W0. Introduction

W0.1

(W0.1) Give a general description of 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. The Company’s business strategy is to generate returns from a portfolio of projects and investment opportunities across two main businesses: an integrated Canada-U.S. upstream and downstream corridor ("Integrated Corridor"); and production located offshore the east coast of Canada ("Atlantic") and offshore China and Indonesia ("Asia Pacific" and with Atlantic, collectively "Offshore").

W-CH0.1a

(W-CH0.1a) Which activities in the chemical sector does your organization engage in?

Bulk organic chemicals

W-OG0.1a

(W-OG0.1a) Which business divisions in the oil & gas sector apply to your organization?

Upstream
Midstream/Downstream

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th></th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting year</td>
<td>January 1 2019</td>
<td>December 31 2019</td>
</tr>
</tbody>
</table>

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Canada
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

CAD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes
(W0.6a) Please report the exclusions.

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific Operations</td>
<td>Water data for this region is not currently consolidated at the corporate level. Water withdrawals and discharges at Husky-operated Asia Pacific activities (drilling and completions) are expected to be immaterial to the Company’s overall water metrics.</td>
</tr>
<tr>
<td>Retail Operations</td>
<td>Retail operations are a mix of corporate and franchised locations. Water withdrawals and discharges at these facilities are expected to be immaterial to the Company’s overall water metrics.</td>
</tr>
<tr>
<td>Rainwater, domestic use</td>
<td>These sources are not consistently tracked and are therefore not included for the purpose of consistency. Domestic and rainwater consumption are expected to be immaterial to the Company’s overall water consumption.</td>
</tr>
<tr>
<td>Divested Facilities</td>
<td>Water data is not accounted for after operational control has been transferred.</td>
</tr>
</tbody>
</table>

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

<table>
<thead>
<tr>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient amounts of good quality freshwater available for use</td>
<td>Vital</td>
<td>Important</td>
</tr>
<tr>
<td>Sufficient amounts of recycled, brackish and/or produced water available for use</td>
<td>Vital</td>
<td>Important</td>
</tr>
</tbody>
</table>

W1.2
(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water withdrawals – total volumes</strong></td>
<td>Husky uses its Environmental Performance Reporting System (EPRS) to organize and store water withdrawal volumes for compliance, corporate reporting, and to inform water management. Water withdrawal volumes for upstream, downstream, and chemical processes are collected via SCADA interface or operator input to corporate data systems on, at minimum, a daily basis and are stored in the EPRS system on a monthly basis. Water withdrawal volumes for drilling, completion, and construction activities are tracked at the site level on a daily basis, and input to corporate data systems by site representatives.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water withdrawals – volumes by source</strong></td>
<td>The source of water is tracked for each water withdrawal recorded, at the same frequency (either daily or monthly frequency, if not more frequently). If a water source changes, methods are in place to update automated data systems with the correct water source. Where water volumes are input manually, the water source is required with each volume entry, which is tracked daily.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Entrained water associated with your metals &amp; mining sector activities – total volumes [only metals and mining sector]</strong></td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Produced water associated with your oil &amp; gas sector activities – total volumes [only oil and gas sector]</strong></td>
<td>100% Produced water volumes are collected in Husky’s corporate data system. Volumes are collected via SCADA interface or operator input, on at least a daily basis.</td>
</tr>
<tr>
<td><strong>Water withdrawals quality</strong></td>
<td>Water quality is measured at the water source selection stage of a project to guide water management decisions, identify regulatory requirements, and for process design. Following that, source water quality is monitored on an ongoing basis if there is a process or regulatory need, with varying frequency. Regulatory needs are typically on an annual basis.</td>
</tr>
<tr>
<td>1-25</td>
<td></td>
</tr>
<tr>
<td><strong>Water discharges – total volumes</strong></td>
<td>Husky uses its Environmental Performance Reporting System (EPRS) to organize and store water discharge volumes for compliance, for corporate reporting, and to inform water management. Water discharge volumes for upstream and downstream processes are collected via SCADA interface or operator input to corporate data systems on, at minimum, a daily basis and stored in EPRS on a monthly basis. Water discharge volumes for drilling, completion, and construction activities are tracked at the site level on a daily basis, and input to corporate data systems by site representatives.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water discharges – volumes by destination</strong></td>
<td>The destination of water is tracked for each water discharge recorded, at the same frequency that the discharge volume is recorded (on at least a daily or monthly basis). Where water discharge volumes are input manually, the discharge destination is required with each volume entry.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water discharges – volumes by treatment method</strong></td>
<td>100% Husky treats water that is discharged from its facilities into regulated water bodies. Discharged treated water is tracked at the facilities on, at minimum, a daily basis and volumes are stored in EPRS on a monthly basis.</td>
</tr>
<tr>
<td><strong>Water discharge quality – by standard effluent parameters</strong></td>
<td>Several Husky facilities discharge water to regulated surface water. These facilities manage water data quality and frequency according to their regulatory requirements. Some non-regulated parameters are also measured for the purposes of treatment system operation, but are not reported externally.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water discharge quality – temperature</strong></td>
<td>Several Husky facilities discharge water to regulated surface water. These facilities manage water data quality parameter measurements, such as temperature and frequency, according to their regulatory requirements. Some non-regulated parameters are also measured for the purposes of treatment system operation but are not reported externally.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water consumption – total volume</strong></td>
<td>Water data for withdrawal and discharge volumes are tracked in Husky data systems on, at minimum, a daily basis and are stored in EPRS on a monthly basis. These are used to determine water consumption.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>Water recycled/reused</strong></td>
<td>Husky tracks use of recycled water at its thermal production facilities, conventional oil facilities, and in drilling and completion operations. Recycled water volumes for upstream and downstream processes are collected via SCADA interface to corporate data systems on, at minimum, a daily basis and are stored monthly in EPRS. Water recycle volumes for drilling, completion, and construction activities are tracked at the site level on a daily job basis, and input to corporate data systems by site representatives.</td>
</tr>
<tr>
<td>76-99</td>
<td></td>
</tr>
<tr>
<td><strong>The provision of fully-functioning, safely managed WASH services to all workers</strong></td>
<td>Husky provides Water, Sanitation, and Hygiene (WASH) services for all workers, in accordance with Occupational Health and Safety requirements in all its operating areas.</td>
</tr>
<tr>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total withdrawals</strong></td>
<td>106235</td>
<td>About the same</td>
</tr>
<tr>
<td><strong>Total discharges</strong></td>
<td>98496</td>
<td>About the same</td>
</tr>
<tr>
<td><strong>Total consumption</strong></td>
<td>7739</td>
<td>About the same</td>
</tr>
</tbody>
</table>

W-OG1.2c
(W-OG1.2c) In your oil & gas sector operations, what are the total volumes of water withdrawn, discharged, and consumed – by business division – and what are the trends compared to the previous reporting year?

<table>
<thead>
<tr>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year %</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals – upstream</td>
<td>98016</td>
<td>About the same</td>
</tr>
<tr>
<td>Total discharges – upstream</td>
<td>54714</td>
<td>About the same</td>
</tr>
<tr>
<td>Total consumption – upstream</td>
<td>3302</td>
<td>Lower</td>
</tr>
<tr>
<td>Total withdrawals – midstream/downstream</td>
<td>7169</td>
<td>Much Lower</td>
</tr>
<tr>
<td>Total discharges – midstream/downstream</td>
<td>3781</td>
<td>Much Lower</td>
</tr>
<tr>
<td>Total consumption – midstream/downstream</td>
<td>3388</td>
<td>Higher</td>
</tr>
<tr>
<td>Total withdrawals – chemicals</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total discharges – chemicals</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total consumption – chemicals</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total withdrawals – other business division</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total discharges – other business division</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total consumption – other business division</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

<table>
<thead>
<tr>
<th>Withdrawals are from areas with water stress</th>
<th>% withdrawn from areas with water stress</th>
<th>Comparison with previous reporting year</th>
<th>Identification tool</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>1-10</td>
<td>About the same</td>
<td>WRI Aqueduct</td>
<td>Assessed using the WRI Aqueduct Physical Risk Quantity map. Husky defined “stressed areas” as areas with high to extremely high physical risk quantity on the WRI map. The calculation only includes freshwater withdrawals in the numerator and denominator. WRI Aqueduct released an updated model in 2019 and as such, the 2018 volume was updated to provide an accurate comparison.</td>
</tr>
</tbody>
</table>

W1.2h
### (W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Source</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater, water from wetlands, rivers, and lakes</td>
<td>Relevant</td>
<td>25356</td>
<td>Lower</td>
<td>Husky’s withdrawals from fresh surface water bodies are critical to operations and are highly regulated. In addition to meeting regulatory compliance, measurement of these volumes informs Husky’s water management decisions. The volume decreased primarily due to the commissioning of the water recycling project at the Lima Refinery in March 2019.</td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Relevant</td>
<td>18247</td>
<td>Much higher</td>
<td>Seawater withdrawals are critical to Husky’s operations offshore, where produced water is limited and there is no other accessible water source. Measurement of this volume informs ongoing offshore water management. The volume increased this year due to the re-start of the SealRose FPSO facility in January 2019 (following a temporary shut-in) as well as increased water use to cool marine systems.</td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant</td>
<td>2962</td>
<td>Much lower</td>
<td>Husky groundwater withdrawals are critical to operations. For example, the Tucker Thermal Project sources brackish water from a deep groundwater aquifer. In addition to meeting regulatory compliance, measurement of these volumes informs Husky’s water management decisions. The overall volume of groundwater withdrawal decreased with less groundwater (about 1 million m³) being used for both downstream and upstream operations and drilling, primarily due to a planned turnaround at the Lima Refinery. Groundwater is obtained from aquifers at depths ranging from 20m to 805m, with varying water quality from fresh to saline. Due to the variation in definition of renewable versus non-renewable, all groundwater withdrawals are reported as renewable.</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Relevant</td>
<td>0</td>
<td>About the same</td>
<td>Groundwater is obtained from aquifers at depths ranging from 20m to 805m, with varying water quality from fresh to saline. Due to the variation in definition of renewable versus non-renewable, all groundwater withdrawals are reported as renewable.</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Relevant</td>
<td>58476</td>
<td>Lower</td>
<td>Produced water is inherent to the extraction of hydrocarbons, and its measurement enables regulatory compliance and informs water management. For example, produced water is important to Husky’s operations at the Sunrise Energy Project, Tucker Thermal Project, and at the Wainwright Waterflood Project, all of which use produced water for oil production. The decrease in produced water was due to the decommissioning of the Pikes Peak thermal project, lower production at conventional oil facilities, and higher oil cut at Sunrise.</td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant</td>
<td>1173</td>
<td>Much higher</td>
<td>Third-party sources are important to Husky’s operations, and measurement of the volume supports water management. This value represents wastewater obtained from another operator for use at the Sunrise Energy Project. An increased amount of wastewater was used at Sunrise which offset the decreased fresh water and produced water use at this facility.</td>
</tr>
</tbody>
</table>

### (W1.2i) Provide total water discharge data by destination.

<table>
<thead>
<tr>
<th>Destination</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Relevant</td>
<td>969</td>
<td>Much lower</td>
<td>Discharge to fresh surface water is highly regulated. The volume decreased primarily due to commissioning of the water recycling project at the Lima Refinery in March 2019.</td>
</tr>
<tr>
<td>Brackish surface water/Seawater</td>
<td>Relevant</td>
<td>18210</td>
<td>Much higher</td>
<td>Some volumes of discharged seawater are regulated for Husky’s offshore Atlantic operations. Volumes are tracked for regulatory compliance and to inform water management decisions. There was an increase in the amount of seawater withdrawn and discharged at Husky’s offshore Atlantic operations, due to the SealRose FPSO re-starting in January 2019 following a temporary shut-in, as well as increased water use to cool marine systems.</td>
</tr>
<tr>
<td>Groundwater</td>
<td>Relevant</td>
<td>70316</td>
<td>About the same</td>
<td>Measurement of water volumes disposed in deep groundwater formations are critical to many of Husky’s upstream and downstream projects, including the Saskatchewan thermal projects, Sunrise Energy Project, the Tucker Thermal Project and the Lima Refinery. Volumes are tracked for regulatory compliance and to inform water management, including water reuse opportunities. There was a decrease in steam injection in 2019 which was offset by an increase in deep well disposal.</td>
</tr>
<tr>
<td>Third-party destinations</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Less than 1% of Husky’s upstream operational wastewater is sent to a third party for deep well disposal. This volume is not accounted for and is offset by wastewater Husky receives from other operators, which are included in overall discharge volumes.</td>
</tr>
</tbody>
</table>

### (W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?

Yes
For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.

- **Product type**: Bulk organic chemicals
- **Product name**: Fuel Ethanol
- **Water intensity value (m3)**: 3.5
- **Numerator: water aspect**: Freshwater withdrawals
- **Denominator**: m3

**Comparison with previous reporting year**: About the same

**Please explain**
The intensity of water withdrawal to fuel ethanol produced is relatively consistent year to year and remained about the same due to consistent production. The water intensity value is used to confirm water process efficiency. The intensity is represented as m³ water withdrawn / m³ fuel ethanol produced. Water intensity for ethanol production is expected to remain relatively consistent throughout the next few years.

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Do you calculate water intensity for your activities associated with the oil & gas sector?

**Yes**

Provide water intensity information associated with your activities in the oil & gas sector.

- **Business division**: Upstream
- **Water intensity value (m3)**: 1.2
- **Numerator: water aspect**: Freshwater withdrawals
- **Comparison with previous reporting year**: Higher

**Please explain**
Husky uses fresh water intensity metrics on a project basis to assess fresh water efficiency and to inform water management. This is also tracked and assessed annually through the Husky Operational Integrity Management System (HOIMS) Environmental Reporting and Action Planning initiative and through Husky’s Water Management Critical Competency Network. The intensity increased this year due to a new thermal project starting up in Saskatchewan. The total intensity is expected to remain steady or decrease in 2020, reflecting Husky’s adjustments to production and throughput in response to market conditions in the first half of 2020. The intensity is expected to increase in the years following 2020 with the start-up of new thermal facilities in Saskatchewan. Husky is assessing technologies that could improve freshwater efficiency in future thermal operations. As an example, a pilot program at three thermal projects in Saskatchewan that uses artificial intelligence to enhance steam utilization reduced steam requirements by about 10%, while improving production by approximately 2%. Based on the pilot results, the program is being rolled out at other Saskatchewan thermal projects.

- **Business division**: Midstream/Downstream
- **Water intensity value (m3)**: 0.5
- **Numerator: water aspect**: Freshwater withdrawals
- **Comparison with previous reporting year**: Much lower

**Please explain**
Husky uses fresh water intensity metrics on a facility basis to assess fresh water efficiency. This value is typically steady at Husky's refineries and upgrader, except when major process changes are made that impact water use. The metric is assessed annually through the Water Management Critical Competency Network. The intensity is represented as m³ water withdrawn / m³ crude oil throughput. The freshwater intensity decreased significantly due to commissioning of the water recycling project at the Lima Refinery in March 2019, and this intensity is expected to decrease in 2020 due to further efficiency improvements. The intensity is expected to increase slightly when the Superior Refinery resumes operations in 2020.
(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers
Yes, our customers or other value chain partners

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

<table>
<thead>
<tr>
<th>% of suppliers by number</th>
<th>% of total procurement spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-25</td>
<td>1-25</td>
</tr>
</tbody>
</table>

Rationale for this coverage

Husky uses a supplier pre-qualification and qualification questionnaire that requires all new suppliers to submit their company sustainability information for Husky’s review. This questionnaire is a requirement for new suppliers. In the questionnaire, suppliers are asked whether they disclose their water-related information specifically to CDP.

Impact of the engagement and measures of success

In the questionnaire, suppliers are asked whether they disclose their water-related information specifically to CDP. They are also asked if they comply with all applicable environmental laws and regulations, which include water-related regulations within their jurisdiction. Suppliers become aware that Husky is interested in their water management disclosure related to their operations. Husky uses the information to understand the Environmental, Social and Governance (ESG) maturity of potential suppliers. Husky measures the success of this initiative by measuring the number of new suppliers completing the questionnaire.

Comment

100% of new suppliers onboarded in 2019. New supplier spend and suppliers onboarded in 2019 represent 5% of the total procurement spend in 2019.

(W1.4b) Provide details of any other water-related supplier engagement activity.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Details of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Onboarding &amp; compliance</td>
<td>Requirement to adhere to our code of conduct regarding water stewardship and management</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of suppliers by number</th>
<th>% of total procurement spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-25</td>
<td>1-25</td>
</tr>
</tbody>
</table>

Rationale for the coverage of your engagement

Husky focuses on supply chain aspects that have the most immediate potential to impact water, such as hauling services that convey fluids to and from Husky facilities.

Impact of the engagement and measures of success

Impact: Suppliers become aware that Husky has environmental stewardship requirements. Measure of success: Reduced incidents impacting water that are related to hauling.

Comment


(W1.4c) What is your organization’s rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Husky undertakes several water related initiatives endorsed through its Corporate Water Standard, such as contributing to joint industry value chain water management initiatives and water research. For example, at the Sunrise Energy Project, Husky collaborates with nearby oil sands operators on water recycling processes. Specifically, Husky uses process affected water (PAW) from one operator’s tailings ponds, and basal McMurray groundwater that is in contact with bitumen mined by the operation of an adjacent oil sands mining project. This initiative demonstrates excellent collaboration with nearby operators. The agreements that have been put in place are mutually beneficial to the operators involved. This project won the Husky CEO Award of Excellence for Corporate Responsibility. In 2019, Husky began the process of joining the Canadian Oil Sands Innovation Alliance (COSIA) to further engage with its industry partners and became an official participant in 2020. Husky prioritizes water stewardship engagement with value chain partners where there are risks related to exposure to regulatory changes, water quality and water quantity issues. Success of these engagements is measured by meeting regulatory obligations, disposal limitations and stakeholder commitments.

W2. Business impacts
W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin
Canada Other, please specify (Maumee River)

Type of impact driver & Primary impact driver

<table>
<thead>
<tr>
<th>Physical</th>
<th>Pollution incident</th>
</tr>
</thead>
</table>

Primary impact
Increased compliance costs

Description of impact
In 2019, the Lima Refinery experienced 30 violations of its water discharge permit and was fined $19,950. These violations have been resolved with the environmental regulator and the refinery remains compliant with its water discharge permit. The Lima Refinery experienced two petroleum releases to surface water in 2019 resulting in a notice of violation and a $3,325 fine. These violations have been resolved with the environmental regulator.

Primary response
Comply with local regulatory requirements

Total financial impact
23275

Description of response
For the water discharge permit violations, the Lima Refinery has committed to prepare an environmental compliance tracking system to help ensure compliance with regulatory obligations. Following the two petroleum releases, the Lima Refinery is currently evaluating options for improvement projects. The refinery has already implemented short-term mitigation measures and is working on a longer-term option to prevent future incidents of this nature.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?
Yes, fines

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

<table>
<thead>
<tr>
<th>Total number of fines</th>
<th>Total value of fines</th>
<th>% of total facilities/operations associated</th>
<th>Number of fines compared to previous reporting year</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>3820000</td>
<td>0.05</td>
<td>Much higher</td>
<td>Background for the % metric: Based on the Corporate Responsibility definition, there are 2,171 facilities across the Company, ranging from single well batteries to large complex refineries.</td>
</tr>
</tbody>
</table>

W2.2b
(W2.2b) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

Type of penalty
Fine

Financial impact
3820000

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th>Financial impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (North Saskatchewan River)</td>
</tr>
</tbody>
</table>

Type of incident
Spillage, leakage or discharge of potential water pollutant

Description of penalty, incident, regulatory violation, significance, and resolution
Husky was issued fines totaling $3.82 million CAD relating to the 2016 oil spill in Saskatchewan. On July 21, 2016 a leak was discovered on a pipeline crossing the North Saskatchewan River. The pipeline was isolated at the river crossing and spill response crews were dispatched. Approximately 225 cubic metres (225,000 litres) of crude blended with condensate were released, with about 60% of the volume contained on land. The cause was determined to be ground movement over time. More than one million hours were worked on the cleanup response in 2016, involving about 2,600 personnel. At peak, more than 900 people were working simultaneously on the response. Husky has used the lessons learned from this incident to improve its pipeline operations. These improvements include an updated leak response protocol, regular geotechnical reviews of pipelines and fibre optic sensing technology installed on all new large diameter and higher consequence projects.

W3. Procedures

W-CH3.1

(W-CH3.1) How does your organization identify and classify potential water pollutants associated with its activities in the chemical sector that could have a detrimental impact on water ecosystems or human health?

Potential water pollutants associated with Husky's ethanol plants are identified through processes, standards, regulations, and monitoring programs. Chemicals on site are identified and labelled in accordance with the Workplace Hazardous Materials Information System (WHMIS) and Transportation of Dangerous Goods (TDG) requirements, and Safety Data Sheets are available on site to advise of response actions. Husky participates in the Government of Canada’s Chemicals Management Plan, which provides an inventory of chemicals used in operations.

W-CH3.1a

(W-CH3.1a) Describe how your organization minimizes adverse impacts of potential water pollutants on water ecosystems or human health. Report up to ten potential pollutants associated with your activities in the chemical sector.

<table>
<thead>
<tr>
<th>Potential water pollutant</th>
<th>Value chain stage</th>
<th>Description of water pollutant and potential impacts</th>
<th>Management procedures</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrogen</td>
<td>Direct operation</td>
<td>Lloydminster Ethanol Plant: Nitrogen and phosphorous discharged in the water from the plant are considered to be valuable nutrients for agricultural purposes. This water is spread as fertilizer on the land adjacent to the plant. There is a potential detriment to soil quality if excessive concentrations are present. Minnedosa Ethanol Plant: No potential impacts</td>
<td>Other, please specify (Monitoring)</td>
<td>Soil quality monitoring</td>
</tr>
<tr>
<td>Phosphorus</td>
<td>Direct operation</td>
<td>Lloydminster Ethanol Plant: Nitrogen and phosphorous discharged in the water from the plant are considered to be valuable nutrients for agricultural purposes. This water is spread as fertilizer on the land adjacent to the plant. There is a potential detriment to soil quality if excessive concentrations are present. Minnedosa Ethanol Plant: No potential impacts</td>
<td>Other, please specify (Monitoring)</td>
<td>Soil quality monitoring</td>
</tr>
</tbody>
</table>

W-OG3.1

(W-OG3.1) How does your organization identify and classify potential water pollutants associated with its activities in the oil & gas sector that may have a detrimental impact on water ecosystems or human health?

Potential water pollutants associated with Husky’s exploration, development, production, transportation, upgrading, and refining (hydrocarbons, produced water, drilling fluids, completion fluids) are identified through processes, standards, regulations, and monitoring programs. Chemicals on site are identified and labelled in accordance with the Workplace Hazardous Materials Information System (WHMIS) and Transportation of Dangerous Goods (TDG) requirements, and Safety Data Sheets are available on site to advise of response actions in case of any incidents. Husky participates in the Government of Canada’s Chemicals Management Plan, which provides an inventory of chemicals used in operations. Husky is also required to identify and report hydraulic fracturing chemicals to regulatory databases. Husky conducts groundwater monitoring and sampling programs at facilities across its operations and value chain, including thermal oil production facilities, gas plants, refineries, pipeline terminals, and the Lloydminster Upgrader. The major chemicals assessed in these programs are similar across operations (hydrocarbons, salts, metals), with some local differences (for example, naphthenic acids are monitored at the Sunrise Energy Project and Tucker Thermal Project, while these are not contaminants of concern at the refineries). Surface or shallow groundwater may be impacted by releases of these chemicals; potential ecosystem and human health impacts depend on the receptors present and risks are assessed in greater detail in the event of a release. Most chemicals have regulatory guidelines for concentrations in surface water and groundwater based on toxicological studies; monitoring results are assessed in the context of these guidelines.
### (W-OG3.1a) For each business division of your organization, describe how your organization minimizes the adverse impacts on water ecosystems or human health of potential water pollutants associated with your oil & gas sector activities.

<table>
<thead>
<tr>
<th>Potential water pollutant</th>
<th>Business division</th>
<th>Description of water pollutant and potential impacts</th>
<th>Management procedures</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hydrocarbons</td>
<td>Upstream/Midstream/Downstream</td>
<td>Description: Petroleum hydrocarbons ranging from C1 to C60. Potential Impact: Petroleum hydrocarbons are handled at all of Husky’s upstream and downstream facilities. Accidental release of hydrocarbons into surface or groundwater during handling could result in dissolved or non-aqueous phase hydrocarbons in water. These have the potential to negatively impact aquatic species and/or human health, if the chemical is present at concentrations above regulated guideline values, and if receptors are present (aquatic species, human interaction with the waterbody, drinking water intakes, etc.). The magnitude of these impacts can be minor and long term at low concentrations, to major and immediate at high concentrations. Description: Metals, trace elements and salts in hydrocarbons. Potential Impact: Dissolved metals, trace elements and salts transferred from hydrocarbons to water during hydrocarbon extraction and/or processing have the potential to negatively impact aquatic species and/or human health if present at concentrations above guideline values.</td>
<td>Measures to prevent spillage, leaching and leakages</td>
<td>Management procedures include secondary containment of storage vessels to prevent releases to ecosystems; operational procedures to ensure the integrity of hydrocarbon handling and storage equipment; spill response procedures, reporting, and preparedness to prevent or mitigate impacts to water bodies; regulated and unregulated environmental monitoring programs at facilities to detect and manage impacts; the Husky environmental auditing program; standard operating procedures developed under the Husky Operational Integrity Management System (HOIMS); well servicing standard operating procedures, and the job task safety permitting program. Many of these initiatives are endorsed under the Husky Operational Integrity Management System (HOIMS). Specifically, HOIMS Element 5 outlines the policies, procedures and standards around responsible operations to ensure consistent operational integrity and stringent environmental performance, including water-related issues. Measures are impacted and evaluated through the HOIMS Environmental Reporting and Action Planning Process, and the HuskySafe incident reporting and tracking system. HuskySafe provides data that can be compared to pre-set goals and targets, allowing Husky to evaluate its performance.</td>
</tr>
<tr>
<td>Other, please specify (Produced Water)</td>
<td>Upstream</td>
<td>Description: Produced water contains high levels of salts, metals and trace elements. Potential Impact: Water with levels of salts exceeding regulated guidelines can negatively impact vegetation, with impacts ranging from minor to major based on the concentration of salts present. Dissolved metals and trace elements in produced water have the potential to negatively impact aquatic species and/or human health, if present at concentrations above guideline values, with impacts ranging from minor to major based on the concentration of dissolved metals and trace elements present. Produced water is mostly handled by upstream operations, where it is produced with hydrocarbons, and then separated and disposed of before refining or upgrading. There is a risk of release during handling of the produced water in upstream operations.</td>
<td>Measures to prevent spillage, leaching and leakages</td>
<td>Management procedures include secondary containment of storage vessels to prevent releases to ecosystems; operational procedures to ensure the integrity of produced water handling and storage equipment; spill response procedures, reporting, and preparedness to prevent or mitigate impacts to water bodies; regulated and unregulated environmental monitoring programs at facilities to detect and manage impacts; the Husky environmental auditing program; standard operating procedures developed under the Husky Operational Integrity Management System (HOIMS); well servicing standard operating procedures, and the job task safety permitting program. Many of these initiatives are endorsed under the Husky Operational Integrity Management System (HOIMS). Specifically, HOIMS Element 5 outlines the policies, procedures and standards around responsible operations to ensure consistent operational integrity and stringent environmental performance, including water-related issues. Measures are impacted and evaluated through the HOIMS Environmental Reporting and Action Planning Process, and the HuskySafe incident reporting and tracking system. HuskySafe provides data that can be compared to pre-set goals and targets, allowing Husky to evaluate its performance.</td>
</tr>
<tr>
<td>Chemicals</td>
<td>Upstream/Midstream/Downstream</td>
<td>Description: Numerous chemicals are used in the exploration (upstream), extraction (upstream), transportation (upstream and downstream), and processing (downstream) of hydrocarbons. These include chemicals used in upstream hydraulic fracturing (e.g., biocides, corrosion inhibitors, or friction reducers) that are at risk of being released to natural water bodies during onsite handling and transportation. An example of a chemical present at upstream and downstream operations is glycol, which could be at risk if released in an uncontrolled manner to local water bodies. An example of a chemical that may be present at upstream, midstream, and downstream facilities are Perfluorooctanoic acid (PFOA) compounds which are at risk of contaminating ground water when used for fire suppression. Potential Impact: Accidental release of chemicals to surface or groundwater during handling in upstream and downstream operations could result in dissolved or non-aqueous phase chemicals in water. These have the potential to negatively impact aquatic species and/or human health, if the chemical is present at concentrations above guideline values, and if receptors are present (aquatic species, human interaction with the waterbody, etc.). Magnitude of impact will vary with the concentration of the chemical released and may vary from minor and long term to major and immediate.</td>
<td>Measures to prevent spillage, leaching and leakages</td>
<td>Management procedures include secondary containment of storage vessels to prevent releases to ecosystems; operational procedures to ensure the integrity of chemical handling and storage equipment; spill response procedures, reporting, and preparedness to prevent or mitigate impacts to water bodies; regulated and unregulated environmental monitoring programs at facilities to detect and manage impacts; the Husky environmental auditing program; standard operating procedures developed under the Husky Operational Integrity Management System (HOIMS); well servicing standard operating procedures, and the job task safety permitting program. Many of these initiatives are endorsed under the Husky Operational Integrity Management System (HOIMS). Specifically, HOIMS Element 5 outlines the policies, procedures and standards around responsible operations to ensure consistent operational integrity and stringent environmental performance, including water-related issues. Measures are impacted and evaluated through the HOIMS Environmental Reporting and Action Planning Process, and the HuskySafe incident reporting and tracking system. HuskySafe provides data that can be compared to pre-set goals and targets, allowing Husky to evaluate its performance.</td>
</tr>
</tbody>
</table>

**W3.3**

(W3.3) **Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

**W3.3a**
(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as a standalone issue

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Enterprise Risk Management
International methodologies
Databases

Tools and methods used
Regional government databases

Comment
Husky conducts an annual preliminary assessment of water-related risks for all of its operations. Material water-related risks are identified in accordance with the Company’s Corporate Water Standard and Water Risk Assessment Procedure. Facilities deemed to be potentially at higher risk are prioritized for a more detailed water risk assessment. The Company’s Corporate Risk Matrix includes environmental, reputational, financial, legal, regulatory, and health and safety aspects.

Supply chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed as a standalone issue

Frequency of assessment
Not defined

How far into the future are risks considered?
1 to 3 years

Type of tools and methods used
Other

Tools and methods used
Internal company methods

Comment
Overall this is not currently an issue or a priority for Husky. However, Husky does assess supply chain water risks for specific operations, where warranted. As an example, Husky relies on third-party disposal facilities for hydraulic fracturing operations. These facilities can have capacity issues in areas of hydraulic fracturing. Husky considers this in assessing options to mitigate the cost of this risk. Also, refer back to previous supply chain comments in Section 1.4.

Other stages of the value chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed as a standalone issue

Frequency of assessment
Not defined

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Other

Tools and methods used
Internal company methods

Comment
Water risk assessments for other operators within our industry are assessed as they relate to touchpoints with Husky’s operations. For example, Husky relies on agreements with neighbouring producers for water supply for the Sunrise Energy Project. Water risks for these operators are assessed as part of the Sunrise water risk assessment process.

W3.3b
(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

<table>
<thead>
<tr>
<th>Relevant &amp; inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water availability at a basin/catchment level</td>
<td>These aspects are critical for many upstream and downstream operations and are subject to regulatory scrutiny in Husky's operating areas and are considered in risk assessments. Husky utilizes internal company knowledge, published literature, government databases, and WRI Aqueduct data. Facility locations are assessed against the water risk database designation of water availability.</td>
</tr>
<tr>
<td>Water quality at a basin/catchment level</td>
<td>These aspects are important for many upstream and downstream operations and are subject to regulatory scrutiny in Husky's operating areas and are considered in risk assessments. Husky utilizes internal company knowledge, published literature, government databases, and regulatory permits. As an example, detailed historical water quality data has been collected in cases where risks depend on these factors. Water quality is important with respect to technical feasibility of water source, for example, brackish groundwater may have high availability in Saskatchewan in the vicinity of Husky's thermal operations, but is not a feasible source for steam generation for these smaller facilities (5,000 and 10,000 bpd). Water quality in surface water bodies influences conditions of water discharge permits such as at the Lima Refinery, where selenium and phosphorous are regulated parameters.</td>
</tr>
<tr>
<td>Implications of water on your key commodities/raw materials</td>
<td>Husky’s water-related risk assessments consider the implications of water on key commodities and raw materials. A significant raw material to be impacted by water quality and availability is steam, which is a key input in Husky’s thermal (SAGD) oil production projects, and for utility use at Husky’s downstream facilities such as refineries. Availability of water for steam is assessed using tools such as WRI Aqueduct. Contextual issues such as the impact of water sourcing for steam and blowdown disposal to local communities are addressed through adherence to local regulations, open houses, and the implementation of recycle and reuse systems to reduce the amount of water withdrawn from local sources. For example, Husky’s Tucker thermal facility sources water from a deep, saline aquifer for steam. Most of the water is recycled for reuse as steam, and what must be disposed is injected into the same deep, saline aquifer. This approach protects the surrounding wetland from impact from water sourcing for steam. The Company also manages water aspects of third-party services at its sites (for example, on drilling and completions operations). An assessment of potential supply chain risk is undertaken annually, and elements of the supply chain thought to be potentially at elevated risk are highlighted for further assessment.</td>
</tr>
<tr>
<td>Water-related regulatory frameworks</td>
<td>Regulatory aspects are one of the fundamental criteria evaluated in risk assessments because Husky must comply with regulations to operate. For example, the Water Conservation Policy and associated guidelines significantly affect freshwater licensing in Alberta. Freshwater licensing is a requirement for the water used in steam generation at Saskatchewan thermal facilities. The potential for regulatory changes at a local, provincial or federal level are included in risk assessments based on internal Company methods for monitoring regulatory changes, which includes a regulatory monitoring committee and internal communications protocols. Husky engages with regulators on an ongoing basis (both directly and through industry associations such as the Canadian Association of Petroleum Producers) to help anticipate these potential changes. Where regulatory change cannot be clearly anticipated (for example, in the long term), different scenarios are evaluated for their potential impact on operations.</td>
</tr>
<tr>
<td>Status of ecosystems and habitats</td>
<td>Biophysical context for operations is included in risk assessments (for example, impacts to riparian environments related to water use) as they can impact the timing, location, and methods of operation and development of projects. Federal and regional government databases are utilized, in addition to international databases including WRI Aqueduct. The Species at Risk Public Registry is used to identify species sensitivity near facilities using or discharging water. For example, trumpeter swan nesting areas can be present near Saskatchewan River water risk assessment, a stakeholder matrix was prepared as a tool to track stakeholders with interest in Husky’s water management performance, and to evaluate if Husky’s existing strategies and communication adequately address their interests.</td>
</tr>
<tr>
<td>Access to fully-functioning, safely managed WASH services for all employees</td>
<td>Providing access to WASH services for all employees is a minimum standard for all operations. Husky has a Water Supply Integrity Program designed to ensure water supply for staff is of a suitable quality.</td>
</tr>
</tbody>
</table>

W3.3c
(W3.3c) Which of the following stakeholders are considered in your organization’s water-related risk assessments?

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Relevance &amp; Inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Relevant, always included</td>
<td>Husky’s reputational risk with respect to water is considered. Customers are informed of water-related risks through Husky’s Environmental, Social and Governance (ESG) report.</td>
</tr>
<tr>
<td>Employees</td>
<td>Relevant, always included</td>
<td>Employees provide local knowledge and operational expertise when conducting risk assessments. Employees are engaged through risk assessment workshops, invitations to participate in a formal interdisciplined network for knowledge exchange related to water (The Water Management Critical Competency Network), internet communication of risk assessment results, and a social web platform open to all employees where water risks are discussed.</td>
</tr>
<tr>
<td>Investors</td>
<td>Relevant, always included</td>
<td>The perspectives of Investors are considered when conducting risk assessments. Husky monitors external standards of disclosure, including the CDP Water response, to ensure its risk assessment and management process is aligned with best practices and emerging investor expectations. Husky receives investor inquiries about how water risks are identified and managed. Husky responds to these inquiries, which inform its water risk assessment and disclosure.</td>
</tr>
<tr>
<td>Local communities</td>
<td>Relevant, always included</td>
<td>Local communities may provide important insights into water risk (e.g. through data or observations about water availability) and as key stakeholders may also directly influence the Company’s water risk. As an example, local communities provide feedback to Husky’s Saskatchewan thermal projects through open houses.</td>
</tr>
<tr>
<td>NGOs</td>
<td>Relevant, always included</td>
<td>Non-Governmental Organizations (NGOs) may influence the Company’s water risk. This includes local groups (such as watershed planning and advisory councils) and provincial or national groups, any of which may influence policy or regulation. For example, Husky engages with the North Saskatchewan Watershed Alliance in Alberta. This group sets watershed management plans for the watershed upstream of Husky’s Saskatchewan thermal operations, where access to a reliable source water is vital.</td>
</tr>
<tr>
<td>Other water users at a basin/catchment level</td>
<td>Relevant, always included</td>
<td>Other water users may be influencers of water risk, particularly in areas of high competition for a limited resource, or where Husky’s water use is perceived to be in conflict with other water user(s). For example, Husky engages and shares water data with local operators in the area of the Sunrise Energy Project through the COSIA Aquifer Working Group.</td>
</tr>
<tr>
<td>Regulators</td>
<td>Relevant, always included</td>
<td>Regulators may be influencers of water risk, particularly through regulating access to source and disposal options. The potential for regulatory changes at a local, provincial or federal level are included in risk assessments and are based on internal Company methods for monitoring regulatory changes, which includes a regulatory monitoring committee and internal communications protocols.</td>
</tr>
<tr>
<td>River basin management authorities</td>
<td>Relevant, always included</td>
<td>River basin management authorities may provide important insights into water risk (e.g. through data or observations about water availability), and as a key stakeholder may also directly influence the Company’s water risk. For example, Husky engages with the North Saskatchewan Watershed Alliance in Alberta on a monthly basis through participation in the board. This group sets watershed management plans for the watershed upstream of Husky’s Saskatchewan thermal operations, where reliable source water is vital.</td>
</tr>
<tr>
<td>Statutory special interest groups at a local level</td>
<td>Relevant, always included</td>
<td>Local special interest groups may provide important insights into water risk (e.g. through data or observations about water availability), and as key stakeholders may also directly influence the Company’s water risk. As an example, for the Sunrise Energy Project, Husky made the commitment to local First Nations stakeholders to avoid the use of freshwater for steam production for all phases of the project unless Husky demonstrates a net environmental benefit in specific circumstances.</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Relevant, sometimes included</td>
<td>Husky understands that suppliers may be vulnerable to water risk. To date, this has not resulted in detrimental effects and based on initial review has not been evaluated in detail as a substantive risk. However, this has been considered for specific operations. For example, Husky relies on third-party disposal facilities for hydraulic fracturing operations. These facilities can have capacity issues in areas of hydraulic fracturing, and Husky considers this in assessing options to mitigate the cost of this risk. Additionally, Husky manages water aspects of third-party services at its sites (for example, on drilling and completions operations).</td>
</tr>
<tr>
<td>Water utilities at a local level</td>
<td>Relevant, always included</td>
<td>Where facilities are located in developed settlements, Husky considers local water utilities in water risk assessments. As an example, Husky collaborates and has an ongoing relationship (via meetings and contracts) with the City of Lloydminster on water delivery to the Husky Lloydminster Upgrader.</td>
</tr>
<tr>
<td>Other stakeholder, please specify</td>
<td>Please select</td>
<td></td>
</tr>
</tbody>
</table>

(W3.3d) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Husky conducts an annual preliminary assessment of water-related risks for all of its operations. Material water-related risks are identified in accordance with the Company’s Corporate Water Standard and Water Risk Assessment Procedure. Facilities deemed to be potentially at higher risk are prioritized for a more detailed water risk assessment within the year. The Company’s Corporate Risk Matrix includes environmental, reputational, financial, legal, regulatory, and health and safety aspects. Tools used include government databases (e.g. Alberta water well database for assessing impact to domestic users), international methods, and databases (e.g. WRI Aqueduct for assessing water stress associated with water sources), and internal processes (Corporate Water Standard). Outcomes of the risk assessment are used to develop the Water Management Plan for a facility/operation, which identifies specific risk mitigation actions with associated timelines and stewards. Where water risk assessments are conducted for potential developments, the results of the risk assessment inform water management decisions for the project (such as water sourcing or disposal).

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business? Yes, both in direct operations and the rest of our value chain.
(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Husky’s enterprise risk management program supports decision-making via comprehensive and systematic identification and assessment of risks that could materially impact the Company’s results. Through this framework, the Company builds risk management and mitigation into strategic planning and operational processes for its business units through the adoption of standards and best practices. 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. Husky defines substantive change as a financial impact to direct operations of greater than $10 million dollars. The corporate risk register is revisited on at least an annual basis, while the matrix is evaluated every three years. Sourcing water for operations at the Sunrise Energy Project is an example of an identified risk incorporated into the risk register. Sunrise is reliant on two third-party access agreements to source water for operations. With the local competition for water sources, unplanned changes in the access agreements could impact water sourcing and therefore oil production. If the two operator agreements for water sourcing were compromised at the same time, production would stop. Based on 2019 data, lost production on its own would be a loss of approximately $13 million per week gross revenue.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

<table>
<thead>
<tr>
<th>Total number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1 14</td>
<td>Less than 1%</td>
<td>Based on the Husky Corporate Responsibility definition for a facility, Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel.</td>
</tr>
</tbody>
</table>

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

<table>
<thead>
<tr>
<th>Number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Production value for the metals &amp; mining activities associated with these facilities</th>
<th>% company’s annual electricity generation that could be affected by these facilities</th>
<th>% company’s global oil &amp; gas production volume that could be affected by these facilities</th>
<th>% company’s total global revenue that could be affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (Atlantic Ocean)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>1-25</td>
<td>1-10</td>
</tr>
</tbody>
</table>

Comment

Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel. Calculations are based on gross revenue.

Country/Area & River basin

<table>
<thead>
<tr>
<th>Number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Production value for the metals &amp; mining activities associated with these facilities</th>
<th>% company’s annual electricity generation that could be affected by these facilities</th>
<th>% company’s global oil &amp; gas production volume that could be affected by these facilities</th>
<th>% company’s total global revenue that could be affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (North Saskatchewan River)</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>1-25</td>
<td>1-10</td>
</tr>
</tbody>
</table>

Comment

Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel.
production vessel. Calculations are based on gross revenue.

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (Athabasca River)</td>
</tr>
</tbody>
</table>

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
1-25

% company’s total global revenue that could be affected
1-10

Comment
Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel. Calculations are based on gross revenue.

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>Other, please specify (Maumee River)</td>
</tr>
</tbody>
</table>

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
26-50

% company’s total global revenue that could be affected
31-40

Comment
Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel. Calculations are based on gross revenue.

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>Other, please specify (Lake Superior)</td>
</tr>
</tbody>
</table>

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
Less than 1%

% company’s total global revenue that could be affected
Less than 1%

Comment
Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel. Calculations are based on gross revenue. Refinery was under reconstruction in 2019.

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (Assiniboine River)</td>
</tr>
</tbody>
</table>
Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
1-25

% company’s total global revenue that could be affected
1-10

Comment
Husky has approximately 2,171 facilities in Canada and the United States. Facilities may be as small as a single well battery, or as large as a refinery or offshore production vessel. Calculations are based on gross revenue.

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th>Other, please specify (Atlantic Ocean)</th>
</tr>
</thead>
</table>

Type of risk & Primary risk driver

<table>
<thead>
<tr>
<th>Physical</th>
<th>Other, please specify (Ice and Icebergs)</th>
</tr>
</thead>
</table>

Primary potential impact
Reduction or disruption in production capacity

Company-specific 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, flooding, 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.

Timeframe
More than 6 years

Magnitude of potential impact
Medium

Likelihood
Very unlikely

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
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).

Primary response to risk
Other, please specify (Annual monitoring and management)

Description of response
Husky’s Atlantic region business unit has a robust 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.
# Cost of response
4700000

## Explanation of cost of response
The cost of the Company’s ice monitoring and management activities was approximately $4.7 million in 2019. This is a variable annual cost.

## Country/Area & River basin
<table>
<thead>
<tr>
<th>United States of America</th>
<th>Other, please specify (St. Lawrence)</th>
</tr>
</thead>
</table>

## Type of risk & Primary risk driver
<table>
<thead>
<tr>
<th>Regulatory</th>
<th>Regulatory uncertainty</th>
</tr>
</thead>
</table>

## Primary potential impact
Increased operating costs

### Company-specific description
The impacts of polyfluoroalkyl substances (PFAS) from aqueous film forming firefighting foam (AFFF) during a fire response in 2018 have continuing effects, with the potential to increase depending on how stringently PFAS compounds are regulated. Husky’s Superior Refinery (SRC) has been treating runoff from the plant since 2018 and continued throughout 2019. Wisconsin’s Department of Natural Resources is requiring investigation and eventual remediation of PFAS compounds despite lack of clear regulatory standards, which may be developed over the next 1 – 3 years. Future compliance costs may fluctuate given the regulatory uncertainty.

### Timeframe
1-3 years

### Magnitude of potential impact
Medium

### Likelihood
About as likely as not

### Are you able to provide a potential financial impact figure?
Yes, an estimated range

#### Potential financial impact figure (currency)
<Not Applicable>

#### Potential financial impact figure - minimum (currency)
10000

#### Potential financial impact figure - maximum (currency)
10000000

### Explanation of financial impact
Low end – ongoing monitoring High end – Continued treatment of runoff at facility.

### Primary response to risk
Engage with regulators/policymakers

### Description of response
Husky continues to collect water samples, assess surface water runoff at the facility and is proactively engaging in a site investigation with regulators to find the best solution for addressing environmental concerns while managing costs.

## Cost of response
100000

## Explanation of cost of response
Costs include transportation, external legal counsel and access to data sources.

## Country/Area & River basin
<table>
<thead>
<tr>
<th>Canada</th>
<th>Other, please specify (Multiple river basins in the United States and Canada)</th>
</tr>
</thead>
</table>

## Type of risk & Primary risk driver
<table>
<thead>
<tr>
<th>Regulatory</th>
<th>Tighter regulatory standards</th>
</tr>
</thead>
</table>

## Primary potential impact
Increased compliance costs

### Company-specific description
Aqueous film forming foam (AFFF) has and likely will continue to be used to control fires and provide vapor suppression during incidents. Regulation of PFAS compounds in various jurisdictions are currently under development. Historical releases of PFAS-containing AFFF or future uses of large amounts of AFFF containing PFAS compounds could be subject to those regulations.

### Timeframe
4-6 years

### Magnitude of potential impact
High
Likelihood
Likely

Are you able to provide a potential financial impact figure?
Yes, an estimated range

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure - minimum (currency)**
100000

**Potential financial impact figure - maximum (currency)**
1000000

**Explanation of financial impact**
Costs related to investigation, remediation, and potential regulatory or legal costs.

**Primary response to risk**
Greater due diligence

**Description of response**
Implementing mitigation measures to ensure any potential impacted sediments or fluids are retained on site and reducing risk by replacing stock with lower-risk AFFF products.

**Cost of response**
5000000

**Explanation of cost of response**
The cost of response is based on the cost of replacing stock with new, low PFAS AFFF, disposal of the stock, and incidental costs.

**Country/Area & River basin**

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>Other, please specify (North Saskatchewan River)</td>
</tr>
</tbody>
</table>

**Type of risk & Primary risk driver**

<table>
<thead>
<tr>
<th>Type of risk &amp; Primary risk driver</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulatory</td>
<td>Mandatory water efficiency, conservation, recycling or process standards</td>
</tr>
</tbody>
</table>

**Primary potential impact**
Increased operating costs

**Company-specific description**
Potential for increased water recycling requirement in Saskatchewan. Processing facilities at Husky’s Saskatchewan thermal plants would need significant capital upgrades to allow for increased water recycling.

**Timeframe**
Unknown

**Magnitude of potential impact**
High

**Likelihood**
Unknown

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

**Potential financial impact figure (currency)**
330000000

**Potential financial impact figure - minimum (currency)**
<Not Applicable>

**Potential financial impact figure - maximum (currency)**
<Not Applicable>

**Explanation of financial impact**
Costs would be variable, and relative to the amount of recycling that is mandated. A single new facility requiring minor (<5%) water recycling could represent a one-time financial impact of $500K plus increases in annual operating costs. Retrofitting all existing facilities for significant amounts of recycling could represent a financial impact >$330 million ($30 million per plant in capital costs; operating costs would be additional to this).

**Primary response to risk**
Adopt water efficiency, water reuse, recycling and conservation practices

**Description of response**
Husky is increasing water efficiency at its new Saskatchewan thermal facilities through implementation of an acidification process that improves boiler blowdown recycle. The Company is also preparing for possible changes to regulations by (1) engaging with regulators to anticipate planned changes; (2) evaluating water risk at the facility level for all heavy oil operations; (3) characterizing produced water variability and research of water recycling technology.

**Cost of response**
1700000

**Explanation of cost of response**
The cost for implementing the acid injection process at each new facility is estimated at $1.7 million capital cost at each plant.
Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada Other, please specify (Athabasca River)</td>
</tr>
</tbody>
</table>

Type of risk & Primary risk driver

<table>
<thead>
<tr>
<th>Primary potential impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Increased water scarcity</td>
</tr>
</tbody>
</table>

Company-specific description

Husky is reliant on third-party access agreements to source water for the Sunrise Energy Project. With the local competition for water sources, unplanned changes in the access agreements could impact water sourcing and therefore oil production.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

13000000

Explanation of financial impact

Financial impacts exceeding $10 million are considered significant under Husky's corporate risk matrix. If Husky's two operator agreements for water sourcing were compromised at the same time, production would stop. Based on 2019 data, lost production on its own would be a loss of approximately $13 million per week gross revenue. These costs would be incurred until at least one agreement issue was resolved or an alternate water source was found.

Primary response to risk

Engage with suppliers

Description of response

In 2019, Husky continued to engage with industry peers on water management collaboration for mutual benefit to mitigate future water sourcing risk.

Cost of response

100000

Explanation of cost of response

Estimated cost of updates to Water Management Plan for the facility; includes technical assessment and identification of water source mitigations.

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada Other, please specify (Multiple across Alberta)</td>
</tr>
</tbody>
</table>

Type of risk & Primary risk driver

<table>
<thead>
<tr>
<th>Primary potential impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Ecosystem vulnerability</td>
</tr>
</tbody>
</table>

Company-specific description

The Government of Alberta has a stream crossing directive to improve fish passage in priority watersheds. If Husky watercourse crossing assets hinder/block fish passage, Husky may be subject to fines, penalties or enforcement orders until the deficiency has been corrected.

Timeframe

4-6 years

Magnitude of potential impact

Low

Likelihood

Exceptionally unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>
Potential financial impact figure - minimum (currency)
0

Potential financial impact figure - maximum (currency)
10000000

Explanation of financial impact
Watercourse crossings are federally regulated under the Fisheries Act and the Species at Risk Act, as well as the Public Lands Act and Environmental Protection and Enhancement Act the provincial level. Penalties and offences for non-compliance include fines and potential imprisonment pursuant to the Fisheries Act. The estimated cost of non-compliance with the Directive is based on historical inspection results and estimated crossing deficiencies.

Primary response to risk
Comply with local regulatory requirements

Description of response
To maintain compliance with this directive, Husky participates in Foothills Stream Crossing Partnership, which provides Husky with a system to inspect and manage its watercourse crossing assets and facilitate reporting on the asset's status to the Alberta Energy Regulator annually. Husky inspects crossing assets in priority watersheds annually, and develops remediation plans to address deficiencies within a 5-year timeframe.

Cost of response
17000

Explanation of cost of response
The cost of partnership is $10,000. Third-party inspector costs are around $7,000/yr.

W4.2a
(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>Other, please specify (Athabasca River)</td>
</tr>
</tbody>
</table>

Stage of value chain

Other, please specify (Operations)

Type of risk & Primary risk driver

<table>
<thead>
<tr>
<th>Type of risk &amp; Primary risk driver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical</td>
</tr>
<tr>
<td>Increased water scarcity</td>
</tr>
</tbody>
</table>

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Husky is reliant on third-party access agreements for source water at the Sunrise Energy Project. With the local competition for water sources, unplanned changes in the access agreements could impact water sourcing and therefore oil production.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

13000000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

If Husky’s two operator agreements for water sourcing were compromised at the same time, production would stop. Based on 2019 data, lost production on its own would be a loss of approximately $13 million per week gross revenue. These costs would be incurred until at least one agreement issue was resolved or an alternate water source was found.

Primary response to risk

<table>
<thead>
<tr>
<th>Primary response to risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supplier engagement</td>
</tr>
<tr>
<td>Other, please specify (Engage with industry peers on water management collaboration for mutual benefit to mitigate future water sourcing risk)</td>
</tr>
</tbody>
</table>

Description of response

In 2019, Husky continued to engage with industry peers on water management collaboration for mutual benefit to mitigate future water sourcing risk.

Cost of response

100000

Explanation of cost of response

Estimated cost of updates to the Water Management Plan for the facility; includes technical assessment and identification of water source mitigations.

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a
(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

**Type of opportunity**
- Efficiency

**Primary water-related opportunity**
- Cost savings

**Company-specific description & strategy to realize opportunity**
Husky handles substantial water volumes throughout the completion and production phases of its fracturing operations. The volume of water, the high frequency in which it's handled, and the temporary methods and infrastructure used to handle water, result in high operating costs. Husky is assessing opportunities to lower the financial, community and environmental impact of water handling. Opportunities are assessed through holistic water management scenarios that align and can be implemented with the planned pace of development. The use of local and/or permanent infrastructure could make Husky’s fracturing assets more resilient in challenging economic conditions, and limit water transportation by trucking resulting in reduced impact on communities. Permanent infrastructure for water storage and/or recycling can be used to increase the efficiency of water use in fracturing operations, lowering the environmental impact. Water retention ponds, deep groundwater wells (>50 m deep), water pipelines, water treatment and recycling technology and wastewater disposal (>1,000 m deep) are all being considered as opportunities.

**Estimated timeframe for realization**
4 to 6 years

**Magnitude of potential financial impact**
High

**Are you able to provide a potential financial impact figure?**
Yes, an estimated range

**Potential financial impact figure (currency)**
<Not Applicable>

**Potential financial impact figure – minimum (currency)**
10000000

**Potential financial impact figure – maximum (currency)**
20000000

**Explanation of financial impact**
Two examples of Husky’s fracturing assets and their cost-benefit considerations are: 1) In-field (local) Husky owned disposal (requires moderate capital ($3MM to $20MM): can be implemented once there is sufficient demand (water volumes) to justify Husky owned and/or local disposal; reduces trucking costs; reduces truck traffic; eliminates disposal fees; would save > $36MM over 10 years) 2) Permanent water treatment and recycling: Involves a high commitment ($20MM to $50MM); must be considered with plant construction and commitment to asset development; drastically reduces or eliminates trucking, reduces freshwater volume requirements; reduces disposal requirements and fees; capital investment of $20MM would be recovered in 3 to 5 years. The financial impact can be variable depending on the scale of operations, the time required for development, and type and location of infrastructure.

---

**W5. Facility-level water accounting**

**W5.1**

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

**Facility reference number**
Facility 1

**Facility name (optional)**
SeaRose FPSO

**Country/Area & River basin**
Canada

Latitude
46.7904

Longitude
-48.0163

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

**Oil & gas sector business division**
Upstream

**Total water withdrawals at this facility (megaliters/year)**
19995

**Comparison of total withdrawals with previous reporting year**
Higher

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**
Withdrawals from brackish surface water/seawater  
18247

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable
1748

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)  
19995

Comparison of total discharges with previous reporting year  
Higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater  
18210

Discharges to groundwater
1785

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)  
0

Comparison of total consumption with previous reporting year  
About the same

Please explain Increases in withdrawals and discharges due to the facility re-starting in 2019, after being shut-in from November 2018 to January 2019, and increased water required for simple cooling of marine systems.

<table>
<thead>
<tr>
<th>Facility reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility 2</td>
</tr>
</tbody>
</table>

Facility name (optional)  
Bolney Thermal Plant

Country/Area & River basin

<table>
<thead>
<tr>
<th>Canada</th>
<th>Other, please specify (North Saskatchewan River)</th>
</tr>
</thead>
</table>

Latitude  
53.527242

Longitude  
-109.35453

Located in area with water stress  
No

Primary power generation source for your electricity generation at this facility  
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)  
6455

Comparison of total withdrawals with previous reporting year  
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes  
3257

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water  
3198

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)  
6288

Comparison of total discharges with previous reporting year  
About the same

Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
6288
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
167
Comparison of total consumption with previous reporting year
Much higher
Please explain
No significant change in withdrawals or discharges at this facility. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 3
Facility name (optional)
Edam East Thermal Plant
Country/Area & River basin

<table>
<thead>
<tr>
<th>Latitude</th>
<th>Other, please specify (North Saskatchewan River)</th>
</tr>
</thead>
<tbody>
<tr>
<td>53.121674</td>
<td></td>
</tr>
</tbody>
</table>

Longitude
-108.757994
Located in area with water stress
No
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
Upstream
Total water withdrawals at this facility (megaliters/year)
3603
Comparison of total withdrawals with previous reporting year
About the same
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
2099
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
1504
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
3587
Comparison of total discharges with previous reporting year
About the same
Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
3587
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
16
Comparison of total consumption with previous reporting year
Much higher
Please explain
No significant change in withdrawals or discharges at this facility. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 4
Facility name (optional)
Edam West Thermal Plant
Country/Area & River basin

Canada Other, please specify (North Saskatchewan River)

Latitude
53.100306

Longitude
-108.925712

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
1814

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
1029

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
785

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)
1809

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
1809

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
5

Comparison of total consumption with previous reporting year
Lower

Please explain
No significant change in withdrawals or discharges at this facility. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 5

Facility name (optional)
Paradise Hill Thermal Plant

Country/Area & River basin

Canada Other, please specify (North Saskatchewan River)

Latitude
53.606028

Longitude
-109.447917

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
Comparison of total withdrawals with previous reporting year
About the same
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
840
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
761
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
1549
Comparison of total discharges with previous reporting year
About the same
Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
1549
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
52
Comparison of total consumption with previous reporting year
Much higher
Please explain
No significant change in withdrawals or discharges at this facility. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 6
Facility name (optional)
Pikes Peak South Thermal Plant
Country/Area & River basin
Canada
Latitude
53.207526
Longitude
-109.37079
Located in area with water stress
No
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
Upstream
Total water withdrawals at this facility (megaliters/year)
3954
Comparison of total withdrawals with previous reporting year
About the same
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
2052
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
1903
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
3901
Comparison of total discharges with previous reporting year
About the same
Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
3901
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
54
Comparison of total consumption with previous reporting year
Lower
Please explain
No significant change in withdrawals or discharges at this facility. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 7

Facility name (optional)
Pikes Peak Thermal Plant

Country/Area & River basin
Canada Other, please specify (North Saskatchewan River)

Latitude
53.279019

Longitude
-109.364955

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
169
Comparison of total withdrawals with previous reporting year
Lower
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
80
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
89
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
166
Comparison of total discharges with previous reporting year
Lower
Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
166
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
3
Comparison of total consumption with previous reporting year
Much lower
Please explain
Facility was shut-in March 2019. Consumption is negligible (<1% of withdrawal).
Facility 8

Facility name (optional)
Rush Lake 2 Thermal Plant

Country/Area & River basin

| Canada | Other, please specify (North Saskatchewan River) |

Latitude
53.105661

Longitude
-108.984934

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
3261

Comparison of total withdrawals with previous reporting year
Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
1847

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
1415

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)
3231

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
3231

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
31

Comparison of total consumption with previous reporting year
Much higher

Please explain
There was increased withdrawal and discharges due to the facility ramp up in 2019. Consumption is negligible (<1% of withdrawal).

Facility 9

Facility name (optional)
Rush Lake Thermal Plant

Country/Area & River basin

| Canada | Other, please specify (North Saskatchewan River) |

Latitude
52.842646

Longitude
-109.804696

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
3624

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
2149

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
1476

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)
3592

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
3592

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
32

Comparison of total consumption with previous reporting year
Much higher

Please explain
Increased withdrawal due to operational pacing. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 10

Facility name (optional)
Sandall Thermal Plant

Country/Area & River basin

Canada Other, please specify (North Saskatchewan River)

Latitude
53.399636

Longitude
-109.438052

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
1643

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
928

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
715
Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)
1574

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
1574

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
69

Comparison of total consumption with previous reporting year
Much higher

Please explain
Increased withdrawal due to operational pacing. Consumption is negligible (<1% of withdrawal).

---

Facility reference number
Facility 11

Facility name (optional)
Vawn Thermal Plant

Country/Area & River basin

<table>
<thead>
<tr>
<th>Canada</th>
<th>Other, please specify (North Saskatchewan River)</th>
</tr>
</thead>
</table>

Latitude
53.114462

Longitude
-108.641652

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
4094

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
2154

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
1940

Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)
4058

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
4058

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
36

Comparison of total consumption with previous reporting year
Much higher
Facility reference number
Facility 12

Facility name (optional)
Dee Valley

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>Other, please specify (North Saskatchewan River)</td>
</tr>
</tbody>
</table>

Latitude 53.175395

Longitude -109.268587

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
1099

Comparison of total withdrawals with previous reporting year
This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes 746
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water 353
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year) 1102

Comparison of total discharges with previous reporting year
This is our first year of measurement

Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater 1102
Discharges to third party destinations
Total water consumption at this facility (megaliters/year) -3

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
First year reporting.

Facility reference number
Facility 13

Facility name (optional)
Sunrise Energy Project

Country/Area & River basin

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
</tr>
<tr>
<td>Other, please specify (Athabasca River)</td>
</tr>
</tbody>
</table>

Latitude 57.251659

Longitude -110.988631
Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Upstream

Total water withdrawals at this facility (megaliters/year)
10975

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
6

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable
775

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water
9021

Withdrawals from third party sources
1173

Total water discharges at this facility (megaliters/year)
10741

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater
10741

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)
234

Comparison of total consumption with previous reporting year
Much higher

Please explain
Decreased withdrawals are due to higher oil cuts being produced from the reservoir. Higher oil cuts mean that less produced water is withdrawn. Decreases in discharges are due to a turnaround in 2019 – less steam was injected in the reservoir. Consumption is negligible (<1% of withdrawal).

Facility reference number
Facility 14

Facility name (optional)
Lima Refinery

Country/Area & River basin

<table>
<thead>
<tr>
<th>United States of America</th>
<th>Other, please specify (Maumee River)</th>
</tr>
</thead>
</table>

Latitude
40.72068

Longitude
-113.88582

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Midstream/Downstream

Total water withdrawals at this facility (megaliters/year)
3511

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
2467
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
1044
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
1037
Comparison of total discharges with previous reporting year
Lower
Discharges to fresh surface water
795
Discharges to brackish surface water/seawater
Discharges to groundwater
242
Discharges to third party destinations
Total water consumption at this facility (megaliters/year)
2474
Comparison of total consumption with previous reporting year
About the same
Please explain
Withdrawals and discharges decreased due to commissioning of the water recycling project in March 2019.

Facility reference number
Facility 15
Facility name (optional)
Superior Refinery
Country/Area & River basin
United States of America
Other, please specify (Lake Superior)
Latitude
46.69036
Longitude
-92.070925
Located in area with water stress
No
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
Midstream/Downstream
Total water withdrawals at this facility (megaliters/year)
0
Comparison of total withdrawals with previous reporting year
Lower
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
Withdrawals from third party sources
Total water discharges at this facility (megaliters/year)
0
Comparison of total discharges with previous reporting year
Lower
Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
Discharges to third party destinations
Total water consumption at this facility (megaliters/year) 
0

Comparison of total consumption with previous reporting year
Lower

Please explain
Refinery was under reconstruction in 2019.

Facility reference number
Facility 18

Facility name (optional)
Minnedosa Ethanol Plant

Country/Area & River basin

<table>
<thead>
<tr>
<th>Canada</th>
<th>Other, please specify (Assiniboine River)</th>
</tr>
</thead>
</table>

Latitude
50.2543

Longitude
-99.849794

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
Not applicable

Total water withdrawals at this facility (megaliters/year)
549

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
549

Withdrawals from brackish surface water/seawater
Withdrawals from groundwater - renewable
Withdrawals from groundwater - non-renewable
Withdrawals from produced/entrained water
Withdrawals from third party sources

Total water discharges at this facility (megaliters/year)

Comparison of total discharges with previous reporting year
Please select

Discharges to fresh surface water
Discharges to brackish surface water/seawater
Discharges to groundwater
Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year
Please select

Please explain
No significant changes in water withdrawals.

W5.1a
For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

<table>
<thead>
<tr>
<th>Water withdrawals – total volumes</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water withdrawals – volume by source</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water withdrawals – quality</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water discharges – total volumes</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water discharges – volume by destination</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water discharges – volume by treatment method</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water discharge quality – quality by standard effluent parameters</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water discharge quality – temperature</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water consumption – total volume</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water recycled/reused</th>
<th>% verified</th>
<th>Not verified</th>
</tr>
</thead>
<tbody>
<tr>
<td>What standard and methodology was used?</td>
<td>&lt;Not Applicable&gt;</td>
<td></td>
</tr>
</tbody>
</table>
(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy, but it is not publicly available

(W6.1a) Select the options that best describe the scope and content of your water policy.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to water stewardship and/or collective action Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change</td>
<td>The Husky Corporate Water Standard applies to the entire Company and is approved by the Chief Operating Officer. The Standard outlines the expectation for every facility to conduct a water risk assessment and develop a water management plan. It acknowledges the human right to water. It describes both the business dependency on water, such as oil production and refining needs, and describes business impact on water, such as resulting impacts to water availability from Husky's use or to water quality from inadvertent releases. The Standard references international standards in setting expectations for water risk assessments. Risk assessments are expected to consider environmental linkages. Targets and goals are included, to ensure objectives are met. The Standard outlines that regulatory compliance is the minimum expectation, and that the Company, as a responsible water steward, expects to exceed the minimum expectation. The Water Management Critical Competency Network is endorsed under the Standard.</td>
</tr>
</tbody>
</table>

(W6.2) Is there board level oversight of water-related issues within your organization?
Yes

(W6.2a)
(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board-level committee</td>
<td>The Health, Safety and Environment Committee (&quot;HS&amp;E Committee&quot;) of the Board has oversight of Husky's HS&amp;E strategy and has oversight of the operational aspects of environmental issues including water. The HS&amp;E Committee reviews elements of Husky's Enterprise Risk Matrix when it meets at least semi-annually. The HS&amp;E Committee reports to the Board and the Co-Chairs of the Board on a regular basis as is responsibly appropriate. In 2019, the HS&amp;E Committee: o Received and discussed updates on ESG disclosure; o Received updates on the Corporation’s environmental audit programs.</td>
</tr>
<tr>
<td>Director on board</td>
<td>Husky’s Board of Directors (the &quot;Board&quot;), 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 (&quot;Enterprise Risk Matrix&quot;), which is maintained by the Compliance and Risk Committee. In November 2019, the Board received an information session on environmental, social and governance (&quot;ESG&quot;) performance and disclosure.</td>
</tr>
<tr>
<td>Board-level committee</td>
<td>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 water. 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 received and discussed updates on ESG matters.</td>
</tr>
<tr>
<td>Board-level committee</td>
<td>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. The Audit Committee meets at least quarterly and reports to the Board and the Co-Chairs of the Board on a regular basis as is appropriate. In 2019, the Audit Committee received and discussed updates on the financial aspects of these risks.</td>
</tr>
</tbody>
</table>

(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are on the agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled item - some meetings</td>
<td>Reviewing and guiding annual budgets</td>
<td>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 received an information session on ESG performance and disclosure. The HS&amp;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&amp;E issues. Husky includes water-related issues as part of its definition of HS&amp;E. In 2019, the HS&amp;E Committee received and discussed updates on ESG matters; and, 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&amp;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 received and discussed updates on the financial aspects of ESG risks. 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 received and discussed updates on ESG matters. The committees’ mandates, which each lay out specific duties, are publicly available on Husky’s website: <a href="https://huskyenergy.com/about/board-mandates.asp">https://huskyenergy.com/about/board-mandates.asp</a></td>
</tr>
</tbody>
</table>

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

**Name of the position(s) and/or committee(s)**

Other, please specify (SVP Safety, Operational Integrity & Environment, and Chair of the Executive Health, Safety, and Environment Committee)

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Half-yearly

**Please explain**

Water-related issues are managed by the Executive Health, Safety and Environment Committee (EHSEC). It is the highest-level management committee, with a mandate to provide executive level oversight and strategic direction for all critical health, safety and environmental issues, including water-related issues. This committee consists of members of senior management and is chaired by the Senior-Vice President Safety Operational Integrity & Environment, who holds ultimate accountability for management of, and reporting on, water-related issues to the Board. The EHSEC Committee contributes HSE elements to the enterprise risk matrix. This matrix is maintained by the Risk and Compliance Committee, which reports the matrix on a quarterly basis to the Audit Committee of the Board of Directors, at least semi-annually to the Health, Safety and Environment Committee of the Board of Directors, and annually to the Board of Directors.

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

<table>
<thead>
<tr>
<th>Provide incentives for management of water-related issues</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>No, and we do not plan to introduce them in the next two years</td>
</tr>
</tbody>
</table>
W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Key individuals in the business units and supporting service groups that are involved in water management issues are engaged through the Water Regulatory Monitoring Committee and the Water Management Critical Competency Network. The Company’s positions on water-related issues are 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 water policy engagement to ensure that policy advocacy activities are aligned. Inconsistencies within advocacy activities (both internal, and with industry associations) are addressed individually on an ad-hoc basis.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

<table>
<thead>
<tr>
<th>Are water-related issues integrated?</th>
<th>Long-term time horizon (years)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>11-15</td>
<td>Water sourcing and discharge are critical to most of Husky's operations. Availability, reliability, regulatory, and stakeholder water issues are local. For example, in some of Husky's operating areas, water disposal capacity is abundant, while water sourcing is scarcer. Water availability and disposal capacity are fully integrated into Husky's long-term business plans for the Sunrise and Tucker facilities. Water supply and quality are fully integrated into objectives and business plans for the Saskatchewan thermal portfolio. Husky considers these aspects in assessing long term strategic objectives, including evaluation of significant capital investments or potential oil and gas asset acquisitions. These aspects are also considered as part of a project's technical review, through Husky's Project Delivery Model and Project Assurance processes. This includes hydrogeologic and hydrologic assessment of water resources for future developments.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>11-15</td>
<td>Water sourcing and discharge are critical to most of Husky's operations. Availability, reliability, regulatory, and stakeholder water issues are local. Husky considers these aspects in assessing long term strategy, including evaluation of potential oil and gas assets. This includes hydrogeologic and hydrologic assessment of water resources. As an example, Husky's hydraulic fracturing projects use substantial water volumes throughout drilling, completion, and production. Husky is assessing opportunities to lower the financial, community, and environmental impact of this water handling, such as the construction of permanent infrastructure for water storage and recycling. Husky introduced the Husky Operational Integrity Management System (HOIMS) 2.0 in 2019. HOIMS 2.0 provides a framework for the strategy of running a safe and reliable business. Specifically, elements 12 and 14 of HOIMS 2.0 outline provisions for protecting the environment.</td>
</tr>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>11-15</td>
<td>Capital is required to protect and remediate fresh water, identify and evaluate water sourcing and discharge options, and implement water storage and treatment technologies. The potential for increased capital expenditure has further motivated efforts to identify opportunities for increased water efficiency and continuous improvement in asset integrity. Husky has a process for financial approval of all projects which includes evaluating financial risk relating to water. As an example, water-related infrastructure related to a crude oil flexibility project at the Lima Refinery was included in the long-range plan for refinery, and is also included in the long-range plan for Saskatchewan thermal projects.</td>
</tr>
</tbody>
</table>

W7.2
What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)
-50

Anticipated forward trend for CAPEX (+/- % change)
0

Water-related OPEX (+/- % change)
0

Anticipated forward trend for OPEX (+/- % change)
0

Please explain
Husky does not explicitly track water-related CAPEX and OPEX for thermal and offshore projects; the percentages above are estimates and reflect Husky’s fracturing operations only. Husky reduced the per-well water management CAPEX in fracturing operations by up to 50%, from 2018 to 2019. The 2020 water-related OPEX for fracturing operations is anticipated to be similar or lower than 2019, due to less completions activity. Water related CAPEX and OPEX are expected to decrease beyond 2020, corresponding with strategic water management planning for all operations, and opportunities to develop water-related infrastructure for fracturing operations.

Does your organization use climate-related scenario analysis to inform its business strategy?

Yes

Has your organization identified any water-related outcomes from your climate-related scenario analysis?
Yes

What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization’s response?

<table>
<thead>
<tr>
<th>Climate-related scenarios and models applied</th>
<th>Description of possible water-related outcomes</th>
<th>Company response to possible water-related outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>IEA Sustainable Development Scenario</td>
<td>Husky has conducted qualitative climate scenario analysis and evaluated its operations relative to emerging regulations based on international commitments. Husky considers potential climate-driven changes in the status of water availability and ecosystems/habitats at a local level where they relate to the water management of Husky facilities. The Company invests in research to better understand how water availability and ecosystem/habitats may change over time, which include climate aspects.</td>
<td>Husky’s strategic response to the possibility of climate-driven changes in water availability in Saskatchewan is investment in climate-related water availability research. Husky invests in the Climate Impacts to Industrial Water Supplies on the North Saskatchewan River project, which is conducted through the Prairie Adaptation Research Collaborative at the University of Regina. The research helps Husky to better predict potential availability issues.</td>
</tr>
</tbody>
</table>

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain
Water valuation is complex and there is limited guidance on establishing a methodology, particularly in the oil and gas industry. In the jurisdictions where Husky operates, extensive data or methodology around water valuation are not mature. Husky will continue to explore water valuation practices.
W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide targets and goals</td>
<td>Targets are monitored at the corporate level</td>
<td>Targets and goals are outlined in the Husky Corporate Water Standard, which has been endorsed by the Chief Operating Officer. The Company-wide and site-specific targets and goals were developed based on identification of water risks and are evaluated on an annual basis.</td>
</tr>
<tr>
<td>Business level specific targets and/or goals</td>
<td>Goals are monitored at the corporate level</td>
<td></td>
</tr>
<tr>
<td>Site facility specific targets and/or goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basin specific targets and/or goals</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

<table>
<thead>
<tr>
<th>Target reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target 1</td>
</tr>
</tbody>
</table>

Category of target

Other, please specify (Water management plans)

Level

Company-wide

Primary motivation

Risk mitigation

Description of target

Complete and document water management plans for all operations that rely on water resources or have the potential to negatively impact water resources. Water management plans (also referred to as water risk assessments) identify water risks and associated mitigations, and therefore are critical to water security. For this reason, the target is company-wide, with expectations applicable to individual facilities.

Quantitative metric

Other, please specify (% of facilities with management plan)

Baseline year

2014

Start year

2014

Target year

2020

% of target achieved

46

Please explain

46% of all facilities identified that rely on water resources or have the potential to negatively impact water resources have documented water management plans. The priority has been on higher risk facilities with more complex water risks.

Target reference number

Target 2

Category of target

Water pollution reduction

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

Husky has an internal target for hydrocarbon spill recovery of 85%.

Quantitative metric

Other, please specify (% spilled hydrocarbons recovered)

Baseline year

2019

Start year

2019

Target year

CDP
Husky recovered 98.1% of spilled hydrocarbon volumes in 2019.

Target reference number
Target 3
Category of target
Water pollution reduction
Level
Company-wide
Primary motivation
Reduced environmental impact
Description of target
Husky has an internal target for hydrocarbon release volume of ≤ 350 m3
Quantitative metric
Other, please specify (Total volume (m3) hydrocarbons released)
Baseline year
2019
Start year
2019
Target year
2019
% of target achieved
100
Please explain
Husky spilled fewer than 350 m3 of hydrocarbons in 2019.

Husky had a total number of spill incidents greater than 170 in 2019.

Target reference number
Target 4
Category of target
Water pollution reduction
Level
Company-wide
Primary motivation
Reduced environmental impact
Description of target
Husky has an internal target for number of reportable spill incidents of ≤ 170
Quantitative metric
Other, please specify (Total number of reportable spill incidents of any type)
Baseline year
2019
Start year
2019
Target year
2019
% of target achieved
0
Please explain
Husky had a total number of spill incidents greater than 170 in 2019.

Through its Water Supply Integrity Program, Husky has an internal target to complete an annual sampling program of water sources at all (100%) applicable upstream and downstream facilities with domestic water supplies. Facilities that participate in provincially, state or federally administered programs (e.g. the Sunrise Energy Project) are excluded.
Quantitative metric
Other, please specify (% of applicable facilities with domestic water supplies that completed the annual Water Supply Integrity Program)

Baseline year
2019

Start year
2019

Target year
2019

% of target achieved
100

Please explain
All applicable Husky facilities completed the annual Water Supply Integrity Program in 2019.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal
Other, please specify (Facility Water Management Plans)

Level
Company-wide

Motivation
Risk mitigation

Description of goal
Husky completes water management plans. Water management plans (also referred to as water risk assessments) identify water risks and associated mitigations, and therefore are critical to water security. Annually, facilities that rely on water are identified, with risks reviewed at a high level, and facilities are selected for detailed water risk assessment and mitigation. This is a Company-wide goal to allow prioritization of the highest risk facilities. This ensures the highest water risks are being addressed, which is important since a large portion of Husky's operations are dependent on water. A schedule is updated to track progress of water risk assessments.

Baseline year
2014

Start year
2014

End year
2020

Progress
A list of facilities that rely on water is generated, and progress in conducting water risk assessments is tracked against this list each year. Success is indicated by completion of risk assessments for the highest priority facilities on an annual basis, and for all facilities by 2020. Husky has now completed risk assessments for 46% of its water-reliant facilities.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, we do not currently verify any other water information reported in our CDP disclosure

W10. Sign off

W-FI

(W-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 See attached document regarding Forward-Looking Statements and Disclosure of Oil and Gas Information.

2020 Husky CDP Water Security Questionnaire Advisories.docx
(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Vice President, Safety, Operations, Integrity and Environment</td>
<td>Other, please specify (Senior Vice President, Safety, Operations, Integrity and Environment)</td>
</tr>
</tbody>
</table>

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>I am submitting to</th>
<th>Public or Non-Public Submission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>Public</td>
</tr>
</tbody>
</table>

Please confirm below

I have read and accept the applicable Terms