	26	0	26
Professionals	18	14	32	0	1	1	2	1	3	20	16	36
Skilled Trades	90	6	96	0	0	0	206	3	209	296	9	305
Technicians & Technologists	15	6	21	2	0	2	40	6	46	57	12	69
Total	223	51	274	9	2	11	274	15	289	506	68	574

3.1 Targets for Women

The total workforce of the WWRP for Q1 was 574. The total number of people employed in each category is used to calculate the percentage of the female workforce against the target. This information is shown in Table 3.4. Specifically,

- Managers and other professionals – 93 (25 female)
- Engineers – 60 (10 female)
- Technicians and technologists – 69 (12 female)
- Skilled trades – 305 (9 female)
- Other field services – 26 (0 female)
- see Other* category in Table 3.5

Table 3.5 outlines the percentage of women working on the WWRP as of March 31, 2021, against the targets in the project Diversity Plan.

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 574				
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	27
Engineers	2131	Civil Engineers	20	25
	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		
	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	10
	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	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.

4.0 Expenditure Analysis

This report summarizes the Q1 2021 data contained in the individual reports for the following work scopes: White Rose Project, North Amethyst Project, West White Rose Pilot Scheme, South White Rose Extension, and West White Rose Project. The combined spend for Q1 2021 was approximately \$114.4 million (Table 4.1), with a content breakdown of:

- 39% Newfoundland & Labrador,
- 20% Other Canadian, and
- 40% Foreign.

Table 4.1 Expenditure Report Summary for Q1 2021

CDN-NL Benefits Expenditure Report Summary Total for Q1 2021 All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q1 2021	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	40,354,316	66.79%	28.08%	5.13%	100.00%	26,953,095	11,329,887	2,071,334	40,354,316
North Amethyst Project	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
White Rose Extension Project	833,405	65.86%	1.80%	32.34%	100.00%	548,840	15,037	269,528	833,405
West White Rose Project	73,226,481	23.85%	16.16%	59.99%	100.00%	17,465,895	11,834,737	43,925,849	73,226,481
Total for Q1 2021	114,414,202	39.30%	20.26%	40.44%	100.00%	44,967,829	23,179,661	46,266,712	114,414,202

Notes:

(1) Please note the following with respect to the expenditure totals being reported:

- These amounts include payments made to vendors.
- These amounts include payments made to Husky direct employees (payroll).
- These amounts do not include/reflect journal entries or system-generated accounting entries.
- This report summarizes the Q3 2017 data contained in the individual reports for the following work scopes:
 - White Rose Project
 - North Amethyst Project
 - 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 vendor content table has been created in our financial management system (SAP).
- 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.
- An SAP report has been developed that assigns the content percentages from the table to all payment amounts made to specific vendors.
- This report can then be summarized to obtain the total content percentages/dollar values for the reporting period.
- Payroll costs for East Coast Husky direct employees are determined via detailed cost reports and recorded as 100% Newfoundland and Labrador content.

The percentage of NL content declined from Q4 2020 to Q1 2021 due to two main factors associated with the WWRP: reduced activity in the reporting period and the timing of substantial payments to out of country vendors.

The combined total-to-date spend for these work scopes is approximately \$14.28 billion, with a content breakdown of 52% Newfoundland & Labrador, 20% Other Canadian, and 27% 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, 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q4 2020	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	8,451,955,369	53.36%	21.12%	25.52%	100.00%	4,509,895,653	1,785,392,706	2,156,667,011	8,451,955,369
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
West White Rose	221,324,680	60.39%	24.29%	15.32%	100.00%	133,662,409	53,754,967	33,907,304	221,324,680
White Rose Extension Project	1,223,757,142	66.66%	11.24%	22.10%	100.00%	815,695,926	137,564,251	270,496,965	1,223,757,142
West White Rose Project	2,516,229,481	37.46%	17.27%	45.27%	100.00%	942,564,074	434,496,421	1,139,168,986	2,516,229,481
Total to Date as at March 31, 2021	14,287,582,775	52.24%	20.24%	27.53%	100.00%	7,463,332,780	2,891,180,139	3,933,069,856	14,287,582,775

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 2021, 1,082 purchase orders, valued at approximately \$50.6 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 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	832	196	49	1,077
Total Dollar Value	\$40,980,055	\$5,386,579	\$3,403,704	\$49,770,339

West White Rose Project Purchase Orders Awarded in Q1 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1	3	1	5
Total Dollar Value	\$14,550	\$631,400	\$185,726	\$831,676

6.0 Procurement Summary

Table 6.1 below outlines the new contracts awarded in Q1 2021 that were valued over \$250,000. There were no contract extensions awarded in the period.

Table 6.1 Contracts Awarded for the White Rose Project – Q1 2021

Husky Procurement Summary Q1 2021		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
SeaRose Turret Engineering Support & Inspection Services	IMODCO Services S. A.	FC
Offshore Supply Vessel (Ad hoc)—Atlantic Kingfisher	Atlantic Towing Limited	NL
Offshore Catering Services	East Coast Catering	NL
Decommissioning Planning Support for the White Rose Field	Wood Group Canada	NL
Supply of General Consumables	Vallen Canada Limited	NL
Supply of General Consumables	Stellar Industrial Sales (1999) Limited	NL
Supply of General Consumables	Rideout Tool & Machine Inc.	NL