

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Husky Energy Inc. ("Husky" or the "Company") is an integrated energy company based in Calgary, Alberta and its common shares are publicly traded on the Toronto Stock Exchange under the symbol HSE. The Company operates in Canada, the United States and the Asia Pacific region. Husky has two core businesses: the Integrated Corridor operates in Western Canada and the United States, integrating upstream production with upgrading and refining assets, and the Offshore business, where the Company operates in the Asia Pacific and Atlantic regions.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2019	December 31 2019	Yes	2 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Canada
- China
- Indonesia
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- CAD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Other, please specify (Data is provided for assets under Husky's operational control, unless otherwise specified. GHG emissions from Husky's operated midstream assets are included in our Downstream Emissions for absolute emissions.)

C-CH0.7

(C-CH0.7) Which part of the chemicals value chain does your organization operate in?

Row 1

Bulk organic chemicals

Ethanol

Bulk inorganic chemicals

Please select

Other chemicals

Please select

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

- Upstream
- Downstream

Other divisions

- Carbon capture and storage/utilization

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	Husky's Board of Directors (the "Board"), in consultation with the committees of the Board, has oversight of the identification of the principal risks of the Company's business and is responsible for using reasonable steps to ensure the implementation of appropriate systems to manage such risks. The Board receives updates with respect to Husky's enterprise risk matrix ("Enterprise Risk Matrix"), which is maintained by the Compliance and Risk Committee and includes climate change as a critical risk. In November 2019, the Board: o received an information session on environmental, social and governance ("ESG") performance and disclosure. In 2020, the Board approved Husky's GHG emissions target.
Board-level committee	The Health, Safety and Environment Committee of the Board (HS&E Committee) has oversight of the operational aspects of climate-related issues. The HS&E Committee reviews elements of Husky's Enterprise Risk Matrix, which includes climate change as a critical risk, at least semi-annually. The HS&E Committee meets at least semi-annually and reports to the Board and the Board on a regular basis as is responsibly appropriate. In 2019, the HS&E Committee: o Received and discussed updates on environmental, social and governance matters. o Received updates on air emissions and carbon regulations. o Received updates on the Corporation's environmental audit programs.
Board-level committee	The Audit Committee of the Board provides oversight of the financial aspects of Husky's ESG strategy. The Audit Committee reviews elements of Husky's Enterprise Risk Matrix, which includes climate change as a critical risk, every quarter. The Audit Committee meets at least quarterly and reports to the Board and the Board on a regular basis as is appropriate. In 2019, the Audit Committee: o Received and discussed updates on the financial aspects of these risks.
Board-level committee	The Chair of the Company's Environment, Social and Governance Steering Committee (the SVP Corporate Affairs and Human Resources) reports to the Corporate Governance Committee of the Board on ESG matters, including climate. The Corporate Governance Committee of the Board provides oversight responsibility related to Husky's general approach to these matters. The Corporate Governance Committee meets at least three times per year. In 2019, the Corporate Governance Committee: o Received and discussed updates on environmental, social and governance matters.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets	<Not Applicable>	The Board meets at least four times per year with stewardship responsibilities to: 1. oversee the conduct of the business of the Corporation; 2. provide supervising leadership and direction to the President and Chief Executive Officer and senior management of the Corporation; 3. assess the President and Chief Executive Officer's performance; 4. approve policies appropriate for the business of the Corporation; 5. approve corporate strategies and goals of the Corporation; and 6. be accountable to the Corporation's shareholders to establish procedures for good governance and to enhance shareholder value. In November 2019, the Board: o received an information session on environmental, social and governance ("ESG") performance and disclosure. In 2020, the Board approved Husky's GHG emissions target. The HS&E Committee of the Board meets at least semi-annually with the mandate to assist the Board by reviewing, reporting and making recommendations on the Corporation's policies, management systems and programs with respect to HS&E issues. Husky includes climate-related issues as part of its definition of HS&E. In 2019, the HS&E Committee: o Received and discussed updates on environmental, social and governance matters. o Received updates on air emissions and carbon regulations. o Received updates on the Corporation's environmental audit programs. The Audit Committee meets at least quarterly with the mandate to assist the Board in carrying out its responsibilities with respect to: 1. the quarterly and annual financial statements and quarterly and annual MD&A, which are to be provided to shareholders and the appropriate regulatory agencies; 2. earnings press releases before the Corporation publicly discloses this information; 3. the system of internal controls that management has established; 4. the internal and external audit process; 5. the appointment of external auditors; 6. the appointment of qualified reserves evaluators or auditors; 7. the filing of statements and reports with respect to the Corporation's oil and gas reserves; and 8. the identification, management and mitigation of major financial risk exposures of the Corporation. In 2019, the Audit Committee: o Received and discussed updates on the financial aspects of risks, including climate. The Corporate Governance Committee meets at least semi-annually with the mandate to assist the Board in carrying out its responsibilities with respect to the development and implementation of principles and systems for the management of corporate governance, among other things. In 2019, the Corporate Governance Committee: o Received and discussed updates on environmental, social and governance matters. The committees' mandates, which each lay out specific duties, are publicly available on Husky's website: https://huskyenergy.com/about/board-mandates.asp

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Half-yearly
Other committee, please specify (Executive Health, Safety & Environment Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Half-yearly
Other committee, please specify (ESG Steering Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Half-yearly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Authority for overall management of the ESG strategy, including climate, is the responsibility of Husky's Chief Executive Officer, who has delegated management of the Company's ESG vision and goals to the Chair of the ESG Steering Committee, the Senior Vice-President of Corporate Affairs and Human Resources. The ESG Steering Committee is comprised of the ESG topic owners at the Director level and above. The ESG Steering Committee is also responsible for the Company's ESG disclosure strategy and ensuring compliance with Husky's governance model, including providing ESG information to the Board via the Compliance and Risk Committee. The Chair of the Company's Environment, Social and Governance Steering Committee (the SVP Corporate Affairs and Human Resources) reports to the Corporate Governance Committee of the Board on ESG matters, including climate.

Husky's HS&E strategy and objectives are set by the Executive Health, Safety and Environment Committee (EHSEC), which maintains oversight of the elements of the Enterprise Risk Matrix related to HS&E, including Climate-Related Risks and Air Emissions. The EHSEC is the highest-level management committee with a mandate to provide executive level oversight and strategic direction for all critical HS&E issues, including regulatory and operational compliance relating to HS&E matters. This includes climate-related issues, as these have been identified as a critical risk in the Enterprise Risk Matrix. This committee consists of members of senior management (Vice-President and above), and is chaired by the Senior Vice-President of Safety, Operations Integrity and Environment, who holds accountability for management of, and reporting on, climate-related issues to the Board. Husky's ESG strategy is integrated with its business plans and Enterprise Risk Matrix, and is aligned with the Husky Operational Integrity Management System (HOIMS).

The Company's Enterprise Risk Matrix is maintained by the Compliance and Risk Committee, which reports the matrix on a quarterly basis to the Audit Committee of the Board, at least semi-annually to the HS&E Committee of the Board, and annually to the Board.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Executive officer	Monetary reward	Emissions reduction target	Husky has set a target to reduce its Scope 1 greenhouse gas emissions intensity by 25% by 2025, from 2015 levels. Carbon management plans to support Husky's carbon target are part of operational Executive Vice President and Senior Vice President 2020 performance contracts. Husky's CEO holds ultimate accountability for achievement of ESG-related targets, including the carbon target.
Corporate executive team	Monetary reward	Emissions reduction target	Husky has set a target to reduce its Scope 1 greenhouse gas emissions intensity by 25% by 2025, from 2015 levels. Carbon management plans to support Husky's carbon target are part of operational Executive Vice President and Senior Vice President 2020 performance contracts.
All employees	Monetary reward	Efficiency project	Employees contributing to efficiency projects may set related individual goals, for which they receive financial incentives, as part of Husky's performance management process.
Other, please specify (Individuals nominated for HS&E awards for major sustainability accomplishments)	Non-monetary reward	Other (please specify) (Recognition for specific projects that address climate change and other environmental issues through the CEO's Award of Excellence)	

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	2	
Medium-term	2	5	
Long-term	5	15	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

A substantive financial impact to Husky would be any incident or tax that would cause a material financial impact and affect its ability to operate effectively and to have sufficient cash flow to fund both current operations and growth. As per Husky's enterprise risk management framework, any climate-related risks with a financial impact greater than \$10 million would require additional scrutiny.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Owners of risks identified on Husky's Enterprise Risk Matrix review the risks regularly. Risk owners are Vice President level or above. Updates on Husky's Enterprise Risk Matrix are provided quarterly to the Audit Committee of the Board, and (for HS&E risks), semi-annually to the Health, Safety and Environment Committee of the Board, and annually to the Board of Directors. Husky's evaluation of climate-related risks considers both physical and transition risk. Risks are evaluated using Husky's Enterprise Risk Matrix, based on likelihood and severity of the risk. Severity of risk includes whether a given risk may have a substantive financial impact, i.e. more than \$10 million. Mitigations for each risk are identified and updates on implementation of those mitigations are provided as part of the regular risk review. For example, a low carbon transition may imply increasing carbon costs to Husky. This risk is evaluated annually based on the use of sensitivity analysis for carbon pricing in Husky's long-range plan. As a mitigation, an update on this analysis is provided at least annually to senior management, including options to reduce carbon costs over the short to medium term.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Husky's GHG management framework includes an Environmental Performance Reporting System (EPRS) for inventory, quantification, reporting and verification of GHG emissions. The Air Team uses the outputs of EPRS to quantify and manage exposure to current regulatory risk. Husky includes carbon pricing in its long-range planning and budgeting cycle completed annually for subsequent years. For example, Husky facilities under federal or provincial government carbon pricing policies use pricing of \$30/tonne in 2020, \$40/tonne in 2021 and \$50/tonne in 2022 and beyond to forecast carbon compliance obligations.
Emerging regulation	Relevant, always included	The Air Team works with Corporate Strategy and Planning to incorporate carbon costs in the Company's Long-Range Plan (LRP). Facility production and energy use forecasts provided by business units are entered into jurisdiction-specific models to quantify, forecast and manage exposure to risks associated with emerging regulation from Canadian and U.S. governments, as well as provincial and state governments in jurisdictions where the Company operates. For example, Husky evaluates the cost impacts of emerging policies such as Provincial Aggregate Facility models during the policy development phase and includes the best approximation of the impacts as part of the planning and budgeting process. By estimating its current and projected future emissions and understanding forthcoming regulations that may impact its business, the Company determines the areas of its operations that may face future compliance obligations or additional costs from regulation. Husky's Enterprise Risk Management program supports decision making via comprehensive and systematic identification and assessment of risks that could materially impact the results of the Company. It builds risk management and mitigation into strategic planning and operational processes for its business units. Husky has developed an Enterprise Risk Matrix to identify risks to its people, the environment, its assets and its reputation, and to systematically mitigate these risks to an acceptable level.
Technology	Relevant, always included	Husky's GHG management framework includes a process for climate-related technology assessment, including new innovations that can reduce the Company's emissions intensity, and innovations that could disrupt Husky's business strategy. As new technologies are identified by subject matter experts across the Company, they are shared as appropriate, and are incorporated into regular updates to the Executive Health, Safety and Environment Committee and business unit leadership. For example, since 2017 Husky has prepared a greenhouse gas management plan for the Sunrise Energy Project that includes updates on various carbon policy and new technologies being considered to reduce GHG emissions. This is also reviewed with the joint-venture partner for alignment on this asset's greenhouse gas management strategy.
Legal	Relevant, always included	Husky's Legal group monitors developments in climate-related litigation that could impact Husky's business. As potential risks are identified, Husky evaluates its exposure to similar risks, and adjusts corporate policies, strategies and/or practices as deemed appropriate. For example, Husky's review of U.S. litigation against energy companies related to their public disclosure of climate-related risk informed its own public disclosure of climate-related risk.
Market	Relevant, always included	As climate-related risks associated with shifts in supply and demand for commodities are identified, they are evaluated and incorporated into regular reports to the Executive Health, Safety and Environment Committee and business unit leadership. For example, changes in lower-carbon and clean fuels regulations across Canada have the potential to change the market for Husky's fuel products sold in its 553 (2019 average) retail locations in Canada. The Air, Downstream Regulatory and Government Relations groups supported Husky's assessment of these market risks and ensured this knowledge was shared across the organization.
Reputation	Relevant, always included	Performance and communication of performance determines a company's reputation, and the Corporate Affairs business unit leads understanding and helps manage issues that affect Husky reputation. Climate-related impacts to reputation, resulting from changing consumer, investor, government or community perceptions of Husky, or the broader Canadian energy industry, are evaluated and strategies are developed and incorporated into reports to the Executive Committee. In 2019, Husky's CEO established a Climate Strike Force to manage and communicate climate-related risk at Husky. The Climate Strike Force was chaired by the SVP Corporate Affairs and Human Resources. Climate-related impacts to reputation resulting from changing consumer or community perceptions of Husky, or the broader Canadian energy system context, were evaluated and strategies developed and incorporated into a report to the Executive Committee in September 2019. Climate Strike Force actions and activities include: portfolio scenario analysis, corporate target setting, and business unit carbon management plans have commenced under the direction of the Climate Strike Force.
Acute physical	Relevant, always included	Event-driven, acute physical climate-related risks are identified as part of the hazardous operations planning process used by Husky. For example, Husky facilities such as well sites, pipeline infrastructure or retail stations that are exposed to flood risk incorporate mitigation measures as part of the design and engineering process, as well as response measures into their emergency response plans.
Chronic physical	Relevant, always included	Climate-related risks from longer-term shifts in climate patterns are incorporated into operational risk assessments that influence production and facilities planning processes. For example, Husky employs a water risk assessment process that identifies exposure to drought for facilities that require access to fresh-water supply for production operations. This risk assessment process has been incorporated into facility planning for thermal facilities relying on water from the North Saskatchewan River basin.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Risk Description: Compliance costs associated with regulations of GHG emissions at Husky operations. Risk examples: Policies that put a price on greenhouse gas (GHG) emissions are in place across Canada. As of January 1, 2018, carbon pricing regulations have been enacted throughout Canada. Commonly referred to as "carbon pricing systems," the carbon pricing system varies between jurisdictions. An example of this policy: As of 2019, the federal Output-Based Pricing System applies in Manitoba, affecting Husky's Minnedosa ethanol plant. Prior to 2019, emissions costs were not applied to Husky's Minnedosa ethanol plant. The federal carbon policy has two key elements: a carbon levy applied to fossil fuels (\$20 per tonne starting on April 1, 2019 and increasing by \$10 annually to \$50 per tonne in 2022), and an output-based pricing system for industrial facilities emitting GHG above 50,000 tonnes per year. Risk Effects: As costs increase, the risks associated with new developments are considered as part of the project's economics and integrated into long-range planning. Energy efficiency and new technology are evaluated and considered as part of the risk mitigation.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

19112300

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Husky makes carbon-related payments in British Columbia, Alberta, Saskatchewan, Manitoba and Newfoundland and Labrador. These payments totaled \$19,112,300 in 2019. This figure was calculated by aggregating total costs from the Alberta fuel levy, Alberta Carbon Competitiveness Incentive Regulation, British Columbia carbon fees upstream assets, Saskatchewan output-based performance standards, Newfoundland and Labrador Carbon Tax, Federal Fuel Levy and the Federal Output-Based Pricing System. The Company's current financial exposure to fees associated with carbon emissions is approximately 0.1% of Husky's 2019 gross revenue (including marketing and other income as listed in Husky's 2019 Annual Report). With increased regulation, there will be increased costs associated with greenhouse gas emissions. Husky incorporates costs of existing and pending regulations in its long-range plan to budget for carbon pricing impacts on an annual cycle and to inform internal stakeholders of future costs as well as mitigation opportunities.

Cost of response to risk

22600000

Description of response and explanation of cost calculation

Husky manages its exposure to uncertainty in new regulation through strategic investments that focus on positive return on investment (ROI), reduced operating costs and lower emissions intensity. Husky participates in direct and joint industry engagement with policy makers to stay abreast of emerging trends in regulation and advocate for regulatory certainty. During the past year, Husky has actively participated in the technical working groups for the development of aggregated facility programs for conventional oil and gas production in Alberta and Saskatchewan. Husky continues to engage the Saskatchewan government on their Methane Action Plan and on the development of the Technology Fund and Offset Frameworks to ensure emissions reduction targets set by the province are achieved. Husky continues to monitor international and domestic efforts to address climate change, including developments through the UN Conference of the Parties process and emerging regulations in the jurisdictions in which the Company operates. Performance improvement may be achieved through technology. Husky invests in technology and participates in industry knowledge-sharing initiatives that will help it drive operational improvements. The total cost of implementation for emissions reduction initiatives implemented in 2019 as per the projects listed in C4.3b was \$22.6 million.

Comment**Identifier**

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increased severity of extreme weather conditions and adverse ice conditions)
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Risk Description: Husky operates in some of the harshest environments in the world, including the offshore Atlantic region at the White Rose field. Climate change is expected to increase severe weather conditions, including winds and variable temperatures that are contributing to the melting of northern ice and increased iceberg activity. The Company has a number of policies to protect people, equipment, and the environment in the event of extreme weather conditions and adverse ice conditions. Risk Effects: Icebergs and pack ice off the coast of Newfoundland and Labrador may affect Husky's offshore facilities, necessitating temporary operational shut downs, or potentially causing damage to equipment, spills, asset damage and human impacts.

Time horizon

Long-term

Likelihood

Very unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

63792720

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential consequences of a severe weather or ice related event to Husky's offshore operations include possible production disruptions, spills, asset damage and human impacts. While this is mitigated through the methods described in this table, the potential production disruption from a two-month period of disconnection due to ice for the SeaRose Floating Production, Storage and Offloading (FPSO) vessel could result in \$63,792,720 in reduced revenues. This estimate is based on 2019 average daily production numbers of 12,300 boe (net equity share) and 2019 average gross revenue per barrel of \$86.44, as published in Husky's 2019 Annual Report. (12,300 boe x 60 days x \$86.44/boe = \$63,792,720).

Cost of response to risk

4700000

Description of response and explanation of cost calculation

Husky's Atlantic region business unit has an ice management program that uses a range of resources, including advanced detection, monitoring and management. Ice monitoring is facilitated through fixed-wing flight reconnaissance, satellite imagery processing and offshore supply vessel reconnaissance. Monitoring data is processed in georeferenced format and ice drift is predicted using established software developed by the National Research Council and the Canadian Ice Service. Supply vessels alter the trajectory of icebergs through various methods as needed. During ice season, Husky owned, operated and/or contracted offshore facilities are assigned ice observers, providing 24-hour coverage. Regular ice surveillance flights usually commence in February and continue throughout iceberg season. Husky maintains a series of ad-hoc relationships with contractors, providing for the quick mobilization of additional resources as required. The cost of the Company's ice monitoring and management activities was approximately \$4.7 million in 2019.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Risk Description: Societal and consumer pressure to reduce GHG emissions from the transportation sector could affect the composition of the basket of fuels available to the consumer as well as improved vehicle performance, as noted in the Canadian Fuels Association's "Fuels for Life" report. Risk Effects: Increased transportation fuel prices due to carbon pricing could result in increased demand for improved vehicle performance leading to increased fuel efficiency, which may reduce demand for gasoline and diesel at Husky's 553 (2019 average) retail locations in North America and/or the refined products produced at the Company's North American facilities.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1100000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If Husky were to experience a 1.4% decrease in annual fuel sales, corresponding to the EIA's largest estimated decline in energy demand for any mode of transport through 2050 in its 2020 Annual Energy Outlook, the scale of potential financial impacts to the Company are estimated at \$1.1 million per year based on an average of Canadian Marketing earnings of -\$5 million in 2019 and \$158 million in 2018. This figure is considered immaterial compared to net earnings of -\$1,370 million in 2019, and \$1,457 million in 2018.

Cost of response to risk

0

Description of response and explanation of cost calculation

As regulations develop and markets for its products change, Husky continues to manage the risk using the enterprise risk management process. Through this process, Husky monitors emerging regulations, advises management and lead officers of any developments, and advocates the Company's position with the regulators. Additionally, Husky's Executive Health, Safety, and Environment Committee reviews and approves compliance and emission reduction strategies and allocates resources as appropriate. This includes allocating resources as appropriate to growth opportunities in natural gas, enhanced oil production using CO2, and ethanol-blended transportation fuels. Husky is currently reducing emissions through increased renewable fuel blending to address this risk. The use of this technology allows us to produce some of the lowest carbon intensity ethanol in Canada. Husky has integrated its Climate Change GHG Management Framework into daily business operations at a corporate-services level. There are no additional material costs to manage the risks described in this response at this time. If any of these risks are determined to be more pressing or impactful, a reassessment of management plans and costs will be performed.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Risk Description: Where Husky has operations in flood-prone areas, extreme weather events can expose the Company to increased risk of disruption to operations. Risk Effects: Flooding and extreme weather has the potential to disrupt operations in the field as well as at Husky's head office in Calgary. In June 2013, Calgary experienced a flood event that prevented access to the entire downtown core, including Husky's head office, for a week. In May of 2016, Husky shut down the Sunrise facility due to wildfires. The project was restarted in June. At the time, Sunrise was producing about 30,000 barrels gross per day of bitumen. Sunrise is 50% owned by JV partners, amounting to an approximate production loss net to Husky of 15,000 barrels per day during the outage.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Please select

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Husky's business continuity plan and processes resulted in no financial losses from the head office closure during the 2013 flood.

Cost of response to risk

0

Description of response and explanation of cost calculation

Readiness for potential emergencies is strengthened through exercises, established processes and Emergency Response Plans (ERPs) designed to guide a consistent and effective response to any event which could affect employees, contractors, the community, the environment and/or the Company's assets and reputation. Additionally, Husky develops contingency plans and measures to mitigate the impacts should a business-interrupting event occur. There is no additional cost of management for this beyond Husky's existing Emergency Response planning process.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of supportive policy incentives

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

Husky has a number of CO2 sources where it may be feasible to capture emissions. These sources include ethanol plants, hydrogen plants and other post-combustion sources. There is currently no widespread infrastructure in place to transport captured CO2 for other uses. Regulations will influence the construction and operation of CO2 capture and transport infrastructure. Husky operates a pilot plant at the Pikes Peak South thermal project at Lashburn, Sask. that captures up to 30 tonnes a day of CO2 from once-through steam generators for use at the Pikes Peak South enhanced oil recovery (EOR) facility. Multiple low-emission technologies are under consideration for future application at thermal projects. Opportunity Effects: The CO2 sources available for carbon capture will provide opportunities for Husky to respond to regulatory changes influencing carbon capture and storage.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3200000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Husky is evaluating the financial impact of this opportunity. Commodity prices of CO2 for EOR purposes can exceed \$100 per tonne when delivered to remote sites. For example, if CO2 can be captured at \$50 per tonne, it would represent \$3.2 million in savings, based on 2019 injection volumes of CO2. (63,149 tonnes injected * \$50 / tonne savings = \$3.2 million)

Cost to realize opportunity

6300000

Strategy to realize opportunity and explanation of cost calculation

Husky's carbon management experts advise business units on potential projects for CO2 capture that could support EOR or other markets. As part of this process, support has been provided to submit applications for research and development funding in this area. In addition, through participation in joint industry projects and conferences, Husky keeps abreast of developing technologies that could improve the feasibility of this opportunity. Through its test facility at the Pikes Peak South thermal plant in Lashburn, Sask., Husky is currently implementing a CO2 capture program for an EOR pilot from once-through steam generators to evaluate technological and economic feasibility of large-scale technology adoption and opportunity exploitation. Carbon capture is assumed to cost \$100/tonne (\$100/tonne * 63,149 tonnes = \$6.3 million)

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Husky continually focuses on fuel consumption and emissions reduction. In 2019, Husky continued to use its FuelTrax Fuel Management and Monitoring system to conserve fuel and reduce air emissions from its Atlantic operations. Husky identified primary fuel consumption activities and installed fuel monitoring systems on select vessels to understand fuel consumption for these activities. This has allowed Husky to understand fuel consumption within the supply chain, and data obtained allowed for the identification of administrative controls in the supply chain that could have significant impact on fuel consumption. Further to those reduction initiatives Husky has now moved towards advanced vessel power management designs that are optimizing fuel consumption. In 2019, Husky approved a substitution of a hybrid diesel electric power management design vessel for a conventionally powered vessel, resulting in approximately a 4 cubic metres a day (m3/day) reduction in fuel consumption, for a larger more capable vessel.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2500000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Fuel savings from 2 new hybrid vessels: (4 cubic metres a day savings * 2 vessels * \$857.80/m3 average 2019 fuel price * 365 = \$2,500,000 annual savings).

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

In November 2020, Husky will transition to using two vessels on long-term charter. Both vessels have diesel electric power management systems.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Access to new markets

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Husky may have an opportunity to provide low-carbon fuels to meet new market demand. Certain markets are assigning premium value to low-carbon transportation fuels and coal is being phased out in some jurisdictions and replaced by natural gas as the fuel of choice for power generation. Husky is well positioned to benefit from these trends in consumer behaviour as it has growth opportunities in natural gas production and ethanol-blended gasoline. The Company's Lloydminster Ethanol Plant currently provides low-carbon intensity ethanol to the B.C. market to support blending requirements to meet the province's Renewable and Low Carbon Fuels Requirements Regulation. Husky is also considering options for CO2 capture and storage at its Minnedosa Ethanol Plant in Manitoba. Opportunity Effects: Increased consumer demand for low-carbon transportation fuels and natural gas could result in new revenue opportunities.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

8430000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2019, Husky's low carbon intensity ethanol from the Lloydminster Ethanol plant received, on average, a premium of \$0.059 per litre on sales. Approximately 90% of the production at Lloydminster has a low carbon intensity, resulting in an additional \$8,430,000 in revenue above market pricing. (142,676,000 litres * 0.9 * \$0.059 = \$8,430,000).

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Husky identifies and manages opportunities related to consumer behaviour through several mechanisms. The Company's Enterprise Risk Matrix with mitigation strategies is reviewed by the Audit Committee quarterly and provided to the Board of Directors annually. Through the application of this risk matrix over time, the Company will be able to determine the appropriate response to changing markets as they develop. This includes allocating resources as appropriate to growth opportunities in natural gas, and ethanol-blended gasoline. For example, the Company's Lloydminster Ethanol Plant currently provides low-carbon intensity ethanol to the B.C. market. Husky has integrated its risk and opportunity identification processes into everyday business operations at a corporate services level. There are no additional material costs to identify and manage the opportunities described in this response at this time. If any of these opportunities are determined to warrant further study, a formal project sanctioning process would follow with the appropriate decision gates as needed. Costs would be refined at each of these gates.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Increased revenues resulting from increased production capacity

Company-specific description

Regulations may encourage research into the use of CO2 for enhanced oil recovery. Husky completed a project in 2012 which included capturing CO2 and injecting it into heavy oil reservoirs to assist with enhanced heavy oil recovery, and continues to investigate additional capture technologies. Husky is developing this recovery method, which has not yet been applied commercially in the thin, shallow, viscous formations typical of heavy oil. Specifically, the Company is developing knowledge and methods on how to capture CO2 from its Lloydminster Ethanol Plant and other sources; and then purify, dehydrate and compress it before transporting it to heavy oil reservoirs located in proximity to the plant. The CO2 is injected into the reservoirs and used to enhance oil recovery. When the reservoirs are fully depleted, the CO2 can be stored in the reservoir.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Please select

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

If CO2 can be injected successfully and used for Enhanced Oil Recovery, it has potential to increase the recoverable reserves in several heavy oil assets over time.

Cost to realize opportunity

26100000

Strategy to realize opportunity and explanation of cost calculation

Husky continues to develop EOR development as part of its broader heavy oil business strategy. The results of ongoing pilots will determine the commercial feasibility of a large-scale CO2 EOR project. In 2019, total operating and capital expenditure in Husky's Lloydminster area CO2 capture and injection projects was \$26.1 million. This figure is part of the ongoing cost to realize profitable EOR.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, quantitative

C3.1b

(C3.1b) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
IEA Sustainable development scenario IEA CPS Nationally determined contributions (NDCs)	Husky has evaluated its operations in relation to emerging regulations that are based on international commitments. As part of its long-range planning process, the Company developed scenarios based on the assumed cost of carbon required to meet Canada's Nationally Determined Contributions, and tested development projects for sensitivity to these prices in both short to medium-term time horizons. This process was applied to Husky's upstream and downstream operations in Canada. Results of this analysis were reported to senior management and factored into investment decisions. In 2019, Husky undertook a portfolio-wide scenario analysis to stress-test its ten-year business plan for resiliency against different oil and gas demand scenarios, including one where global warming is limited to a less than two-degree temperature rise. The assumptions for this scenario were drawn from the International Energy Agency's Sustainable Development Scenario as interpreted by the Canadian Energy Regulator. Husky supports the work of the Task Force on Climate-related Financial Disclosures (TCFD). Using the TCFD's categories, the scenario analysis focused on the two elements Husky deemed most likely to potentially be material: carbon price and commodity price. The scenario analysis tested an alternate set of prices and application, based on the International Energy Agency and Canadian Energy Regulator cases. It found that over its 10-year life, Husky's current long-range plan is resilient to escalations in carbon pricing.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Current and emerging clean and renewable fuels regulations have affected costs and markets for blended fuels in Husky's Integrated Corridor business. The carbon intensity of the Company's ethanol production is favourable to many of its competitors, which presents an opportunity under both clean fuel standards and renewable fuel standards that require a carbon intensity reduction (e.g. B.C.). In 2019, Husky's low carbon intensity ethanol from the Lloydminster Ethanol plant received, on average, a premium of \$0.059 per litre on sales. Approximately 90% of the production at Lloydminster has a low carbon intensity, resulting in an additional \$8,430,000 in revenue above market pricing.
Supply chain and/or value chain	Yes	Many of Husky's suppliers have been impacted by the Canadian federal fuel levy. Husky has worked with its suppliers to ensure that a fair flow-through of costs related to the levy are negotiated into its agreements. To date, impacts have not been substantive (less than \$10 million).
Investment in R&D	Yes	As part of its efforts to improve the efficiency of getting bitumen products to market, Husky has proposed a substantive (greater than \$10 million) investment in Husky Diluent Reduction, a process that provides significantly reduced diluent for use in transmission pipelines. Additionally, Husky commissioned a 30 tonne/day carbon capture pilot in 2019 as part of a third-party partnership.
Operations	Yes	Husky makes carbon-related payments in British Columbia, Alberta, Saskatchewan, Manitoba and Newfoundland and Labrador. These payments totaled \$19,112,300 in 2019. This figure was calculated by aggregating total costs from the Alberta fuel levy, Alberta Carbon Competitiveness Incentive Regulation, British Columbia carbon fees, upstream assets, Saskatchewan output-based performance standards, Newfoundland and Labrador carbon tax, the federal fuel levy and the federal Output-Based Pricing System. The Company's current financial exposure to fees associated with carbon emissions is approximately 0.1% of Husky's 2019 gross revenue (including marketing and other income as listed in Husky's 2019 Annual Report). With increased regulation, there will be increased costs associated with greenhouse gas emissions. Husky incorporates costs of existing and pending regulations in its long-range plan to adequately budget for carbon pricing impacts on an annual budgeting cycle and to inform internal stakeholders of future costs and mitigation opportunities.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	Revenues: Husky participates in clean and renewable fuels programs in the U.S. and Canada. These programs mandate blending of renewable fuels into marketed fuels at various percentages, depending on jurisdiction. Markets for blendstocks or other compliance options can be volatile, and financial planning for compliance is an important part of mitigating these potentially substantive costs, particularly if Husky is unable to pass these costs on to customers. In 2019, Husky's low- carbon intensity ethanol from the Lloydminster Ethanol Plant received, on average, a premium of \$0.059 per litre on sales. Approximately 90% of the production at the Lloydminster Ethanol Plant has a low carbon intensity, resulting in an additional \$8,430,000 in revenue above market pricing. Capital expenditures/allocation: In making investment decisions, Husky considers both the cost and value of carbon. Project carbon costs are modelled based on current and emerging policies in any given jurisdiction. Regulatory focus on methane venting management in heavy oil operations has in part led to non-substantive investment in gas conservation infrastructure. In 2019, Husky invested approximately \$1.4 million in gas compression to capture otherwise vented gases at heavy oil well sites, resulting in an estimated annual savings of greater than \$161,000. Acquisitions and divestments: Husky has completed a disposition program of legacy assets in Western Canada. Part of the process used to evaluate candidate assets for sale was exposure to regulatory risk. This program had a substantive impact on Husky's balance sheet. In 2019, the Company divested facilities at Taber and Hussar. Husky also completed the sale of its Prince George Refinery. Access to capital: Securing early stage development funding for low emission technology and energy efficiency projects often requires additional policy incentives, including R&D support funding provided by provincial and federal agencies to successfully compete for internal capital. Husky's diluent reduction technology project development has been awarded substantive (greater than \$10 million) financial support through provincial and federal technology R&D funding programs, aiding its current progress through to pilot plant construction. Assets: Climate regulations associated with the development of reserves are factored into reserves valuation. Regulations aimed at reducing emissions intensity of production can impact current valuation of assets in relation to their emission intensity. These costs can have potentially substantive (greater than \$10 million) impacts and can be affected by market, regulatory and technical risks. In 2019, there were no major regulatory changes that impacted the volume and valuation of Husky's natural gas proved reserves. Liabilities: Asset retirement planning can be impacted substantively by increased regulatory focus on venting from abandoned wells. While it is not anticipated that this would impact the total cost of retirement, it can affect the prioritization of projects for remediation and reclamation. In 2019, Husky's estimated total undiscounted inflation-adjusted asset retirement obligation was \$10.0 billion.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2018

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Base year

2017

Covered emissions in base year (metric tons CO2e)

401552

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

3.57

Target year

2019

Targeted reduction from base year (%)

6

Covered emissions in target year (metric tons CO2e) [auto-calculated]

377458.88

Covered emissions in reporting year (metric tons CO2e)

258000

% of target achieved [auto-calculated]

595.821545735878

Target status in reporting year

Achieved

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

This absolute target is applicable to Husky's SeaRose asset. The target is established by the regulatory agency and the stringency is adjusted annually. The baseline year is an average of 2016 through 2017.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2018

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2017

Intensity figure in base year (metric tons CO2e per unit of activity)

0.581605

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

0

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.581605

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.6275

% of target achieved [auto-calculated]

<Not Applicable>

Target status in reporting year

Replaced

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Husky's Tucker Thermal Project has a baseline emissions intensity (BEI) target (0.3504 tCO2e/m3) set by the province of Alberta under the Carbon Competitiveness Incentive Regulation (CCIR). To provide relevant information for the purposes of this question, the prescribed industry benchmark has been applied against an assumed base year of 2017. This allows for characterization of the target as a reduction against past facility emissions. The figure used in the "% change anticipated in absolute Scope 1+2 emissions" column is based on the anticipated change in absolute in-scope emissions that would have been observed if the target was 100% met, based on 2019 production numbers. tCO2e = (tonnes of carbon dioxide equivalent).

Target reference number

Int 2

Year target was set

2018

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2017

Intensity figure in base year (metric tons CO2e per unit of activity)

0.67811

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

0

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.67811

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.49297

% of target achieved [auto-calculated]

<Not Applicable>

Target status in reporting year

Replaced

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Husky's Sunrise Energy Project has a BEI (0.3504 tCO2e/m3) set by the province of Alberta under the Carbon Competitiveness Incentive Regulation (CCIR). To provide relevant information for the purposes of this question, the prescribed industry benchmark has been applied against an assumed base year of 2017. This allows for characterization of the target as a reduction against past facility emissions. The figure used in the "% change anticipated in absolute Scope 1+2 emissions" column is based on the anticipated change in absolute in-scope emissions that would have been observed if the target was 100% met, based on 2019 production numbers.

Target reference number

Int 3

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

0.321

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

0

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.321

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.473

% of target achieved [auto-calculated]

<Not Applicable>

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

Husky's Minnedosa Ethanol Plant has an Output-Based Standard of 0.321 (tCO2e/kilolitres of absolute ethanol) set by The Output-Based Pricing System Regulations (OBPS Regulations) made under the Greenhouse Gas Pollution Pricing Act (GGPPA) established the Output-Based Pricing System (OBPS), as per the Schedule 1, Part 13. The first compliance period for facilities that met the criteria of the Notice Establishing Criteria Respecting Facilities and Persons and Publishing Measures begins on January 1 and ends December 31 for each calendar year, starting in 2019. The results of the Assessment under section 44 of those Regulations was determined to be 24,400 tCO2e above the GHG emissions limit in 2019.

Target reference number

Int 4

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2017

Intensity figure in base year (metric tons CO2e per unit of activity)

0.3649

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

0.83

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.36187133

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.3713

% of target achieved [auto-calculated]

-211.313877048342

Target status in reporting year

New

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

Husky's Lloydminster Upgrader is subject to The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard), which came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 30,174 tCO₂e.

Target reference number

Int 5

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metricMetric tons CO₂e per unit of production**Base year**

2017

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.265

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

0.42

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.263887

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.2393

% of target achieved [auto-calculated]

2309.07457322552

Target status in reporting year

New

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

Husky's Lloydminster Ethanol Plant is subject to The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard), which came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has met its allowable emissions in 2019 and it is below the emissions limit by 3,744 tCO₂e.

Target reference number

Int 6

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metricMetric tons CO₂e per unit of production**Base year**

2018

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.4732

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.467285

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.5571

% of target achieved [auto-calculated]

-1418.42772612003

Target status in reporting year

New

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

The Bolney thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK Ministry of Environment approval). BEI is based on Stationary Combustion only. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 are above its allowable emissions limit in 2019 by 64,347 tCO2e.

Target reference number

Int 7

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2016

Intensity figure in base year (metric tons CO2e per unit of activity)

0.4378

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.4323275

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.6075

% of target achieved [auto-calculated]

-3100.95934216537

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Paradise Hill thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on Stationary Combustion only. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 27,414 tCO₂e.

Target reference number

Int 8

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per unit of production

Base year

2017

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.4886

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.4824925

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.3911

% of target achieved [auto-calculated]

1596.3978714695

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Pikes Peak South thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on Stationary Combustion only. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has met its allowable emissions in 2019 and it is below the emissions Limit by 59,495 tCO₂e.

Target reference number

Int 9

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per unit of production

Base year

2018

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.2946

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.2909175

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.253

% of target achieved [auto-calculated]

1129.66734555329

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Rush Lake thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on Stationary Combustion only. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has met its allowable emissions in 2019 and it is below the emissions Limit by 33,702 tCO2e.

Target reference number

Int 10

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2018

Intensity figure in base year (metric tons CO2e per unit of activity)

0.4999

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.49365125

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.5175

% of target achieved [auto-calculated]

-281.656331266252

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Sandall thermal facility has a BEI submitted under the Saskatchewan OBPS (pending SK MOE Approval). BEI is based on Stationary Combustion only. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 5,765 tCO₂e.

Target reference number

Int 11

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per unit of production

Base year

2018

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.4287

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.42334125

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.5685

% of target achieved [auto-calculated]

-2608.81735479356

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Wawn thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on Stationary Combustion only and currently includes only 2017 and 2018. A three year (2017-2019) baseline is underway. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 59,397 tCO₂e.

Target reference number

Int 12

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per unit of production

Base year

2018

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.3415

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.33723125

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.4242

% of target achieved [auto-calculated]

-1937.33528550512

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Edam East thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on Stationary Combustion only and currently includes only 2017 and 2018. A three -year (2017-2019) baseline is underway. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019). The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 47,447 tCO2e.

Target reference number

Int 13

Year target was set

2019

Target coverage

Site/facility

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO2e per unit of production

Base year

2018

Intensity figure in base year (metric tons CO2e per unit of activity)

0.406

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2019

Targeted reduction from base year (%)

1.25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

0.400925

% change anticipated in absolute Scope 1+2 emissions

0

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.5499

% of target achieved [auto-calculated]

-2835.46798029557

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

The Edam West thermal facility has a BEI submitted under the Saskatchewan output-based performance standards (pending SK MOE Approval). BEI is based on

Stationary Combustion only and currently includes only 2017 and 2018. A three-year (2017-2019) baseline is underway. As per Management and Reduction of Greenhouse Gases (Standards and Compliance), facilities under the Upstream Oil and Gas Stationary Fuel Combustion sector, are provided with 0.9875 Performance Standard Allocation for the first year of compliance (2019) The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations (the Regulations) and The Management and Reduction of Greenhouse Gases (Baselines, Returns and Verification) Standard (the Standard) came into effect January 1, 2019. The emissions return will be used to assess a facility's performance under the Regulations for each compliance year by comparing its total regulated emissions against its permitted emissions. The emissions return for 2019 has exceeded its allowable emissions limit in 2019 by 30,901 tonne CO2e.

Target reference number

Int 14

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Other, please specify (Metric tonnes CO2e per unit production and throughput)

Base year

2015

Intensity figure in base year (metric tons CO2e per unit of activity)

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

25

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

<Calculated field>

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year (metric tons CO2e per unit of activity)

% of target achieved [auto-calculated]

<Calculated field>

Target status in reporting year

New

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

In 2020, the Board approved Husky's carbon target of a reduction of 25% Scope 1 emissions intensity from 2015 levels. This carbon target is based on gross operated emissions adjusted for Husky's equity share in large joint venture partnerships.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to reduce methane emissions

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2018

Target coverage

Country/region

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target	Total methane emissions in CO2e
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Target denominator (intensity targets only)

<Not Applicable>

Base year

2012

Figure or percentage in base year

3802961

Target year

2025

Figure or percentage in target year

2091629

Figure or percentage in reporting year

1742000

% of target achieved [auto-calculated]

120.43022627988

Target status in reporting year

Underway

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Husky is aligning with national and provincial government plans to reduce methane emissions by 40-45% of 2012 levels by 2025 as part of its general compliance strategy. Husky's compliance approach is being influenced by the publication of methane reduction equivalency agreements between the federal and provincial governments.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	
To be implemented*	2	42000
Implementation commenced*	2	35000
Implemented*	4	86775
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (Partial Upgrading)
---	---

Estimated annual CO2e savings (metric tonnes CO2e)

900

Scope(s)Scope 1
Scope 3**Voluntary/Mandatory**

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

1200000

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

Partial Upgrading, leading to less diluent needed for transportation.

Initiative category & Initiative type

Non-energy industrial process emissions reductions	Carbon capture and storage/utilization (CCS/U)
--	--

Estimated annual CO2e savings (metric tonnes CO2e)

10950

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

20000000

Payback period

No payback

Estimated lifetime of the initiative

3-5 years

Comment

Husky continue to evaluate additional carbon capture technologies. The Company started in 2015 with a 0.5 tonne-per-day pilot, and in 2019 commissioned a 30 tonne-per-day system.

Initiative category & Initiative type

Fugitive emissions reductions	Oil/natural gas methane leak capture/prevention
-------------------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

74000

Scope(s)

Scope 1

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

161000

Investment required (unit currency – as specified in C0.4)

1400000

Payback period

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

In 2019, Husky installed compressors at heavy oil sites that will capture otherwise vented produced gas, generating estimated savings of more than 74,000 tonnes CO2e.

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	
Employee engagement	
Financial optimization calculations	
Internal price on carbon	
Internal incentives/recognition programs	
Marginal abatement cost curve	
Partnering with governments on technology development	Husky has worked with Alberta Innovates to create the Husky CHOPS Methane Challenge as well as working with the Alberta Energy Regulator and the Saskatchewan Research Council to test enclosed combustors to improve regulations around minimum setback distances from other development (e.g. residences).

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

Ethanol

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Natural Gas Resources Canada's GHGenius model)

% revenue from low carbon product(s) in the reporting year

1

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

The term "carbon intensity" refers to a single value that represents the sum of GHG emissions from fuel life cycle. Approved carbon intensities assign a fuel a unique fuel code which is used for compliance reporting. Husky has 18 approved carbon intensities registered with the B.C. Ministry of Energy and Mines using the GHGenius model to calculate carbon intensities. Due to a revised Data Quality Plan, the number of carbon intensities has dropped from 53 in 2018 to 18 in 2019.

Level of aggregation

Group of products

Description of product/Group of products

Gasoline and diesel blends with renewable fuels

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Natural Resources Canada's GHGenius model)

% revenue from low carbon product(s) in the reporting year

8

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Scope 1 GHG emissions from transportation fuel combustion were avoided by blending renewable alternatives to gasoline (ethanol) and renewable alternatives to diesel (Hydrogenation-Derived Renewable Diesel [HDRD] and biodiesel) into gasoline and diesel, respectively. Where possible, Husky blends up to 10% ethanol into all blends of its gasoline. In 2019, this equated to an average of 9.1% ethanol blend, which exceeded federal and provincial requirements at the point of blending (Canada Federal - 5%, BC - 5%, AB - 5%, SK - 7.5%, MB - 8.5%, ON - 5%). The most up-to-date version of National Resources Canada's (NRCan) GHGenius model was used to calculate the carbon intensities of Husky's fuel blends. The B.C. Renewable and Low Carbon Fuel Requirements Regulation's Emissions Calculation was used to determine emissions reductions. Emissions Reduction (tonnes) = (CI class x EER fuel - CI fuel) x EC fuel / 1,000,000, where CI class = the prescribed carbon intensity limit for the compliance period for the class of fuel of which the fuel is a part; EER fuel = the prescribed energy effectiveness ratio for that fuel in that class of fuel; CI fuel = the carbon intensity of the fuel (via GHGenius); EC fuel = the energy content of the fuel calculated in accordance with the regulations. For biodiesel and HDRD, the 2019 blend resulted in an average of 2.8% renewables for Husky's Canadian supply of diesel to the market.

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Husky continues engagement with regulators to contribute to the development of voluntary and mandatory methane emission reduction programs to meet federal and provincial targets.

Husky has worked towards reducing methane emissions as follows:

- Increased understanding and focus on gas production (calculated via gas oil ratio or GOR) and the implications on emissions.
- Increased understanding and focus on gas management strategies.
- Developing an inventory of methane emitting equipment to inform where investment will have the largest impact in reducing methane emissions.
- Developing new ways to reduce venting other than conventional conservation (pipeline and compressor).
- Added enclosed combustors as a gas management reduction tool. No significant impact to date, but step-change reductions are anticipated with regulatory change to address spacing issues.
- Developing processes and tools to help focus on leading indicators to resolve potential vent issues before they become a regulatory concern.
- Partnering with external parties to sponsor the development of new technology to address methane emissions.
- Participation in external committees which emphasize industry sharing of best practices with focus on methane.
- In 2019 Husky continued a project to reduce methane venting from pneumatic controllers through replacements and retrofits that is expected to result in reductions of greater than 40,000 tCO₂e/year.
- In 2019, Husky installed compressors at heavy oil sites that will capture otherwise vented produced gas, generating estimated savings of more than 74,000 tonnes CO₂e.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

Husky meets regulatory compliance requirements for monitoring, repairing and reporting.

Canadian Upstream Facilities:

Husky's upstream sites and facilities are subject to provincial regulations to manage equipment leaks of methane. A prescriptive fugitive emissions management program (FEMP) was developed by Husky for the leak detection and repair (LDAR) of fugitive emission sources. The program specifies sites can be monitored up to a quarterly frequency with additional surveys completed as needed to address specific fugitive emission issues.

As per the FEMP program, Husky conducts quarterly LDAR surveys of its Lloydminster thermal assets. These surveys utilize infrared and ultrasonic detection to identify leaks in real time. Methodologies used include optical gas imaging cameras and toxic/organic vapour analyzers, which are supported by point source qualification/quantification technology, remote sensing, or other applicable methods to meet the requirements of LDAR program.

Canadian Downstream Facilities:

Husky has a LDAR program specific to its Canadian downstream facilities for the survey of lines and equipment that contain natural gas, fuel gas, and volatile organic compounds (VOCs). The LDAR program is designed to identify leaking equipment components, prompt the timely repair of the leaks, verify repair success, quantify the emission and report the volume/mass of the fugitive emissions. Downstream facilities are monitored once annually with a toxic/organic vapour analyzer under the methodology outlined in United States Environmental Protection Agency (EPA) Method 21 as directed Canadian Council of Ministers of the Environment (CCME) Environmental Code of Practice for the Measurement and Control of Fugitive VOC Emissions from Equipment Leaks (1993). Any component identified with a VOC concentration above 10,000 parts per million (ppm) is considered leaking and requires an attempt to repair within five days of detection with final repairs completed within 15 days. Maintenance personnel accompany leak detection staff to perform repairs as leaks are discovered, wherever possible.

US Refineries:

Husky's US refineries are subject to numerous U.S. federal regulations and state regulations for managing equipment leaks of volatile organic compounds ("VOC") whereby the most stringent requirements for each program are combined into a facility LDAR Management Plan. The management plans outline monitoring, inspection, testing, record-keeping, reporting, maintenance and use of low leak valves. For example, the facilities monitor valves, pumps, and compressors. This is conducted at least quarterly, and in some instances monthly. Component leaks above certain thresholds trigger an obligation to repair, replace, or repack the component

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

Regulations in British Columbia, Alberta and Saskatchewan mandate both operational and economic evaluations that prioritize collection and conservation of produced gas over flaring. In addition, Husky engages in voluntary and collaborative efforts with government and industry organizations to reduce flaring through application of technology and sharing of knowledge and experience. Husky is also piloting enclosed combustors as an alternative to flaring, providing for a more controlled combustion of waste gases where gas conservation is not a viable solution. In the Atlantic region, Husky proposes targets for flaring volumes with the regulator and is then required to stay within those limits. These targets are approved for the period beginning April 1 and ending March 31 of the following year. For 2019-2020, the approved flare limit was 55.7 million cubic metres (m3) and Husky flared approximately 31.4 million m3, staying 43.7% below the target.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO2e)

9360000

Comment

Baseline adjusted for the divestiture of the Prince George Refinery in 2019

Scope 2 (location-based)

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO2e)

1940000

Comment

Baseline adjusted for the divestiture of the Prince George Refinery in 2019

Scope 2 (market-based)

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO2e)

1940000

Comment

Per CDP guidance, the location-based result has been used as a proxy since a market-based figure cannot be calculated for baseline year.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: Scope 2 Guidance

Other, please specify (Canada's Greenhouse Gas Quantification Requirements, Greenhouse Gas Reporting Program, Dec 2019. Quantification Methodologies for the Carbon Competitiveness Incentive Regulation and the Specified Gas Reporting Regulation, AB Government, Nov 2019.)

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- Environment Canada and Climate Change: Canada's Greenhouse Gas Quantification Requirements, December 2019, Version 3
- Quantification Methodologies for the Carbon Competitiveness Incentive Regulation and the Specified Gas Reporting Regulation, Version 1.4
- Environment and Climate Change Canada: Technical Guidance on Reporting Greenhouse Gas Emissions –2019 Data
- Western Climate Initiative: Quantification Method 2013 Addendum to Canadian Harmonization Version (December 20, 2013);
- Western Climate Initiative: Final Essential Requirements of Mandatory Reporting - 2011 Amendments for Harmonization of Reporting in Canadian Jurisdictions (December 21, 2011, as amended on February 10, 2012);
- Western Climate Initiative: Final Essential Requirements of Mandatory Reporting - 2010 Amended for Canadian Harmonization (December 17, 2010)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

9570000

Start date

January 1 2019

End date

December 31 2019

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

10265000

Start date

January 1 2018

End date

December 31 2018

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

10975000

Start date

January 1 2017

End date

December 31 2017

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Husky has adjusted its location-based emissions factors based on the most current (updated April 2019) NIR values Husky uses Green-e Residual Mix emissions factors for the regions where it has operations that acquire and consume electricity to report a Scope 2, market-based figure, per CDP guidance. These factors are significantly lower than the emission factors generated from National Inventory Reporting and local electricity system operator data used to report location-based Scope 2 emissions, due to their large regional coverage.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

1915000

Scope 2, market-based (if applicable)

1205000

Start date

January 1 2019

End date

December 31 2019

Comment

Electricity emissions factors for location-based Scope 2 accounting are taken from the 2019 Canadian National Inventory Report as submitted to the United Nations Framework Convention on Climate Change or supplied by grid operators where available. Market-based figures are calculated using Green-e Residual Mix electricity emission factors as recommended by CDP. The market-based and location-based emission factor for steam emissions is the same.

Past year 1

Scope 2, location-based

2035000

Scope 2, market-based (if applicable)

1285000

Start date

January 1 2018

End date

December 31 2018

Comment

The market-based and location-based emission factor for steam emissions is the same.

Past year 2

Scope 2, location-based

2135000

Scope 2, market-based (if applicable)

Start date

January 1 2017

End date

December 31 2017

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Drilling and Completions Emissions from areas where not regulatory reportable

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Onshore drilling and completions operations emissions are only estimated and reported in jurisdictions where mandated. Offshore drilling and completions emissions in Canada and China are included.

Source

Emissions from Husky owned and operated vehicles that are operated outside of specific large-emitting facilities

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Husky estimates that this is not a major emissions source at this time. Some transportation emissions are included in the Company's site diesel and propane use, but cannot be broken out from on-site combustion for process.

Source

Emissions from some Husky-owned transportation fuels retail sites, i.e. bulk plants, travel centres, cardlocks and retail stations

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Husky includes retail site electricity Scope 2 emissions data where available (primarily in Alberta and Saskatchewan). Based on sampling of those retail sites with available emissions data, Husky estimates that emissions from building heating and electricity consumption from sites where data is unavailable are immaterial when compared to the Company's total Scope 1 and Scope 2 emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Business travel

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Employee commuting

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

19300000

Emissions calculation methodology

Emission factors from Environmental Protection Agency 40 Code of Federal Regulation part 98 subpart MM regulation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Data is only provided where there is a regulatory requirement to disclose emissions associated with use of sold product emissions. This includes only Husky's Downstream assets in the U.S.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products sold by Husky.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	226000	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000566

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

11430000

Metric denominator

unit total revenue

Metric denominator: Unit total

20306000000

Scope 2 figure used

Location-based

% change from previous year

3.82

Direction of change

Increased

Reason for change

Revenues decreased primarily due to reduction in commodity prices and sales volumes

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO2e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Thousand barrels of crude oil/ condensate

Metric tons CO2e from hydrocarbon category per unit specified

97.11

% change from previous year

1

Direction of change

Increased

Reason for change

Increase in intensity for offshore oil production due to the SeaRose FPSO being offline in 2019. Offset by intensity decline for conventional oil due to natural declines in aging fields. Prior year number adjusted for methodology change to the denominator.

Comment

Unit of hydrocarbon category (denominator)

Thousand barrels of oil sands (includes bitumen and synthetic crude)

Metric tons CO2e from hydrocarbon category per unit specified

73.89

% change from previous year

9

Direction of change

Decreased

Reason for change

Slight increase in production with a larger decrease in emissions as no new Husky thermal facilities were steaming in 2019.

Comment

Unit of hydrocarbon category (denominator)

Million cubic feet of natural gas

Metric tons CO2e from hydrocarbon category per unit specified

1.45

% change from previous year

57

Direction of change

Decreased

Reason for change

Prior year number adjusted for methodology change to the denominator. Husky shut in a large number of high-carbon intensity facilities in 2019.

Comment

Unit of hydrocarbon category (denominator)

Thousand barrels of refinery throughput

Metric tons CO2e from hydrocarbon category per unit specified

27.32

% change from previous year

1

Direction of change

Increased

Reason for change

The slight increase is due to an overall decrease in emissions with a higher relative decrease in throughput. Throughput declined at Husky's U.S. refineries in 2019 due to a shut down related to a crude oil flexibility project at the Lima Refinery and ongoing shut in of the Superior Refinery.

Comment

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.084

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.67

Comment

Oil and gas business division

Downstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.031

Comment

Husky classifies all gas assets as Upstream

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	7796000	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	1742000	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	34000	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

1685000

Gross Scope 1 methane emissions (metric tons CH4)

61

Total gross Scope 1 emissions (metric tons CO2e)

1694000

Comment

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

319000

Gross Scope 1 methane emissions (metric tons CH4)

1000

Total gross Scope 1 emissions (metric tons CO2e)

348000

Comment

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

4795000

Gross Scope 1 methane emissions (metric tons CH4)

2000

Total gross Scope 1 emissions (metric tons CO2e)

4858000

Comment

Emissions category

Combustion (excluding flaring)

Value chain

Other (please specify) (Drilling & Completions offshore)

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

60000

Gross Scope 1 methane emissions (metric tons CH4)

3

Total gross Scope 1 emissions (metric tons CO2e)

62000

Comment

Emissions category

Flaring

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

143000

Gross Scope 1 methane emissions (metric tons CH4)

203

Total gross Scope 1 emissions (metric tons CO2e)

149000

Comment

Emissions category

Flaring

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

13000

Gross Scope 1 methane emissions (metric tons CH4)

72

Total gross Scope 1 emissions (metric tons CO2e)

15000

Comment

Emissions category

Flaring

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

183000

Gross Scope 1 methane emissions (metric tons CH4)

880

Total gross Scope 1 emissions (metric tons CO2e)

206000

Comment

Emissions category

Fugitives

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

38

Total gross Scope 1 emissions (metric tons CO2e)

1000

Comment

Emissions category

Fugitives

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

20

Gross Scope 1 methane emissions (metric tons CH4)

3000

Total gross Scope 1 emissions (metric tons CO2e)

68000

Comment

Emissions category

Fugitives

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

16

Gross Scope 1 methane emissions (metric tons CH4)

4000

Total gross Scope 1 emissions (metric tons CO2e)

88000

Comment

Emissions category

Process (feedstock) emissions

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

190000

Gross Scope 1 methane emissions (metric tons CH4)

6

Total gross Scope 1 emissions (metric tons CO2e)

191000

Comment

Emissions category

Venting

Value chain

Downstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

335000

Gross Scope 1 methane emissions (metric tons CH4)

3000

Total gross Scope 1 emissions (metric tons CO2e)

406000

Comment

Emissions category

Venting

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

3000

Gross Scope 1 methane emissions (metric tons CH4)

2000

Total gross Scope 1 emissions (metric tons CO2e)

49000

Comment

Emissions category

Venting

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

58000

Gross Scope 1 methane emissions (metric tons CH4)

55000

Total gross Scope 1 emissions (metric tons CO2e)

1425000

Comment

Emissions category

Other (please specify) (On-site Propane & Diesel for Transportation & Stationary Combustion)

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

433

Gross Scope 1 methane emissions (metric tons CH4)

0

Total gross Scope 1 emissions (metric tons CO2e)

442

Comment

Emissions category

Other (please specify) (On-site Propane & Diesel for Transportation & Stationary Combustion)

Value chain

Upstream

Product

Oil

Gross Scope 1 CO2 emissions (metric tons CO2)

8000

Gross Scope 1 methane emissions (metric tons CH4)

0

Total gross Scope 1 emissions (metric tons CO2e)

8000

Comment

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Canada	8483000
United States of America	1049000
China	40000
Indonesia	0

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division
- By facility
- By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Upstream	7131000
Downstream	2329000
Chemical	112000

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Sunrise Energy Project	1420000	57.2415	-111.06
Lloydminster Upgrader	1185000	53.263	-109.949
Lima Refinery	1049000	40.72132	-84.1141
Tucker Thermal Project	863000	54.3427	-110.329
Bolney Thermal Project	488000	53.527	-109.357
Pikes Peak South Thermal Project	261000	53.21062	-109.367
Sea Rose FPSO	258000	46.7215	-48.1341
Edam East Thermal Project	239000	53.15615	-108.921
Vawn Thermal Project	237000	53.11599	-108.641
Rush Lake Thermal Project	230000	53.1135	-108.996
Rush Lake 2 Thermal Project	201000	53.11622	-108.98205
Sandall Thermal Project	133000	53.40071	-109.437
Edam West Thermal Project	115000	53.15613	108.92063
Paradise Hill Thermal Project	109000	53.6023	-109.448
Lloydminster Refinery	90000	53.2885	-110.018
Minnedosa Ethanol Plant	76000	50.2543	-99.8498
Rainbow Lake Gas Plant	75000	58.45067	-119.238
All other Husky Operated Facilities	2545000		

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Canadian Refining and Upgrading	1280000
Conventional Oil	1935000
Drilling and Completions	62000
Ethanol Production	112000
Gas Production, Gathering and Processing	482000
Offshore Oil Production	258000
Thermal Oil Production	4394000
US Refining	1049000

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	112000	<Not Applicable>	
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	7131000	<Not Applicable>	
Oil and gas production activities (midstream)		<Not Applicable>	
Oil and gas production activities (downstream)	2329000	<Not Applicable>	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Canada	1404000	731000	5560000	0
United States of America	509000	473000	2337000	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By business division
- By facility
- By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Upstream	791000	346000
Downstream	1067000	818000
Chemicals	54000	40000

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Lima Refinery	509000	473000
Lloydminster Upgrader	441000	292000
Sunrise Thermal Plant	180000	86000
Rainbow Lake Gas Plant	139000	66000
Tucker Lake Thermal Plant	77000	37000
Lloydminster Ethanol Plant	54000	12000
Bolney Thermal Plant	50000	17000
Lloydminster Refinery	47000	22000
Pikes Peak South Thermal Plant	28000	9000
Vawn Thermal Plant	25000	8000
Rush Lake Thermal Plant	24000	8000
Edam West Thermal Plant	24000	8000
Edam East Thermal Plant	23000	8000
All remaining Husky operated facilities (<20,000 tonnes location-based per facility)	292000	158000

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Canadian Refining and Upgrading	558000	344000
Conventional Oil Production	126000	57000
U.S. Refining	509000	473000
Gas Production, Gathering, and Processing	201000	96000
Thermal Oil Production	464000	193000
Ethanol Production	54000	40000

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	54000	40000	
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	791000	346000	
Oil and gas production activities (midstream)			
Oil and gas production activities (downstream)	1067000	818000	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-CH7.8

(C-CH7.8) Disclose the percentage of your organization's Scope 3, Category 1 emissions by purchased chemical feedstock.

Purchased feedstock	Percentage of Scope 3, Category 1 tCO2e from purchased feedstock	Explain calculation methodology
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C-CH7.8a

(C-CH7.8a) Disclose sales of products that are greenhouse gases.

	Sales, metric tons	Comment
Carbon dioxide (CO2)		
Methane (CH4)		
Nitrous oxide (N2O)		
Hydrofluorocarbons (HFC)		
Perfluorocarbons (PFC)		
Sulphur hexafluoride (SF6)		
Nitrogen trifluoride (NF3)		

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable >		
Other emissions reduction activities	38386	Decreased	0.31	Emissions reduction projects implemented in 2019 resulted in a reduction of 38,386 tonnes CO2e as per the initiatives listed in C4.3b. This figure assumes 1 month of partial upgrading, 1 month of CCS/U and 6 months of methane reduction activities as listed in C4.3b. ([37,412 tCo2e + 900 tCo2e + 74 tCo2e / [10,265,000 tCo2e + 2,035,000 tCo2e] = 0.31 %)
Divestment	131000	Decreased	1.07	PG Refinery Sale. (131,000 / 12,300,000 = 1.07%)
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output	629000	Decreased	5.11	Lima Refinery offline for Crude Oil Flexibility Project (decrease 158k tonnes), Superior Refinery offline full year 2019 (decrease 153k tonnes), shut in of SeaRose FPSO for part of 2019 (decrease 110k tonnes). Natural declines in aging reservoirs (production and related emissions) in conventional oil assets (decrease 108k). Steam reductions at thermal facilities that are fully online and no longer steaming new reservoir (100k). ([158,000+153,000+110,000+108,000 + 100,000] / 12,300,000 = 5.11%)
Change in methodology	60000	Increased	0.49	Regulatory methodology change – reporting threshold removed, now include Propane/Diesel emissions for all facilities (60,000/12,300,000 = 0.49)
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		Production curtailment mandated by provincial regulator
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	37215000	37215000
Consumption of purchased or acquired electricity	<Not Applicable>	0	5655000	5655000
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	2220000	2220000
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	45090000	45090000

C-CH8.2a

(C-CH8.2a) Report your organization's energy consumption totals (excluding feedstocks) for chemical production activities in MWh.

	Heating value	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	615000
Consumption of purchased or acquired electricity	<Not Applicable>	230000
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	105000
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0
Total energy consumption	<Not Applicable>	950000

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

29105000

MWh fuel consumed for self-generation of electricity

815000

MWh fuel consumed for self-generation of heat

6510000

MWh fuel consumed for self-generation of steam

21780000

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

296

Unit

kg CO2e per MWh

Emissions factor source

This figure is a calculated average of all combustion emissions Husky has classified as Natural Gas. Emissions from natural gas combustion are calculated using analyzed gas samples that are assigned to emissions inventories at the equipment level.

Comment

Husky includes both marketable and non-marketable gas in its natural gas fuel category for the purposes of this response.

Fuels (excluding feedstocks)

Refinery Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

7740000

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

7365000

MWh fuel consumed for self-generation of steam

375000

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

111

Unit

kg CO2e per MWh

Emissions factor source

This figure is a calculated average of all combustion emissions Husky has classified as Refinery Gas. Emissions from refinery gas combustion are calculated using analyzed gas samples that are assigned to emissions inventories at the equipment level.

Comment

Husky includes all refinery gases that are not natural gas or propane as part of this fuel category for the purposes of this response.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

278000

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

278000

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

296

Unit

kg CO2e per MWh

Emissions factor source

API Compendium Table 4.1

Comment

In some cases, Husky uses equipment specific diesel emission factors. The value reported is a weighted average value.

Fuels (excluding feedstocks)

Marine Gas Oil

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

72000

MWh fuel consumed for self-generation of electricity

34000

MWh fuel consumed for self-generation of heat

16000

MWh fuel consumed for self-generation of steam

22000

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

261

Unit

kg CO2e per MWh

Emissions factor source

WCI Final Essential Requirements of Mandatory Reporting Canada Dec 2011 Table 20-2

Comment

Fuels (excluding feedstocks)

Propane Liquid

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

22000

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

22000

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

219

Unit

kg CO2e per MWh

Emissions factor source

Husky uses emission factors specific to the regulatory reporting requirements of the region. The value reported is a weighted average.

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

490

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

490

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

254

Unit

kg CO2e per MWh

Emissions factor source

Husky uses emission factors specific to the regulatory reporting requirements of the region. The value reported is a weighted average.

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	860000	860000	0	0
Heat	22270000	22270000	0	0
Steam	21960000	21960000	0	0
Cooling	0	0	0	0

C-CH8.2d

(C-CH8.2d) Provide details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

	Total gross generation (MWh) inside chemicals sector boundary	Generation that is consumed (MWh) inside chemicals sector boundary
Electricity	0	0
Heat	710000	710000
Steam	245000	245000
Cooling	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Heat/steam/cooling supply agreement

Low-carbon technology type

Other, please specify (Recycled waste steam)

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Canada

MWh consumed accounted for at a zero emission factor

230000

Comment

The Lloydminster Ethanol Plant receives low pressure steam from the Husky Lloydminster Upgrader (HLU), which is a waste steam for the HLU.

C-CH8.3

(C-CH8.3) Does your organization consume fuels as feedstocks for chemical production activities?

No

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	20	Includes light & medium, and heavy crude oil
Natural gas liquids, million barrels	8	Natural gas liquids includes condensate
Oil sands, million barrels (includes bitumen and synthetic crude)	47	
Natural gas, billion cubic feet	183	

C-OG9.2b**(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.**

Husky's oil and gas reserves are estimated in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), and the reserves data disclosed conforms with the requirements of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). All of Husky's oil and gas reserves estimates are prepared by internal qualified reserves evaluation staff using a formalized process for determining, approving and booking reserves.

For the purposes of Husky's NI 51-101 reserves disclosure in the 2019 AIF, Sproule Associates Ltd. ("Sproule"), an independent firm of qualified reserves evaluators, was engaged to conduct a complete audit and review of 100% of Husky's oil and gas reserves estimates. Sproule issued an audit opinion stating that Husky's internally generated proved and probable reserves and net present values based on forecast and constant price assumptions are, in aggregate, reasonable, and have been prepared in accordance with generally accepted oil and gas engineering and evaluation practices as set out in the COGEH. Sproule has also this year executed the Form 51-101F2 attached as Appendix B to the AIF.

The Board of Directors has approved, on the recommendation of the Audit Committee, the content of Husky's disclosure of its reserves data and other oil and gas information. The reserves in C-OG9.2 are Husky's gross reserves, which are the working interest share of reserves before deduction of royalties and without including any royalty interests.

C-OG9.2c**(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.**

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	2105			Total gross working interest proved plus probable reserves. Resource base is not disclosed externally other than selected properties in the 2019 Investor Day presentation. Disclosure requires descriptions, risks and uncertainties as detailed in the 2019 Investor Day Advisory.

C-OG9.2d**(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.**

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids	18			Possible reserves not disclosed. Resource base also not disclosed other than for selected properties in 2019 Investor Day presentation.
Natural gas	17			
Oil sands (includes bitumen and synthetic crude)	65			

C-OG9.2e**(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.****Development type**

Other, please specify (Light & Medium Crude Oil)

In-year net production (%)

8

Net proved reserves (1P) (%)

7

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

Possible reserves are not disclosed

Development type

Other, please specify (Heavy Crude Oil)

In-year net production (%)

11

Net proved reserves (1P) (%)

3

Net proved + probable reserves (2P) (%)

3

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment**Development type**

Other, please specify (Bitumen)

In-year net production (%)

44

Net proved reserves (1P) (%)

66

Net proved + probable reserves (2P) (%)

65

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment**Development type**

Other, please specify (Conventional Natural Gas)

In-year net production (%)

29

Net proved reserves (1P) (%)

18

Net proved + probable reserves (2P) (%)

17

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment**Development type**

Other, please specify (Natural Gas Liquid)

In-year net production (%)

8

Net proved reserves (1P) (%)

6

Net proved + probable reserves (2P) (%)

6

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

C-CH9.3a

(C-CH9.3a) Provide details on your organization's chemical products.

Output product

Ethanol

Production (metric tons)

247580

Capacity (metric tons)

205000

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.21

Electricity intensity (MWh per metric ton of product)

0.93

Steam intensity (MWh per metric ton of product)

1.27

Steam/ heat recovered (MWh per metric ton of product)

Comment

C-OG9.3a

(C-OG9.3a) Disclose your total refinery throughput capacity in the reporting year in thousand barrels per day.

	Total refinery throughput capacity (Thousand barrels per day)
Capacity	308

C-OG9.3b

(C-OG9.3b) Disclose feedstocks processed in the reporting year in million barrels per year.

	Throughput (Million barrels)	Comment
Oil	112.42	Throughput information is from Husky's 2019 Annual Report. Information report is on a net equity basis. Canadian Refining and Upgrading throughput of 108.5 mbbbls/day. U.S. Refining throughput of 199.5 mbbbls/day. Total throughput of 308.0 mbbbls/day * 365 days / 1000 = 112.42 MMbbls
Other feedstocks	1.36	Natural gas is used as feedstock for hydrogen production through steam methane reforming (SMR). Hydrogen is required for hydrotreating and hydrocracking as an integral part of the upgrading and refining operations. 8,169 million standard cubic feet of total natural gas used as SMR feedstock at Husky Downstream facilities / MMBOE MMscf/MMBOE = 1.36 MMBOE
Total	113.78	MMBOE

C-OG9.3c

(C-OG9.3c) Are you able to break down your refinery products and net production?

No

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Husky is currently investing in CO2 capture. This technology has been piloted at Husky's Pike Peak South thermal facility since 2016.

C-CH9.6a

(C-CH9.6a) Provide details of your organization's investments in low-carbon R&D for chemical production activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
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(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Carbon capture and storage/utilisation <i>CO2 capture</i>	Pilot demonstration	≤20%	2200000	This investment was made to facilitate upscale of CO2 capture technology from 0.5TPD to 30TPD capture. Plant became operational in Dec, 2019. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Carbon capture and storage/utilisation <i>CO2 capture and liquefaction</i>	Small scale commercial deployment	21-40%	4313200	Facility was originally developed as a pilot in 2011. This investment represents expense to operate the CO2 liquefaction. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Enhanced Oil Recovery (EOR) techniques	Pilot demonstration	21-40%	16229000	Husky has four operational EOR pilot schemes with varying geological characteristics. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Other energy efficiency measures in the oil and gas value chain <i>SAGD SOR AI Optimization</i>	Small scale commercial deployment	≤20%	1800000	Husky has been working to develop a tool to utilize machine learning and artificial intelligence models to improve steam oil ratios and optimize performance at its thermal facilities. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Other, please specify (HDR technology development for partial upgrading to reduce diluent usage)	Pilot demonstration	21-40%	1779398	HDR technology development for partial upgrading to reduce diluent usage. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Enhanced Oil Recovery (EOR) techniques	Pilot demonstration	≤20%	392324	Non-condensable gas injection pilot for partial pressure maintenance and steam-oil ratio reduction. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.
Enhanced Oil Recovery (EOR) techniques	Applied research and development	≤20%	250000	Solvent steam additives laboratory testing for reducing steam usage. The average percentage of R&D represents the share of investment in low carbon R&D. Husky did not report total R&D until the 2019 reporting year. This figure can be found in the Company's ESG report.

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

37

C-OG9.8

(C-OG9.8) Is your organization involved in the sequestration of CO2?

Yes

C-OG9.8a

(C-OG9.8a) Provide, in metric tons CO2, gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis).

	CO2 transferred - reporting year (metric tons CO2)
CO2 transferred in	0
CO2 transferred out	0

C-OG9.8b

(C-OG9.8b) Provide gross masses of CO2 injected and stored for the purposes of CCS during the reporting year according to the injection and storage pathway.

Injection and storage pathway	Injected CO2 (metric tons CO2)	Percentage of injected CO2 intended for long-term (>100 year) storage	Year in which injection began	Cumulative CO2 injected and stored (metric tons CO2)
CO2 used for enhanced oil recovery (EOR) or enhanced gas recovery (EGR)	63149	0	January 1 2008	703639

C-OG9.8c

(C-OG9.8c) Provide clarification on any other relevant information pertaining to your activities related to transfer and sequestration of CO2.

Husky is not currently operating a dedicated carbon capture and sequestration project. However, its CO2 EOR activities do result in partial retention and storage of carbon dioxide during and following operation.

Husky injects CO2 into several reservoirs in the Lloydminster area of Saskatchewan for the purposes of enhanced oil recovery. While some CO2 is retained, this activity is cyclic and not specifically designed to store CO2 in the formation. There is no assurance of long-term storage implied. As understanding of the reservoir response increases, Husky will be able to determine storage and retention capacity of the formation.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

ESG Report 2019.pdf

Page/ section reference

pp. 49 - 50

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Underway but not complete for reporting year – previous statement of process attached

Type of verification or assurance

Limited assurance

Attach the statement

ESG Report 2019.pdf

Page/ section reference

pp. 49 - 50

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISAE 3000	Husky publishes our total energy use (GJ) with limited assurance.
C4. Targets and performance	Progress against emissions reduction target	ISO14064-3	For facilities that are governed by the Alberta Carbon Competitiveness Incentive regulation and Saskatchewan Management and Reduction of Greenhouse Gases Regulations, verification work is in relation to a baseline year for the purposes of evaluating progress towards emissions reduction obligations. For facilities (Minnedosa Ethanol Plant) that are regulated under the federal Output-Based Pricing System (OBPS Regulations), under the Federal Greenhouse Gas Pollution Pricing Act (GGPPA).

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

- Alberta Carbon Competitive Incentive Regulation (CCIR) – ETS
- BC carbon tax
- Canada federal fuel charge
- Canada federal Output Based Pricing System (OBPS) - ETS
- Newfoundland and Labrador carbon tax
- Saskatchewan OBPS - ETS
- Other carbon tax, please specify (Alberta Carbon Tax)

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

Alberta Carbon Competitive Incentive Regulation (CCIR) – ETS

% of Scope 1 emissions covered by the ETS

5.45

% of Scope 2 emissions covered by the ETS

6.21

Period start date

January 1 2019

Period end date

December 31 2019

Allowances allocated

1752305

Allowances purchased

521781

Verified Scope 1 emissions in metric tons CO2e

2274087

Verified Scope 2 emissions in metric tons CO2e

118899

Details of ownership

Other, please specify (Operated and owned outright or jointly)

Sunrise: 50% ownership with BP Tucker: 100% Husky ownership

Comment

Husky's Sunrise and Tucker thermal projects were subject to Alberta's CCIR in 2019. Both facilities exceeded their output-based allocation limit in 2019 and used a combination of compliance fund and offset/EPC credit purchases.

Canada federal OBPS - ETS

% of Scope 1 emissions covered by the ETS

0.24

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2019

Period end date

December 31 2019

Allowances allocated

52281

Allowances purchased

23302

Verified Scope 1 emissions in metric tons CO2e

75583

Verified Scope 2 emissions in metric tons CO2e

Details of ownership

Other, please specify (Operated and owned outright or jointly)

Comment

Verification of Scope 1 data underway. The facility included in the federal Output-Based Pricing System is the Minnedosa Ethanol Plant.

Saskatchewan OBPS - ETS

% of Scope 1 emissions covered by the ETS

1.55

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2019

Period end date

December 31 2019

Allowances allocated

2364256

Allowances purchased

148257

Verified Scope 1 emissions in metric tons CO2e

2490048

Verified Scope 2 emissions in metric tons CO2e

Details of ownership

Other, please specify (Operated and owned outright or jointly)

Comment

The allocations are purchased allowances and are estimated based on the facility-specific baseline applications under the SK output-based performance standards which are pending approval from the SK Ministry of Environment. The payments/credits for 2019 facility performance will be paid/issued as part of the 2021 reporting cycle as per SK output-based performance standards. Facilities included in the SK output-based performance standards include the Lloydminster Upgrader, Lloydminster Ethanol Plant, and the Bolney, Paradise Hill, Pikes Peak South, Rush Lake, Sandall, and Vawn thermal plants.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

BC carbon tax

Period start date

January 1 2019

Period end date

December 31 2019

% of total Scope 1 emissions covered by tax

0.29

Total cost of tax paid

550740

Comment

BC fuel levy.

Canada federal fuel charge

Period start date

April 1 2019

Period end date

December 31 2019

% of total Scope 1 emissions covered by tax

2.33

Total cost of tax paid

249000

Comment

Federal Fuel Levy imposed as of April 1, 2019.

Newfoundland and Labrador carbon tax

Period start date

January 1 2019

Period end date

December 31 2019

% of total Scope 1 emissions covered by tax

0.58

Total cost of tax paid

1258325

Comment

Newfoundland and Labrador Fuel Levy

Other carbon tax, please specify

Period start date

January 1 2019

Period end date

May 29 2019

% of total Scope 1 emissions covered by tax

0.39

Total cost of tax paid

1423929

Comment

AB Carbon Tax. Alberta Fuel levy was rescinded effective May 29, 2019. Federal Fuel levy not in effect until Jan 1, 2020.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Husky seeks to reduce emissions at its facilities through improved energy and emissions management and generation of carbon offsets, and offsets the balance of compliance obligations through the use of emissions performance credits, purchases of project-based carbon offsets, and purchases of technology fund credits

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit origination

Project type

Methane avoidance

Project identification

Husky has almost 100 methane reduction projects capable of generating offset credits in Alberta. These projects are either high-to-low bleed conversions or device electrification (solar). All projects are located on natural gas wellsites. In past years these projects have prevented emissions of 12,000-15,000 tonnes CO₂e per year. Verification of 2019 volumes are ongoing. Numbers of credits (metric tons CO₂e) for 2019 are not yet confirmed, however, it is conservatively estimated they will be at least 5,000 tonnes

Verified to which standard

Other, please specify (Alberta Standard for Validation, Verification, and Audit)

Number of credits (metric tonnes CO₂e)

5000

Number of credits (metric tonnes CO₂e): Risk adjusted volume

5000

Credits cancelled

No

Purpose, e.g. compliance

Compliance

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Navigate GHG regulations
Stakeholder expectations
Change internal behavior
Drive energy efficiency
Stress test investments
Supplier engagement

GHG Scope

Scope 1
Scope 2

Application

Upstream and Downstream Canadian operations

Actual price(s) used (Currency /metric ton)

50

Variance of price(s) used

Husky employs a geographically differentiated shadow price that is sensitive to the realistic pricing assumptions of each jurisdiction in which it operates. For Canada, this results in an evolutionary pricing model that is based on the proposed Pan-Canadian Climate Framework, which calls for annual escalating prices approaching \$50/tonne by 2022. The starting point for this pricing varies by province based on the carbon pricing regulations currently in place.

Type of internal carbon price

Shadow price

Impact & implication

Husky uses an internal price on carbon to evaluate projects in jurisdictions where there is a regulatory compliance obligation for GHG emissions or where there is a reasonable expectation that additional material compliance obligations will be implemented in the near to mid-term. The Company considers both the cost and value of GHGs; for example, Husky places a value on CO₂ as a means to enhance heavy oil production. Husky has evaluated investments in energy efficiency at the Sunrise and Tucker thermal facilities using internal carbon pricing in line with current and proposed regulations of \$30 per tonne, escalating to \$50 per tonne by 2022 to determine additional sensitivity for the projects.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

% of suppliers by number

100

% total procurement spend (direct and indirect)

4.96

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

All new trades payable suppliers are required to respond to a series of questions in the supplier pre-qualification questionnaire. In this questionnaire, suppliers are asked specific questions regarding their disclosure of climate related information. Additionally, they are asked if they comply with all applicable environmental laws and regulations, which include climate-related regulations, within their jurisdiction.

Impact of engagement, including measures of success

Impact: Suppliers are aware that Husky is interested in their climate risks disclosure. Measure of success: New trades payable suppliers to complete the questionnaire.

Comment

100% of new suppliers onboarded in 2019. 4.96% = 2019 new supplier spend & suppliers onboarded in 2019, over 2019's total procurement spend.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify (Emissions reduction initiative)

% of suppliers by number

18.8

% total procurement spend (direct and indirect)

63

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In 2016, Husky joined the SmartWay Transport Partnership. This collaboration is designed to help businesses reduce fuel costs while transporting goods in the cleanest, most efficient way possible. SmartWay works with freight carriers and shippers that are committed to benchmarking their operations, tracking their fuel consumption and improving their annual performance. While not all Husky suppliers are SmartWay members, as the program grows, Husky anticipates further fuel efficiency and cost improvements in the supply chain. By joining SmartWay, Husky is signalling a commitment to clean freight to its suppliers.

Impact of engagement, including measures of success

Impact: Husky's Canadian Products Marketing business unit participates to drive fuel cost reductions, contributing to improved efficiency. Measure of success: Onboarded additional carriers. Tracked total tonne-kilometers driven and emissions by Canadian Products Marketing's Downstream operations carriers to measure year-on-year performance.

Comment

18.8% = SmartWay-registered carriers for Canadian Products Marketing Light and Heavy Oil freight services (Six carriers out of 32 total). 63% = Total 2019 spend on SmartWay carriers over total procurement spend on Canadian Products Marketing Light and Heavy Oil.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Husky engages with its JV partners on large projects through JV committees that discuss numerous issues, including GHG emissions. Specifically, Husky and BP collaborate on GHG issues related to BP-Husky Refining LLC and the Sunrise Energy Project with the aim of achieving compliance strategy consensus. Husky prioritizes GHG engagement with value chain partners where there is a major risk posed by exposure to climate-related issues such as regulatory changes. Success is measured through financial indicators, including performance against carbon-related fee targets for facilities that fall under a regulatory scheme that includes a compliance cost for carbon emissions.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations
Funding research organizations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Carbon tax	Support	Husky continues to engage directly with provincial and federal government agencies through pro-active outreach, as well as through input to industry associations representing broad industry consensus.	Husky supports efforts to price carbon in a way that is equitable for all GHG emitters and preserves industry competitiveness.
Regulation of methane emissions	Support	Husky continues to engage directly with provincial and federal government agencies through proactive outreach, as well as through input to industry associations representing broad industry consensus.	Husky supports incentives for early action on methane emission reductions that give industry the flexibility to manage reductions efficiently.
Other, please specify (Clean Fuel Standard)	Support with major exceptions	Husky continues to engage directly with provincial and federal government agencies through pro-active outreach, as well as through input to industry associations representing broad industry consensus.	Husky supports efforts to reduce the carbon intensity of all fuels, including transportation fuels. The Company encourages the recognition and mitigation of overlapping carbon regulations by regulators, while allowing companies to define the best pathways to compliance.
Other, please specify (Technology Fund and Offset Program Developments)	Support	Husky continues to engage directly with provincial and federal government agencies through proactive outreach, as well as through input to industry associations representing broad industry consensus.	Husky supports development of provincial and federal technology funds and offsets programs to incentivize emissions reduction projects.
Other, please specify (Support for Clean Technology Development in the oil and gas sector)	Support	Husky continues to engage directly with provincial and federal government agencies through proactive outreach, as well as through input to industry associations representing broad industry consensus.	Husky supports an expanded role for government in providing funding to develop and deploy innovation and/or technology that improves GHG performance in the sector.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Canadian Association of Petroleum Producers (CAPP)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

CAPP's climate change policy principles as shown at <https://www.capp.ca/environment/climate-change/> CAPP supports climate policies that are effective and efficient in managing greenhouse gas emissions while maintaining a vibrant and competitive oil and natural gas sector. This includes an emphasis on environmental innovation as well as the creation of effective policies and regulations. CAPP's climate change policy principles are: Collaborative and Solutions-Oriented •Given Canada's climate commitments and industry impacts, CAPP will proactively collaborate with governments and stakeholders towards appropriate policy solutions. •Policy solutions need to be adaptive and carefully consider environmental, economic, and social outcomes. Efficient, Effective and Predictable •Climate policy should target reductions where they are most efficient and effective right across the entire energy value chain from production to end use and considering fairly all sectors and jurisdictions. •Climate change policies should achieve emissions reductions at the least cost to Canadians, the economy and industry. •Revenues from climate policy should be fully recycled back into the economy to incent innovation, assist transition or reduce other taxes and levies. Technology and Innovation Focused •Policy should incent technology and innovation to address climate change, and capture the opportunity to export solutions to the world. •Considerable future emissions reductions will stem from improving the hydrocarbon energy sector requiring continuing strong innovation and policy in these areas. Globally Competitive •Canada's climate policies must ensure our resource development is cost and carbon competitive with other jurisdictions, especially the U.S. as our largest trading partner. •Canada's climate policy leadership should bring proportionate benefits to Canada, including ensuring we receive full value for Canadian energy products through effective access to global markets. •Canada is highly dependent on the development and trade of its natural resources, and on its ability to attract foreign investment. Canada's climate policies must be designed to maintain our ability to raise global investment capital.

How have you influenced, or are you attempting to influence their position?

Husky participates in working groups within CAPP to inform the industry association's position relative to climate change policy in Canada.

Trade association

Canadian Fuels Association (CFA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

CFA's policy position is presented at <http://www.canadianfuels.ca/IssuesPolicy/Policy-Positions> under the Climate Change and GHG Emission Reduction section. CFA's Position on Climate Change To address the risks of climate change, reducing GHG emissions has become an important global issue. Under the auspices of the Paris Agreement, virtually every country has committed to reduce their GHG emissions. For Canada, our collective efforts to achieve a sustainable, lower carbon future must be founded on three key actions: •Explore, define and evaluate GHG emission-reduction pathways in collaboration with all stakeholders before targets are set. •Recognize Canada's productivity and competitiveness as core considerations in the development and implementation of a national GHG-reduction strategy. •Ensure that sound evidence and cost-benefit analyses drive decision-making and are transparently shared with citizens. Climate policy has far reaching implications for citizens, business and society in general. Canadian Fuels Association and its members support policy approaches that minimize the overall cost to society of reducing climate risks. Broad-based

carbon pricing mechanisms that are transparent, uniform and predictable are useful tools to send clear price signals across the economy that can effectively and efficiently reduce Canada's carbon footprint.

How have you influenced, or are you attempting to influence their position?

Husky participates in working groups within CFA to inform the industry association's position relative to climate change policy in Canada.

Trade association

Canadian Manufacturers and Exporters Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

CME Advocacy Highlights: <https://cme-mec.ca/blog/initiatives/lowering-business-costs/> including position on Carbon Taxes and Revenue Recycling and the Clean Fuel Standard. CME's policy position on carbon taxation and revenue recycling: "CME is calling for the revenue-neutral distribution of carbon pricing monies. Funds collected under the federal backstop system should be returned to the "person" (the company) to invest in projects that improve environmental performance and increase investment in emissions-reducing machinery, equipment and technologies. We believe that federal carbon pricing backstop system must be balanced and cannot compromise economic growth, industrial investment, or the global competitiveness of manufacturers. The system must be designed in such a way so that companies receive access to funds directly in proportion to how much they pay in carbon taxes or cap-and-trade expenses". CME's policy position on Clean Fuel Standard: "CME supports efforts to reduce GHG emissions intensity across Canada but is concerned about the impact the CFS will have on Canada's business competitiveness. The CFS will add cost to doing business and will further discourage investment in Canada. CME calls on the on the federal government to: 1. Complete a comprehensive economic analysis and modelling exercise; and, 2. Exempt all manufacturing fuels from the CFS. The CFS must not result in carbon leakage –whereby companies simply shift their production to other jurisdictions with less stringent regulations, a loss of manufacturing jobs, a weaker economy, or a net increase in global GHG emissions".

How have you influenced, or are you attempting to influence their position?

Husky participates in working groups within CME to inform the industry association's position relative to climate change policy in Canada.

Trade association

Canadian Chamber of Commerce

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Canadian Chamber of Commerce recognizes that climate policy must be part of a broader national conversation about Canada's competitiveness. This discussion must include concrete action to address the decline in foreign direct investment in Canada, and our inability to move forward on major infrastructure projects. The CCC has supported putting a price on carbon since 2011. However, the organization believes it must be part of coherent strategy to deal with climate change, and not simply add to a hodge-podge of other measures. The Canadian Chamber of Commerce's Statement on Carbon Pricing is presented at: http://www.chamber.ca/media/news-releases/20181217_statement_on_carbon_pricing/ The CCC's support for putting a price on carbon is not unconditional. It depends upon the carbon pricing mechanism being revenue neutral, that the overall regulatory burden on business is reduced, and that the revenue generated is used to help businesses invest in innovation and technologies to reduce their carbon emissions and energy costs. The Chamber believes that a well-executed carbon pricing policy has the potential to reduce the overall costs to business through the reduction or elimination of other duplicative regulatory burdens. The CCC released a report that outlined the cumulative costs of climate policy in Canada. The CCC recognized the imperative need for Canada to pursue greenhouse gas emissions reductions at the lowest possible cost to Canadians and Canadian businesses. The report highlighted the layering of different carbon prices and increased costs of jurisdictional overlaps will needlessly raise the cost of compliance for Canadian businesses. Energy affordability is key to Canada's economic competitiveness, and the impacts of additional implicit carbon pricing costs must be carefully balanced so energy remains affordable for households, and businesses remain competitive with other jurisdictions that may not face the same regulations. Policymakers must continue to be attentive to how implicit and explicit carbon pricing makes Canada a more expensive place to invest in energy-intensive projects when compared to other jurisdictions. The CCC recommends that emission reductions be approached in a manner that balances the environment, the economy and energy affordability.

How have you influenced, or are you attempting to influence their position?

Husky participates in working groups within CCC to inform the industry association's position relative to climate change policy in Canada.

Trade association

American Fuel & Petroleum Manufacturers

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

AFPM acknowledges climate change is real and is committed to the development of sound policies that enable our members to supply the fuel and petrochemicals that growing global populations and economies need to thrive, and to do so in an environmentally sustainable way. Position link here: <https://www.afpm.org/issues/environment/climate> Policies addressing climate change must be: •Balanced and measured to improve quality of life, ensuring the long-term economic, energy, and environmental needs of humanity are met; •Protective of U.S. competitiveness and prevent the shifting of production, jobs, and emissions from the United States to other countries; •Harmonized, preemptive, and economy-wide; •Simple and transparent; and •Achievable and flexible to adjust as necessary. AFPM and our members are further committed to: •Delivering affordable, reliable fuel and petrochemicals products that lift the standards of living for people all over the world; •Improving the efficiency and sustainability of our operations; •Offering fuels and petrochemicals that make engines and other products more efficient; and •Continuing research, innovation, and application of new technologies and products.

How have you influenced, or are you attempting to influence their position?

Husky participates in working groups within AFPM to inform the industry association's position relative to climate change policy in the United States.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Key individuals in the business units and supporting service groups collaborate to align Husky's position through the Carbon Management Regulatory Monitoring Committee. The Company's climate change strategy is clearly communicated to policy makers either directly or through participation in industry association working groups within the jurisdictions where the Company operates. Husky's Government Relations department works with Company representatives involved in policy engagement to ensure that policy advocacy activities are aligned. As of 2020 Husky has a Government Relations Policy that directs behaviour related to advocacy, including industry association participation that ensures consistent application of the Company's corporate position across all engagement. The Policy also includes direction on Husky not participating in industry associations that do not align with its corporate vision on climate change and climate policy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

ESG Report 2020.pdf

Page/Section reference

Key Performance Data (pp. 5) Climate-Related Risks and Air Emissions (pp. 23 - 27)

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

AIF 2019.pdf

Page/Section reference

Air and Climate Change (pp. 46-49), Social, Environmental and Governance Considerations: Climate Change (pp. 53-54), Climate Change Risks (pp. 60-61).

Content elements

Governance
Risks & opportunities

Comment

Publication

In other regulatory filings

Status

Complete

Attach the document

Page/Section reference

Content elements

Emissions figures
Emission targets

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

READER ADVISORIES

Forward-Looking Statements and Information

Certain statements in this document are forward-looking statements and information (collectively "forward-looking statements"), within the meaning of applicable Canadian securities legislation, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. The forward-looking statements contained in this document are forward-looking and not historical facts.

Some of the forward-looking statements may be identified by statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "will continue", "is anticipated", "is targeting", "estimated", "intend", "plan", "projection", "forecast", "guidance", "could", "may", "would", "aim", "vision", "goals", "objective", "target", "schedules" and "outlook"). In particular, forward-looking statements in this document include, but are not limited to, references to: the Company's general strategic plans and growth strategies; anticipated increases to carbon-related payments; potential financial impacts and time horizons of identified risks; potential climate-related opportunities and their corresponding likelihood, time horizon, magnitude of impact, potential financial impact and the costs and strategies to realize the opportunities; the results of the Company's scenario analysis; Scope 1 greenhouse gas emissions reduction targets and associated timelines; methane reduction target and associated timeline; number of emissions reduction initiatives at various stages of development and their estimated annual CO₂e savings; estimated annual CO₂e savings, annual monetary savings, investment required, payback period and estimated lifetime of implemented emissions reduction initiatives; and a proposed investment in Husky Diluent Reduction.

In addition, statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of reserves and in projecting future rates of production and the timing of development expenditures. The total amount or timing of actual future production may vary from reserve and production estimates.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this document are reasonable, the Company's forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources, including third party consultants, suppliers and regulators, among others.

Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to the Company.

The Company's Annual Information Form for the year ended December 31, 2019 and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com and the EDGAR website www.sec.gov) describe risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference.

New factors emerge from time to time and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon management's assessment of the future considering all information available to it at the relevant time. Any forward-looking statement speaks only as of the date on which such statement is made and, except as required by applicable securities laws, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events.

Non-GAAP Measures

This document contains reference to the term "breakeven price", which does not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and is therefore unlikely to be comparable to similar measures presented by other issuers. This measure is not used to enhance the Company's reported financial performance or position and there are no comparable measures to this non-GAAP measure in accordance with IFRS.

Breakeven price reflects the estimated WTI oil price per barrel priced in US dollars required in order to generate funds flow from operations equal to the Company's sustaining capital requirements in Canadian dollars over a 12-month period ending December 31. This assumption is based on holding several variables constant throughout the period, including: foreign exchange rate, light-heavy oil differentials, realized refining margins, forecast utilization of downstream facilities, estimated production levels, and other factors consistent with normal oil and gas company operations. Breakeven price is used to assess the impact of changes in WTI oil prices on the net earnings of the Company and could impact future investment decisions.

Disclosure of Oil and Gas Information

Unless otherwise indicated: (i) reserves estimates in this document have been prepared by internal qualified reserves evaluators in accordance with the Canadian Oil and Gas Evaluation Handbook, have an effective date of December 31 in the years indicated and represent the Company's working interest share before royalties; (ii) projected and historical production volumes provided represent the Company's working interest share before royalties; and (iii) historical production volumes provided are for the year ended December 31, 2019.

The Company uses the term barrels of oil equivalent ("boe"), which is consistent with other oil and gas companies' disclosures, and is calculated on an energy equivalence basis applicable at the burner tip whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. The term boe is used to express the sum of the total company products in one unit that can be used for comparisons. Readers are cautioned that the term boe may be misleading, particularly if used in isolation. This measure is used for consistency with other oil and gas companies and does not represent value equivalency at the wellhead.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms