



Canada-Newfoundland and Labrador Benefits

Husky Energy Ref. No.: WR-ADM-RP-0073

QUARTERLY REPORT
April 1 – June 30, 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 June 30, 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 Q2 2021, a total of 655 people were employed on Husky's White Rose operations, of which 254 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, 602, or 92%, were residents of Newfoundland and Labrador when hired, while another 33, or 5%, were residents of other regions of Canada at the time of hire. The number of women employed on White Rose operations was 140, 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 June 30, 2021



Atlantic Region Contractor Stats

Head Count By Location

White Rose - Q2 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	7	4	11	7	4	11
Newfoundland - Offshore	233	10	243	10	0	10	0	1	1	243	11	254
Newfoundland - Onshore	242	117	359	17	5	22	5	3	8	264	125	389
Other Canadian	0	0	0	1	0	1	0	0	0	1	0	1
Total	475	127	602	28	5	33	12	8	20	515	140	655

Table 2.2 – White Rose Employment Summary of Husky and Major Contractors, as of June 30, 2021

Atlantic Region Contractor Stats

Head Count By Contractor

White Rose - Q2 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	24	7	31	0	0	0	0	0	0	24	7	31
ASCO Canada Limited	6	0	6	1	0	1	0	0	0	7	0	7
Atlantic Offshore Medical Services	9	5	14	0	0	0	0	0	0	9	5	14
Atlantic XL	1	0	1	0	0	0	0	0	0	1	0	1
Cougar	27	6	33	6	0	6	0	0	0	33	6	39
Crosbie Salamis	29	2	31	0	0	0	0	0	0	29	2	31
DBC Marine Services	1	1	2	0	0	0	0	0	0	1	1	2
DOF Subsea	62	15	77	1	0	1	0	0	0	63	15	78
East Coast Catering	14	5	19	0	0	0	0	0	0	14	5	19
East Coast Tubulars	0	0	0	0	0	0	0	0	0	0	0	0
Fugro Jacques GeoSurveys Inc	2	0	2	0	0	0	0	0	0	2	0	2
Husky	197	78	275	17	5	22	5	4	9	219	87	306
Maersk	24	0	24	1	0	1	0	0	0	25	0	25
Oceaneering International Ltd.	0	0	0	0	0	0	7	4	11	7	4	11
Oceans Ltd	3	1	4	0	0	0	0	0	0	3	1	4
OneSubsea	17	2	19	0	0	0	0	0	0	17	2	19
Pennecon	0	0	0	1	0	1	0	0	0	1	0	1
Provincial Airlines	4	0	4	0	0	0	0	0	0	4	0	4
Score	3	2	5	0	0	0	0	0	0	3	2	5
SGS Canada Inc.	0	0	0	0	0	0	0	0	0	0	0	0
Siemens	9	0	9	0	0	0	0	0	0	9	0	9
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	6	2	8	0	0	0	0	0	0	6	2	8
Teekay	31	0	31	1	0	1	0	0	0	32	0	32
Terrapure Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Total	475	127	602	28	5	33	12	8	20	515	140	655

***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 June 30, 2021

Atlantic Region Contractor Stats

Head Count By Occupation

White Rose - Q2 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	21	24	0	0	0	0	2	2	3	23	26
Engineers	76	31	107	7	3	10	4	2	6	87	36	123
Management	29	10	39	1	0	1	2	1	3	32	11	43
Marine Crew	106	6	112	3	0	3	0	0	0	109	6	115
Other Field Services	24	3	27	6	0	6	0	0	0	30	3	33
Professionals	100	48	148	9	2	11	2	3	5	111	53	164
Skilled Trades	35	0	35	0	0	0	0	0	0	35	0	35
Technicians & Technologists	102	8	110	2	0	2	4	0	4	108	8	116
Total	475	127	602	28	5	33	12	8	20	515	140	655

Note: In Q2 2021, Husky employed 16 work term students (9 women, 7 men). Student positions are not reflected in the numbers above.

3.0 West White Rose Project Employment Summary

As of June 30, 2021, 575 people were reported employed on Husky's West White Rose Project (WWRP), representing more than 325,000 person hours. Of those hours, 127,398, or 39% percent, occurred in Newfoundland and Labrador (Table 3.1). The number of women employed on the WWRP was 63, or approximately 11% of the total workforce (Table 3.2).

The majority of person hours expended on the project for Q2 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 Q2 2021 were associated with skilled trades and technicians and technologists (Table 3.4).

Table 3.1 Person Hours by Contractor, as of June 30, 2021- West White Rose Project Employment



Atlantic Region Contractor Stats

Hours By Contractor

West White Rose Project - Q2 2021

Contractor	Onshore	Offshore	Subtotal	Other Canadian	Foreign	Total
Aker Solutions	1,004	0	1,004	121	0	1,125
Arup Canada Inc.	619	0	619	139	588	1,346
Husky	17,247	275	17,522	1,146	0	18,668
Kiewit (Marystown)	56,823	0	56,823	0	0	56,823
Kiewit (Texas)	0	0	0	0	182,350	182,350
Kvaerner	2,781	0	2,781	0	0	2,781
Lloyd's Register	636	0	636	56	682	1,374
MHWirth	0	0	0	0	3,277	3,277
Parker Drilling	3,760	0	3,760	0	0	3,760
SDP	34,039	0	34,039	0	480	34,519
TechnipFMC	2,079	0	2,079	0	0	2,079
Wood	8,135	0	8,135	0	9,088	17,223
Total	127,123	275	127,398	1,462	196,465	325,325

Table 3.2 Head Count by Contractor and Residency, as of June 30, 2021- West White Rose Project**Atlantic Region Contractor Stats****Head Count By Contractor**

West White Rose Project - Q2 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	2	0	2	0	0	0	0	0	0	2	0	2
Arup Canada Inc.	2	0	2	0	0	0	1	0	1	3	0	3
Husky	22	7	29	1	1	2	0	0	0	23	8	31
Kiewit (Marystown)	126	15	141	0	0	0	0	0	0	126	15	141
Kiewit (Texas)	0	0	0	0	0	0	272	7	279	272	7	279
Kvaerner	5	0	5	0	0	0	0	0	0	5	0	5
Lloyd's Register	1	0	1	0	0	0	1	0	1	2	0	2
MHWirth	0	0	0	0	0	0	5	2	7	5	2	7
Parker Drilling	4	4	8	0	0	0	0	0	0	4	4	8
SDP	45	17	62	0	0	0	3	0	3	48	17	65
TechnipFMC	2	2	4	0	0	0	0	0	0	2	2	4
Wood	9	6	15	0	0	0	11	2	13	20	8	28
Total	218	51	269	1	1	2	293	11	304	512	63	575

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, 2021 and does not necessarily represent full time employees.

Table 3.3 Headcount by Location, as of June 30, 2021 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Location

West White Rose Project - Q2 2021

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	291	11	302	291	11	302
Newfoundland - Offshore	1	0	1	0	0	0	0	0	0	1	0	1
Newfoundland - Onshore	217	51	268	1	1	2	2	0	2	220	52	272
Other Canadian	0	0	0	0	0	0	0	0	0	0	0	0
Total	218	51	269	1	1	2	293	11	304	512	63	575

Table 3.4 Headcount by Occupation, as of June 30, 2021 – West White Rose Project

Atlantic Region Contractor Stats

Head Count By Occupation

West White Rose Project - Q2 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	5	8	13	0	0	0	0	1	1	5	9	14
Engineers	28	8	36	1	0	1	8	0	8	37	8	45
Management	36	4	40	0	0	0	4	2	6	40	6	46
Other Field Services	24	0	24	0	0	0	0	0	0	24	0	24
Professionals	17	16	33	0	1	1	3	1	4	20	18	38
Skilled Trades	95	10	105	0	0	0	246	3	249	341	13	354
Technicians & Technologists	13	5	18	0	0	0	32	4	36	45	9	54
Total	218	51	269	1	1	2	293	11	304	512	63	575

3.1 Targets for Women

In Q2, the total WWRP workforce was 575. 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,

- Managers and other professionals – 84 (24 women)
- Engineers – 45 (8 women)
- Technicians and technologists – 54 (9 women)
- Skilled trades – 354 (13 women)

- Other field services – 24 (0 women)
- see Other* category in Table 3.5

Table 3.5 outlines the percentage of women working on the WWRP as of June 30, 2021, against the targets in the project Diversity Plan.

Table 3.5 Women Working on WWRP Compared to Project Targets

Total Workforce: 575				
Category	NOC Code	Occupations	Target (% of total workforce)	Actual (% of total workforce)
Managers and other Professionals			30	29
Engineers	2131	Civil Engineers	15	16
	0211	Engineering Managers		
	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	17
	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	6.7
	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		
	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	16.6
Other*	6541	Security guards	0	53
	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. Also, SDP and Kiewit Marystown employed work term students during Q2. In total 5 students were employed, 3 men and 2 women. Student numbers are not captured in the table above.

4.0 Expenditure Analysis

This report summarizes the Q2 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 \$125 million (Table 4.1), with a content breakdown of:

- 45% Newfoundland & Labrador,
- 21% Other Canadian, and
- 33% Foreign.

The percentage of NL content increased in Q2 2021 due primarily to ongoing work scopes for the West White Rose Project that are continuing with support from the Government of Newfoundland and Labrador.

Table 4.1 Expenditure Report Summary for Q2 2021

CDN-NL Benefits Expenditure Report Summary									
Total for Q2 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q2 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	38,988,743	66.72%	26.89%	6.39%	100.00%	26,013,516	10,485,602	2,489,624	38,988,743
North Amethyst Project	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
Exploration	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
White Rose Extension Project	-	0.00%	0.00%	0.00%	0.00%	-	-	-	-
West White Rose Project	86,091,324	35.46%	18.88%	45.66%	100.00%	30,531,537	16,254,248	39,305,539	86,091,324
Total for Q2 2021	125,080,067	45.21%	21.38%	33.41%	100.00%	56,545,053	26,739,850	41,795,164	125,080,067

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 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 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 combined total-to-date spend for these work scopes is approximately \$15 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 June 30, 2021									
All Amounts are in CDN Equivalent Dollars (Totals excluding Accruals)									
Reporting Period Q2 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	8,490,944,112	53.42%	21.15%	25.43%	100.00%	4,535,909,169	1,795,878,308	2,159,156,635	8,490,944,112
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	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	2,602,320,805	37.39%	17.32%	45.29%	100.00%	973,095,611	450,750,669	1,178,474,525	2,602,320,805
Total to Date as at June 30, 2021	15,033,562,951	51.96%	20.90%	27.14%	100.00%	7,811,823,354	3,142,054,323	4,079,685,274	15,033,562,951

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 Q2 2021, 1,272 purchase orders, valued at approximately \$38.2 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 Q2 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	1,014	196	58	1,268
Total Dollar Value	\$27,129,754	\$10,134,508	\$858,470	\$38,122,731

West White Rose Project Purchase Orders Awarded in Q2 2021				
	NL Location	Other Canadian Location	Foreign Location	Total
Total POs Issued	2	1	1	4
Total Dollar Value	\$26,450	\$17,512	\$4,981	\$48,943

6.0 Procurement Summary

Table 6.1 below outlines the new contracts awarded in Q2 2021 that were valued over \$250,000. There were also three contract extensions awarded in the period.

Table 6.1 Contracts Awarded for the White Rose Project – Q2 2021

Husky Procurement Summary Q2 2021		
New Contracts		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
Provision of Offshore Inspection Services	SNC-Lavalin Industrial Atlantic Inc.	NL
Preventative Maintenance of Fall Arrest Systems for FPSO Cranes	Tritech Fall Protection Systems Ltd.	OC
Offshore Specialized Services	TISI Canada Inc. O/A Team Industrial Services	OC
Provision of PCHE HP Suction Core/Discharge Core	Heatric UK Ltd.	FC
Supply of Swagelok, Hose & Fittings Materials	Atlantic Hose & Fittings Ltd.	NL
Supply of Marine Chemical	Campbell's Ship Supplies	NL
Supply of Laboratory Commodities	Mikan Scientific Limited	NL
WWRP VSA for Rig Skidding Systems	Bardex Corporation	FC
Contract Extensions		
Description	Contract Awarded To:	Contractor Location (NL, OC, FC)
Provision of Subsea IMR Services	TechnipFMC Canada Ltd.	NL
Flow Profiling Technology Services	Tracerco Radioactive Diagnostics	OC
Supply of Offshore Cooler Equipment	Maynard Reece Engineering Solutions Ltd.	OC