

CODE OF BUSINESS CONDUCT

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MESSAGE FROM OUR CEO



Conducting our business honestly and with integrity is fundamental.

This approach guides our processes, how we conduct ourselves with our partners and stakeholders, and helps shape our community relations.

Our Code of Business Conduct provides clear direction for employees, contractors, officers and directors on how to conduct their affairs honestly and in good faith. We expect our staff to demonstrate a high level of personal accountability and we provide a positive and respectful workplace that promotes diversity, teamwork and employment equity across all levels of the Company.

We maintain an anonymous and confidential online reporting tool and toll-free number for employees, contractors and other stakeholders to report perceived breaches. Adhering to this Code and identifying areas of improvement strengthens both Husky's reputation and our collective integrity.

This Code is a living document that reflects Husky's values, expectations and reputation, and our desire to not only do business well, but do it right. By conducting our work at the highest possible standards, each of us can contribute to Husky's success.

A handwritten signature in black ink, appearing to read 'R. Peabody'. The signature is stylized and fluid.

Robert J. Peabody
Chief Executive Officer

PURPOSE

Husky Energy Inc. is committed to upholding high standards of business integrity, and seeks to deter wrongdoing and to promote transparent, honest and ethical behaviour in all our business dealings. It is for this reason the Code of Business Conduct (the "Code") was developed.

The Code applies to Husky Energy Inc. and all divisions, subsidiaries and affiliate companies over which it exercises control (collectively, "Husky" or the "Company"). It also applies to all officers, directors and employees of Husky, which for these purposes includes Husky temporary or contract staff (hereinafter referred to as "Personnel").

The Code sets out the minimum standards of conduct to which all Personnel are required to adhere. Personnel are to comply with any additional requirements set by their employing company or by local law, which may be stricter than those set out here.

The Code may be modified from time to time. Personnel will be notified of any such changes.

1. GENERAL GUIDELINES FOR APPROPRIATE CONDUCT

You, as Personnel, are expected to accept certain responsibilities, adhere to acceptable legal business principles, and exhibit a high degree of personal integrity at all times. You are expected to refrain from behaviour that might be harmful to you, your co-workers, our business associates or the Company. The intent of the Code is not to place unreasonable restrictions on your personal actions, but to set out the standards you are expected to meet in your capacity as Personnel. You are expected to comply with the Code and all Husky policies.

Husky will strive to ensure the activities of our Personnel, contractors and agents are consistent with these principles. Any breach of the Code is considered serious and may result in disciplinary action up to and including the immediate termination of employment for just cause in accordance with the prevailing laws and regulations of the jurisdiction you are in, or the immediate termination of a service contract.

If you have any questions relating to the Code, you are to seek the advice of your Department Manager, the executive responsible for your business unit, or the Legal Department.

2. COMPLIANCE WITH LAWS

You must recognize, be familiar with, and comply with the governmental laws, rules, and regulations that apply to Husky's business in the area in which your employing company operates.

3. DIVERSITY AND RESPECTFUL WORKPLACE

Husky is an equal opportunity employer and is committed to an environment that is free of discrimination, harassment and violence, and where respectful treatment is the norm. The Company supports and promotes the protection of human rights and prohibits discrimination based on the grounds protected by law in the jurisdiction in which you are employed.

All incidents of harassment, discrimination, and violence should be reported. Such allegations are taken seriously and treated in a discrete and timely manner. Husky strictly prohibits retaliatory action in any form against any Personnel who, in good faith, reports a possible violation.

See Diversity and Respectful Workplace Policy 2.02 for further information.

4. ALCOHOL AND DRUGS

Husky is committed to providing a safe, healthy and productive work environment. Personnel make a valuable contribution to Husky's success through safe, efficient and conscientious performance of their duties. Personnel are required to be fit for duty when reporting for work and remain fit for duty at all times while at work. All Personnel are required to report any unsafe work conditions, including when Personnel are not fit for duty.

The use of alcohol and/or drugs, including prescription medications that may be mood-altering or impair judgment, may adversely affect job performance, productivity, business decisions and the safety and well-being of our people and the communities in which we operate. Personnel are required to declare if they are not fit for duty or are under treatment that may impair performance to ensure the continued safe operation of our business. The nature of treatment or illness does not need to be disclosed.

Personnel who have an alcohol or drug dependency or any concerns related to the use or abuse of alcohol and/or drugs are expected to seek assistance at the earliest opportunity. Assistance and support is provided through the Employee and Family Assistance Program ("EFAP"). EFAP services are completely confidential and offered at no cost to employees and their family members.

See Drug and Alcohol Policy 2.09, Statement of Contractor Requirements and the Employee and Family Assistance Program guideline for further information.

5. CONFLICTS OF INTEREST AND OUTSIDE ACTIVITIES

You must avoid all situations in which your personal interests conflict with your duties to Husky or the interests of the Company. To do so, you must be sensitive to any activities, interests or relationships that might conflict, or even appear to conflict, with your ability to act in the best interests of Husky. You are required to disclose any potential conflict of interest upon commencing work. You must immediately disclose any potential conflicts of interest that arise or you become aware of after starting at Husky to your Department Manager or the executive responsible for your business unit. If the Department Manager or the executive responsible for your business unit is uncertain whether the situation is contrary to Company policy, he or she is expected to consult with Husky's Senior Vice President, Human & Corporate Resources or Senior Vice President, General Counsel & Secretary.

A potential conflict of interest arises any time you or any "related person" engage in any activity that may:

- (a) result, directly or indirectly, in you or any related person receiving a benefit from a relationship with Husky, at the expense of Husky, or resulting in a lost opportunity to Husky; or
- (b) interfere with your objectivity or effectiveness in performing your duties and responsibilities to Husky.

A "related person" is generally a person with whom you have a close personal relationship, a member of your household, or a person financially dependent on you. At a minimum, this includes your spouse, civil partner, and any person living in the same house as you.

Any of the following activities can create conflicts as described further below:

- (a) Outside work, employment, or other endeavours:
 - (i) in areas similar to those in which Husky is involved;
 - (ii) for customers, contractors, partners or competitors of Husky; or
 - (iii) that otherwise have the potential to affect your objectivity and work performance.
- (b) Performing outside work or soliciting outside business on Husky's premises or on Husky's time.
- (c) Using Husky's equipment or services, materials, resources or proprietary information for outside work.
- (d) Engaging in any activities that could reflect negatively on Husky's reputation or our Personnel.
- (e) Holding any financial interest in, or taking a loan from, a company or organization that is a contractor, customer, partner or competitor of Husky.

The restrictions on relationships with contractors, customers, partners and competitors set out in this section will also apply, as appropriate, to affiliates of those entities.

Unless you have disclosed the matter and obtained approval as set forth above, you should not:

- (a) Influence, or seek to influence, a corporate decision in a manner that favours another individual or organization in the expectation of realizing personal gain for yourself, a related person, or others with whom you have or have had an association.

- (b) Own, either directly or indirectly, a significant financial interest in any contractor, customer, partner or competitor of Husky. A financial interest is significant if the holding is either:
 - (i) 5% or more of the stock, assets or other interests of the contractor, customer, partner or competitor; or
 - (ii) 10% or more of your net assets.Such financial interest includes, among other things, significant investments in oil and gas properties and shares or securities of Husky's joint ventures.
- (c) Own any investments that could materially affect your judgment with respect to Husky's business interests.
- (d) Act as an officer, director, partner, consultant, representative, agent, advisor or employee of any of the following:
 - (i) a contractor, customer, partner or competitor of Husky;
 - (ii) any business that is involved in technical areas or product lines that are similar to those of Husky;
 - (iii) any business whose customers include Husky, our customers or our contractors; or
 - (iv) any organization that has or seeks business dealings with Husky where there exists (or may appear to exist) an opportunity for special consideration for you or the organization.
- (e) Accept any directorship, consulting or advisory appointment or engage in any other activity that could create a conflict of interest that may impair Husky's reputation for impartiality and fair dealings. Examples of such activities include the following:
 - (i) owning a financial interest with an employee or representative of a contractor, customer, partner or competitor of Husky with whom you regularly come into contact while performing Husky business;
 - (ii) accepting a personal discount (on products, services or other items) from an employee or representative of a contractor, customer, partner or competitor of Husky, which is not generally available in the normal course of business; and
 - (iii) dealing directly in the course of normal Husky responsibilities with a related person who is employed by a contractor, customer, partner or competitor of Husky.

6. PROPER RECORD-KEEPING

If you prepare any accounting, sales, or operations records, you are required to do so in a manner that ensures Husky's books, records and accounts reflect accurately, fairly, in reasonable detail, and on a timely basis, all transactions, acquisitions, dispositions of assets, and other business affairs of Husky.

You are prohibited from the following:

- (a) establishing or maintaining any unrecorded funds, assets or transactions on behalf of Husky;
- (b) making any false, artificial, or misleading entries in the books, records and documents of Husky for any reason;
- (c) engaging in any arrangement internally and/or externally that results in such prohibited acts; and
- (d) initiating any transaction or making any payment on behalf of Husky with the intention or understanding that the transaction or payment is other than what is described in its documentation.

7. COMMUNITY INVESTMENT

Husky's Community Investment program supports the corporate business strategy by building Husky's reputation as a responsible and constructive member of the communities in which we operate. The Company's Funding Guidelines are publicly available to promote understanding of Husky's focus areas and to assist potential applicants. Personnel may not, directly or indirectly, on behalf of Husky or for any purpose related to Husky's business, make any community investment donation without adhering to the rules and processes set out in Community Investment Policy 1.14.

See Community Investment Policy 1.14 for further information.

8. POLITICAL DONATIONS

Personnel may not, directly or indirectly, on behalf of Husky or for any purpose related to Husky's business, make any political contributions in Canada or a foreign country without adhering to the rules and processes set out in Community Investment Policy 1.14. Consideration of requests will follow the general approval procedure set out in Community Investment Policy 1.14, but will additionally require the written approval of the Director, Government & Aboriginal Relations.

See Community Investment Policy 1.14 for further information.

9. LOBBYING

You, as Personnel, should consult with your Senior Vice President or the Legal Department to ensure that lobbying is not prohibited in your jurisdiction before engaging in any lobbying activities.

Lobbying is not a prohibited activity in Canada, but Husky must make monthly public filings in Canada and several provinces in order to report lobbying activities that have taken place on behalf of the Company. Husky maintains a monthly internal reporting process in order to facilitate these filings, and you should report to your Vice President any lobbying activities you or your reports participate in either on behalf of Husky or as a member of an association in which you are a Husky representative (for example, CAPP).

You may be lobbying on behalf of Husky if you are communicating with a "public office holder". The term "public office holder" is very broad and includes MPs, MLAs, other elected officials, all public servants and most government agencies and boards appointed by governments.

If your unit is considering lobbying, or considering making a pre-arranged appointment with any federal public office holders, you should contact the Director, Government Relations for more guidance.

If you are communicating with a federal public office holder, you should report lobbying activities internally if your communication is about:

- (a) legislative proposals;
- (b) the introduction, passage, defeat or amendment of bills or resolutions;
- (c) the making or amending of regulations, policies or programs; or
- (d) the awarding of governmental grants, contributions, or other financial benefits.

Each province has slightly different rules defining what is and is not lobbying. Generally, if you are communicating with a provincial public office holder, you should report lobbying activities internally if you are communicating in an attempt to influence:

- (a) the development of any legislative proposal;
- (b) the introduction, passage, defeat or amendment of any bill or resolution;
- (c) the making or amendment of any regulation;
- (d) the development, amendment or termination of any policy or program;
- (e) a decision to sell all or part of the Crown's interest in a business, enterprise or institution that provides goods or services to the Crown or to the public;
- (f) a decision regarding privatization or outsourcing; or