Climate Change 2015 Information Request
Husky Energy Inc.

Module: Introduction

Page: Introduction

CC0.1
Introduction
Please give a general description and introduction to your organization.

Husky Energy Inc. is one of Canada's largest integrated energy companies. It is based in Calgary, Alberta, Canada 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 with Upstream and Downstream business segments.

CC0.2
Reporting Year
Please state the start and end date of the year for which you are reporting data.
The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.
We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here.
Work backwards from the most recent reporting year.
Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Wed 01 Jan 2014 - Wed 31 Dec 2014

CC0.3
Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

CC0.4
Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

CAD ($)

CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx.

Further Information

READER ADVISORIES Forward-Looking Statements and Information Certain statements in this document are forward-looking statements and information (collectively “forward-looking statements”), within the meaning of the applicable Canadian securities legislation, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. The forward-looking statements contained in this document are forward-looking and not historical facts. Some of the forward-looking statements may be identified by statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "will continue", "is anticipated", “is targeting”, "estimated", "intend", "plan", "projection", "could", “aim”, "vision", "goals", "objective", "target", "schedules" and "outlook"). In particular, forward-looking statements in this document include, but are not limited to, references to: the Company’s general strategic plans, including short-term and long-term strategies, and growth strategies; potential improvements in energy efficiency and GHG emissions intensity demonstrated by installation of vacuum insulated tubing; estimated annual CO2 emissions savings, monetary savings, investment required, payback period and lifetime of emissions reduction initiatives implemented in the reporting year; potential impact and magnitude of impact, timeframe, likelihood, financial implications, management methods and cost of management for anticipated risks driven by changes in climate change regulations, changes in physical climate parameters, and other climate-related developments; potential impact and magnitude of impact, timeframe, likelihood, financial implications, management methods and cost of management for anticipated opportunities presented by changes in climate change regulations, changes in physical climate parameters, and other climate-related developments; estimated levels of uncertainty in the Company’s emissions figures; anticipated strategies for complying with emissions trading schemes in which the Company participates or anticipates participating; the Company’s 2015 production estimates for all product types; estimated 2015 sales volumes for all product types; and the Company’s expectation that it will recover additional oil resources in the Atlantic Region over time. In addition, statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of reserves and in projecting future rates of production and the timing of development expenditures. The total amount or timing of actual future production may vary from reserve and production estimates. Although the Company believes that the expectations reflected by the forward-looking statements presented in this document are reasonable, the Company’s forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources. Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to Husky. The Company’s Annual Information Form for the year ended December 31, 2014 and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com and the EDGAR website www.sec.gov) describe risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference. Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable securities laws, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company’s business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon its assessment of the future considering all information then available. Disclosure of Oil and Gas Information Unless otherwise stated, reserve and resource estimates in this news release have an effective date of December 31, 2014 and represent Husky's share. Unless otherwise noted, historical production numbers given represent Husky’s share. The Company uses the terms barrels of oil equivalent (“boe”), which is calculated on an energy equivalence basis whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. Readers are cautioned that the term boe may be misleading, particularly if used in isolation. This measure is primarily applicable at the burner tip and does not represent value equivalence at the wellhead. The estimate of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Module: Management

Page: CC1. Governance

CC1.1
Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a
Please identify the position of the individual or name of the committee with this responsibility

i) The Health Safety and Environment Committee of the Board of Directors is responsible.

ii) The Health Safety and Environment Committee of the Board of Directors has the following mandate:

A. PURPOSE

The Health, Safety and Environment Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of Husky Energy Inc. (the “Corporation”). The Committee’s primary function is to assist the Board in carrying out its responsibilities by reviewing, reporting and making recommendations to the Board on the Corporation’s policies, management systems and programs with respect to health, safety and environment (“HS&E”).

While the Committee has the responsibilities and powers set forth in this mandate, the role of the Committee is oversight. The members of the Committee are not full time employees of the Corporation and may or may not be experts in the health, safety and environment, and, in any event, do not serve in such capacity. Consequently, it is not duty of the Committee to plan or conduct health, safety and environment initiatives, health, safety and environment audit program or the like, or to determine that the Corporation is in compliance with such health, safety and environment initiatives, health, safety and environment audit programs or the like, or that the Corporation’s health, safety and environment policies, management system and programs are complete, accurate or are in compliance with applicable legal and regulatory requirements. Management will continue to have the responsibility to conduct investigations and to assure compliance with applicable laws and regulations and the Corporation’s health, safety and environment policies and programs.

B. COMPOSITION

The Committee will consist of not less than three directors all of whom will be independent of management.
Members of the Committee will be appointed annually at a meeting of the Board, on the recommendation of the Corporate Governance Committee to the Co-Chairs, and will be listed in the annual report to shareholders.

Committee members may be removed or replaced at any time by the Board, and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

The Committee Chair will be appointed by the Board, on the recommendation of the Corporate Governance Committee to the Co-Chairs.

C. MEETINGS

The Committee will meet at least semi-annually on dates determined by the Chair or at the call of the Chair or any other Committee member, and as many additional times as the Committee deems necessary.

Committee members will strive to be present at all meetings either in person, by telephone or other communications facilities as permit all persons participating in the meeting to hear each other.

A majority of Committee members, present in person, by telephone, or by other permissible communication facilities shall constitute a quorum.

The Committee will appoint a secretary who need not be a member of the Committee or a director of the Corporation. The secretary will keep minutes of the meetings of the Committee. Minutes will be sent to all Committee members, in a timely manner.

D. AUTHORITY

The Committee has the authority to engage and set the compensation of independent counsel and other advisors, at the Corporation's expense, as it determines necessary to carry out its duties.

E. SPECIFIC DUTIES & RESPONSIBILITES

The Committee will have the oversight responsibilities and specific duties as described below.

1. Review, on a periodic basis, the Corporation's HS&E policy, management systems and programs and any significant policy contraventions.

2. Review, on a periodic basis, the Corporation's HS&E audit program and significant findings resulting from the program.

3. Review, on a periodic basis, compliance with governmental orders, conduct of litigation and other proceedings relating to HS&E matters.

4. Review, on a periodic basis, actions and initiatives undertaken to mitigate HS&E risk and/or HS&E matters having the potential to affect the Corporation's activities, plans, strategies or reputation. In addition, the Committee oversees the Corporation's risk management framework and related processes in relation to HS&E matters.

5. Conduct a periodic review of the Corporation's environmental remediation program.

6. Monitor, on a periodic basis, the relationship with regulatory authorities and others outside the Corporation (including joint venture partners, neighbouring property owners, stakeholders and shareholders) on HS&E issues.

7. Act in an advisory capacity to the Board.

8. Carry out such other responsibilities as the Board may, from time to time, set forth.

9. Advise and report to the Co-Chairs of the Board and the Board, relative to the duties and responsibilities set out above, from time to time, set in such detail as is responsibly appropriate.

CC1.2
Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a
Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
All employees	Monetary reward	Efficiency project	
Other: Individuals nominated for HSE awards for major sustainability accomplishments.	Recognition (non-monetary)	Other: Recognition for specific projects that address climate change and other environmental issues through the CEO's Corporate Responsibility awards.	

Further Information

Page: CC2. Strategy

CC2.1
Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a
Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	Global Operations	> 6 years	Husky's enterprise risk matrix is, in the first instance, reviewed on a regular basis by vice presidents and managers at all levels of the Company and then reviewed on a quarterly basis by the Executive Health, Safety and Environment Committee, which is composed of senior management. Updates are then provided to the Audit Committee of the Board of Directors on a quarterly basis, the Health, Safety and Environment Committee of the Board of Directors three times per year, and to the Board of Directors annually. At the asset level, the asset managers, environmental coordinators and other appropriate individuals are informed or consulted.

CC2.1b
Please describe how your risk and opportunity identification processes are applied at both company and asset level

Husky continues to develop a comprehensive corporate-wide climate change risk and opportunity identification process that integrates the Greenhouse Gas Management Framework and Carbon Management Critical Competency Network (CMCC).

Process scope:

The GHG management framework manages reporting, regulatory compliance, emission forecasting and emission reduction strategies. It includes:
- Emission management system
- Emission inventories and quantification
- Reporting and verification
- Emission forecasting
- Emission reduction strategies
- Regulatory advocacy and policy development
- Corporate governance

The CMCC provides corporate guidance and recommendations around the growing financial risks and value of carbon.

Company-level assessment:

By estimating its current and projected future emissions, and understanding forthcoming regulations that may impact its business, the Company determines the areas of its operations that may face future compliance obligations or additional costs from regulation. Husky's enterprise risk management program supports decision-making via comprehensive and systematic identification and assessment of risks that could materially impact the results of the Company. It builds risk management and mitigation into strategic planning and operational processes for its business units 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.

Asset level assessment:

Husky uses the GHG management framework through the lifecycle of projects and applies general hazard assessment procedures to evaluate opportunities and risks at an asset level. The results of assessments are then incorporated into the facility / business unit's planning through integration with other risk management and opportunity identification procedures.

CC2.1c
How do you prioritize the risks and opportunities identified?

Husky quantifies risks and opportunities and determines materiality based on standard economic models integrated with other aspects of an asset or business. Prioritization is determined based on quantified impact assessment.

CC2.2
Is climate change integrated into your business strategy?

Yes

CC2.2a
Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

i) Husky's Greenhouse Gas (GHG) Management Framework guides the process of integrating climate change into its business strategy. Regulatory compliance is one of the key drivers in this process. Due to the cyclical nature of reporting, there is an opportunity for annual evaluation of reported emissions and forecasts at both the facility and corporate levels. Elements of the GHG Management Framework that inform corporate business strategy include:

a. GHG Inventory and Quantification – Internal processes have been developed to collect and validate data for each Company facility. Calculation methodologies follow federal, provincial and/or state guidelines for quantifying and reporting emissions using Husky's Environmental Performance Reporting System (EPRS). The Corporate Responsibility business unit ("Corporate Responsibility") communicates information requests and calculation results to business units annually.

b. GHG Reporting and Verification – Facilities with regulatory reporting and compliance obligations require more detailed communications plans. Corporate Responsibility, along with third-party verifiers as required, develop schedules for meetings, site visits and data validation requests. Results of third-party verification exercises are shared with the facilities to ensure continued awareness of data quality and to streamline reporting processes. Facility Managers approve GHG reports prior to submitting to regulatory agencies.

c. Emissions Reduction Strategy – Facilities with established emission-reduction targets are evaluated in conjunction with annual reporting. Opportunities for reductions at the facility level are proposed and evaluated for feasibility. Any efficiency projects implemented during the previous year will be evaluated for effectiveness. Emission forecasts based on projected production provide economic support that may be used to influence future facility design specifications or justify funding for projects to reduce emissions.

d. Regulatory Policy System – Corporate Responsibility is actively involved in organizations such as the Canadian Association of Petroleum Producers (CAPP), IPIECA and Petroleum Technology Alliance of Canada (PTAC) to collaborate with industry peers to address issues of climate change. Issues affecting Husky's business units are communicated through appropriate means.

ii) One aspect of climate change that has influenced corporate strategy is regulatory uncertainty. The Company has developed a GHG Management Framework and Carbon Management Critical Competency Team (CMCC) to proactively address issues including regulatory compliance and uncertainty. The GHG Management Framework works to establish corporate standards for reported emission estimations, as well as to provide financial emissions forecasts for facilities based on production forecasts and possible reduction obligation requirements. The CMCC utilizes the emission forecasts to provide corporate direction on carbon management including reduction projects and carbon trading.

iii) Husky strives to reduce facility emissions, including improving energy efficiency, minimizing fugitive emissions and mitigating flaring and venting. The primary focus for emission reductions has been on facilities with regulatory compliance obligations. Facilities within Alberta which are required to report GHG emissions as part of the Specified Gas Emitters Regulation (SGER) have evaluated emission reduction opportunities. Energy efficiency projects at SGER facilities enable Husky to manage emissions reduction obligations and aid in meeting intensity targets set by the regulator. The most important outcomes of short term strategy (current) that have been influenced by climate change include:

• increased resources allocated to evaluating energy efficiency and emissions reduction measures (e.g. enhanced oil recovery, reducing tank vent emissions, reducing methane through high bleed to low bleed pneumatic conversion, reducing wellpad venting through industry clustering),

• severe weather and climate-related hazardous operations planning (especially in offshore facilities), and

• monitoring of planning for current and emerging regulatory obligations and issues.

iv) An integrated and balanced approach on emissions management throughout the lifecycle of facilities provides a basis for long-term emissions management. Facility production and emissions forecasts have been created based on current and future projects. The potential environmental compliance costs presented in the emissions forecasts may be used to influence future facility design specifications and corporate design standards or justify funding for projects to reduce emissions. The formation of the CMCC was in part specifically driven by long-term climate change issues surrounding carbon markets and costs of mitigation. The most important outcomes of long term strategy (5+ year time horizon) that have been influenced by climate change include:

• technology development for carbon capture,
• advancement of low emission extraction technologies, and
• adoption of risk mitigation plans for increasing number and severity of weather and climate-related events that impact offshore production.

v) Husky incorporates technology and research advancements to reduce emissions, and encouraging innovative approaches to minimize emissions, such as carbon capture, injecting carbon dioxide for enhanced oil recovery and evaluating technologies to reduce methane venting in cold heavy oil production. These projects reduce greenhouse gas emissions and may be used to gain emission reduction credits in provincial jurisdictions, thereby offsetting compliance costs for other facilities within the Company.

vi) Business decisions surrounding climate change issues in 2014 included the evaluation of emissions and discussions of potential energy efficiency projects to reduce emission intensities. The installation of vacuum-insulated tubing in 2014 is an example of a thermal design specification that is showing strong potential to improve energy efficiency and GHG emissions intensity within the Company. Development of Enhanced Oil Recovery projects have provided a means for utilizing the CO2 captured from a Husky ethanol plant.

CC2.2c
Does your company use an internal price of carbon?

Yes

CC2.2d
Please provide details and examples of how your company uses an internal price of carbon

Husky uses an internal price on carbon to evaluate projects in jurisdictions where there is a regulatory compliance obligation for greenhouse gas emissions or where there is a reasonable expectation that additional material compliance obligations will be implemented in the near to mid-term.

CC2.3
Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations

CC2.3a
On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Carbon tax	Support with minor exceptions	Husky continues to directly engage with provincial and federal government agencies through pro-active outreach to ensure our views are known and understood, as well as through input to industry associations representing broad industry consensus.	An approach that equates carbon intensity of production with share of carbon cost burden.
Other: Market based	Support	Husky continues to directly engage with provincial and federal government agencies through pro-active outreach to ensure our views are known and understood, as well as through input to industry associations representing broad industry consensus.	A market-based system that captures carbon across the economy, harmonizes policies across jurisdictions and treats all technologies and fuels equally is the most efficient way forward

CC2.3b
Are you on the Board of any trade associations or provide funding beyond membership?

Yes

CC2.3c
Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
ICO2N	Consistent	ICO2N consults with and shares information with many levels of government to encourage the development of the appropriate fiscal and regulatory frameworks that will be necessary for timely development of Carbon Capture Utilization and Storage (CCUS) in Canada. In addition, in the early stages of CCUS development and deployment, a partnership between governments and industry is required to ensure the necessary development capital is available. ICO2N continues to work with governments on the mechanisms required for closing the financial gap and reducing investment risk for CCUS. Without the appropriate financial information and technical insight, two items at the foundation of ICO2N's work, the regulatory policies to support initial capital investments needed for capture, transport and storage could be delayed significantly. Through policy development work, CCUS technical studies and input on the formation of CCUS regulations, ICO2N provides industry's perspective on how CCUS can best be implemented efficiently during the next decade.	Husky is a participating member on ICO2N committees and contributes to development of meeting agendas.

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?
Canadian Association of Petroleum Producers (CAPP)	Consistent	CAPP's climate change policy principles as shown at http://www.capp.ca/responsible-development/air-and-climate/climate-change Balance Balanced "3E" policy should deliver Economic growth, Environmental protection, and a secure and reliable Energy supply. Efficiency Policy should be designed to drive efficient actions required to achieve emission objectives. Technology Policy should stimulate investment in the technologies necessary for significant reductions in GHG emissions in Canada. Predictability and Stability Predictable policy built on stable principles should support long term capital investments in the upstream oil and gas sector and create jobs for Canadians. Competitiveness Policy should maintain competitiveness of Canadian industry, ensure compatibility with major trading and economic partners (particularly with the U.S., Canada's largest trading partner), and compliance should be achievable within the context of growing production. Distributional Fairness Policy should distribute cost burden equitably among sectors and jurisdictions across the economy. Harmonization Policy should be harmonized across jurisdictions within Canada, to an extent that is reasonable and practical. Administrative Simplicity Policy should be simple and minimize the administrative burden on industry to the greatest extent possible.	Husky participates in working groups within CAPP to inform the industry association's position relative to climate change policy in Canada.
Canadian Fuels Association (CFA)	Consistent	CFA's policy position as shown at http://canadianfuels.ca/en/industry-policy-positions: Canadian Fuels supports climate change/GHG emissions reduction strategies and policies that allow for a clear price on carbon and ensure robust and well functioning trading/market mechanisms. Policies must maintain a level playing field between jurisdictions, between sectors and within sectors. Refining is an energy intensive trade exposed sector. Maintaining Canadian refining industry competitiveness must be a key principle underpinning any GHG emissions reduction policy. This is best accomplished with a national approach, rather than the current federal/provincial patchwork, and one that is aligned with approaches implemented by our major trading partners, in particular the United States. Moreover, carbon pricing should be instituted as broadly and uniformly across the economy as feasible, with market-based, viable compliance options that provide flexibility and effective cost-containment.	Husky participates in working groups within CFA to inform the industry association's position relative to climate change policy in Canada.

CC2.3h

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

Key individuals in the business units and supporting service groups collaborate to align Husky's position. The Company's climate change strategy is clearly communicated to policy makers either directly or through participation in industry association working groups within the jurisdictions where the Company operates. In 2014, Husky continued to support consistency in policy advocacy through expansion of representation in the Company's Carbon Management Critical Competency and increased activity within the GHG Management framework. Husky's Government Relations department works with the Carbon Management Critical Competency and the GHG Management Framework to ensure that policy advocacy activities are aligned.

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

CC2.4a
Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

Further Information

Page: CC3. Targets and Initiatives

CC3.1
Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Intensity target

CC3.1b
Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
Int1	Scope 1	3.2%	12%	metric tonnes CO2e per unit of production	2010	0.1982	2014	This is an external target set by regulators for the Ram River Gas Plant.
Int2	Scope 1	5.3%	10%	metric tonnes CO2e per unit of production	2011	1.015	2014	This target is based on individual well data and the plant aggregate for steam and production for 2011, 2012, and 2013. It is an external target set by regulators for the Tucker Thermal Facility.

CC3.1c
Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
Int1	Decrease	26			Decrease due to declining production and intensity target reductions. The target outlined in ID# Int1 of Q3.1b and Q3.1c is an external target set by regulators and covers Scope 1 emissions only.
Int2	Increase	8			A rolling baseline target is used, so the average of 2011,2012 and 2013 production was used to calculate baseline absolute emissions. The target outlined in ID# Int2 of Q3.1b and Q3.1c is an external target set by regulators and covers Scope 1 emissions only.

CC3.1d
For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Int1	100%	100%	Husky is participating in the Alberta Climate Change Emissions Management Fund to meet this target.
Int2	100%	100%	Husky is using previously generated emissions performance credits and participating in the Alberta Climate Change Emissions Management Fund to meet this target.

CC3.2
Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a
Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

i. Scope 1 GHG Emissions from consumers of retail fuels were avoided by blending renewable alternatives to gasoline (ethanol) and renewable alternatives to diesel (Hydrogenation Derived Renewable Diesel [HDRD] and biodiesel) into gasoline and diesel respectively. Where possible, Husky blends 10% ethanol into all grades of gasoline. In 2014, this equated to an average 9.1% ethanol blend, which exceeded federal and provincial requirements at the point of blending (Canada Federal - 5%, BC - 5%, AB - 5%, SK - 7.5%, MB - 8.5%, ON - 5%).

ii. In 2014, the blending of ethanol into gasoline resulted in a reduction of 41,000 metric tonnes of CO2 per year based on a 2007 baseline.

- 2007 is a baseline year generated by the Government of Canada that takes into account all industry emissions and the fuel offering of that year; it is integrated into the GHG model assumptions.

iii. The most up to date version of National Resources Canada's (NRCan) GHGenius model was used to calculate the carbon intensities of Husky's fuels.

The B.C. Renewable and Low Carbon Fuel Requirements Regulation's Emissions Calculation was used to determine emissions reductions.

Emissions Reduction (tonnes) = (CI class x EER fuel - CI fuel) x EC fuel / 1,000,000

CI class = the prescribed carbon intensity limit for the compliance period for the class of fuel of which the fuel is a part

EER fuel - the prescribed energy effectiveness ratio for that fuel in that class of fuel

CI fuel = the carbon intensity of the fuel (via GHGenius)

EC fuel = the energy content of the fuel calculated in accordance with the regulations

iv. Husky is not considering generating Certified Emission Reductions (CERs) or Emission Reduction Units (ERUs) within the framework of Clean Development Mechanism (CDM) or Joint Implementation (JI) of the United Nations Framework Convention on Climate Change (UNFCCC) at this time.

CC3.3
Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a
Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	8	
To be implemented*	3	10000
Implementation commenced*	1	13000
Implemented*	2	4315
Not to be implemented	2	

CC3.3b
For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Process emissions reductions	Continued High to low bleed pneumatic controller conversion in British Columbia	565	Scope 1	Mandatory	42000	190000	4-10 years	16-20 years	
Energy efficiency: Processes	Using well water to cool butane / LPG product rundown processes as a replacement for aging refrigeration compressors	3750	Scope 1 Scope 2	Voluntary	600000	5100000	4-10 years	16-20 years	

CC3.3c
What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	
Financial optimization calculations	
Internal incentives/recognition programs	
Partnering with governments on technology development	
Dedicated budget for energy efficiency	
Internal price of carbon	

Further Information

The emissions reduction initiatives described in question CC3.3 have not been claimed as offsets under an established carbon trading scheme and have not been verified by a third party.

Page: CC4. Communication

CC4.1
Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In voluntary communications	Underway - previous year attached	Pages 26-28	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC4.1/Husky-Community-Report-2013.pdf
In mainstream financial reports but have not used the CDSB Framework	Complete	Pages 39-41	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC4.1/HSE_Annual2014.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1
Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a
Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Uncertainty surrounding new regulation	Risk Description: Husky Energy is exposed to regulatory risks related to climate change because the regulatory framework continues to evolve in Canada and the U.S. While Husky accepts that it will be operating in a carbon-constrained world, the current regulatory uncertainty makes it difficult to assess how the Company will be affected by regulations. There are different regulations with various compliance obligations in multiple jurisdictions across North	Increased operational cost	Up to 1 year	Direct	Virtually certain	Unknown	Husky makes carbon related payments in B.C. and Alberta. The Company's current financial exposure to fees associated with carbon emissions is	Through its Greenhouse Gas Management Framework and Carbon Management Critical Competency Network, Husky continues to monitor the international and domestic	Husky's initial pilot for CO2 Capture from once through steam generator flue gas for EOR at its Lashburn, Sask. test facility is expected to cost $20 million, with $6 million

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	America at various stages of implementation and development. In Canada, the Province of Alberta implemented an intensity-based emission reduction regulation in 2007, and this is currently under review. The Province of British Columbia implemented a carbon tax in 2008. The Province of Saskatchewan introduced a Climate Change Act in 2009, with the intention of introducing regulation in the future. The Government of Canada has the stated goal of aligning Canadian policy with U.S. policy, but U.S. policy is still being developed. The Western Climate Initiative, championed by the State of California (B.C. and other Canadian provinces are members), favours a cap and trade regulatory approach. California and British Columbia are implementing Low-Carbon Fuel Standards. U.S. Federal action on climate change continues to be fractured along political lines. At this point in time it is uncertain how existing regulations will harmonize with future regulations and how future regulations will affect Husky's regulatory obligations. Effects of Regulatory Uncertainty: The regulatory uncertainty discussed above creates difficulties in assessing the impact of climate change regulations on the Company, specifically in how and when emissions will be constrained, monitored and measured, the cost of carbon and ultimately the Company's liability from climate change regulations. The variety of current and future regulations across multiple jurisdictions, and the associated uncertainty in these frameworks, creates further difficulties in predicting the timing of						less than $5 million, which is under 0.02% of Husky's 2014 gross revenue before royalties and marketing and other income. The Company expects payments to increase with the pending renewal of the Alberta Specified Gas Emitters Regulation in June 2015, however there is uncertainty as to the degree and pace at which increases will be incurred.	efforts to address climate change, including developments through the UN Conference of Parties process and emerging regulations in the jurisdictions in which the Company operates. The effect of these initiatives on the Company's operations cannot be determined with any certainty at this time. These regulations may become more onerous over time. Because of the uncertainty surrounding new regulation, Husky has focused on emission reduction projects that have a positive return on investment (ROI). More specifically, Husky invests in CO2 capture for enhanced oil	provided through external grants and is scheduled for completion of construction in June 2015. Relevant energy efficiency projects that help mitigate GHG regulatory exposure are estimated at $50,000 for this reporting year. Activities related to policy intelligence and advocacy are part of operating costs and are not tracked separately.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	regulations, targets, or costs associated with any amended bill that may come into force in the future. These variables ultimately create challenges in understanding the long term impacts of climate change regulations on the Company and evaluating their associated risks.							production (EOR). It also invests in energy efficiency projects, which reduces both its operating costs and in many cases its GHG emissions and regulatory liability. In addition, Husky participates in direct and joint industry engagement with policy makers to stay abreast of emerging trends in regulation and advocate for regulatory certainty. In 2014, Husky met directly with regulators at the Canadian federal and provincial levels to discuss GHG regulations and their impact to its business. Performance improvement may be achieved through technology. Husky invests in technology and	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								participates in industry knowledge sharing initiatives that will help it develop operational improvements.	

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Snow and ice	Risk Description: Husky operates in some of the harshest environments in the world, including offshore in the Atlantic Region. Climate change is expected to increase severe weather conditions in these locations including winds, flooding, and variable temperatures, which are contributing to the melting of Northern ice and increased creation of icebergs. The Company has in place a number of policies to protect people, equipment, and the environment in the event of extreme weather	Reduction/disruption in production capacity	Up to 1 year	Direct	Very likely	Low	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 below, financial implications of a severe event could	Husky is managing physical risk through the Company's engineering best practice of designing for 1:100 year weather events. Husky's Atlantic Region business unit has a robust ice management program which uses a range of resources including a dedicated ice surveillance aircraft, as well as relationships	The cost of the Company's ice monitoring and management activities was approximately $6.5 million in 2014.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	conditions and ice melt conditions. Risk Effects: Icebergs and pack ice off the coast of Newfoundland may threaten Husky's offshore oil production facilities, causing damage to equipment and possible production disruptions, spills, asset damage and human impacts.						be greater than $10 million.	with government agencies including Environment Canada, the Coast Guard and Canadian Ice Service. Regular ice surveillance flights commence in February, and continue until the threat has abated. In addition, Atlantic Region operators employ a series of supply and support vessels to actively manage ice and icebergs. Husky also maintains a series of ad-hoc relationships with contractors, allowing the quick mobilization of additional resources as required. In 2008, three additional vessels were hired for ice management, bringing the total number of available vessels to 10. The Husky Operational	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Integrity Management System (HOIMS) is a systematic approach to anticipating, identifying and mitigating hazardous situations within the Company's operations. The implementation of HOIMS has produced tangible business results including increased measurement, improved performance, and enhanced business value. It incorporates best practices from across the industry, consistent with Husky's commitment to excellence in operational integrity. Husky prepares an enterprise risk matrix with mitigation strategies vetted annually by the Audit Committee of the Board of Directors.	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Risk Description: Where Husky has operations in flood prone areas, extreme weather events can expose the Company to increased risk of disruption to operations. Risk Effects: Flooding and extreme weather has and will continue to disrupt operations in the field as well as at Husky's head office in Calgary.	Reduction/disruption in production capacity	1 to 3 years	Direct	Unknown	Low-medium		Husky has a strong business continuity planning team that develops and exercises business continuity plans for each business unit at the company. In addition, the Company's emergency response team is trained to deal with unforeseen events.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Risk Description: Societal and consumer pressure to reduce GHG emissions from the transportation sector could affect the composition of the basket of fuels available to the consumer as well as improved vehicle performance, as noted in the Canadian Fuels Association's "Fuels for Life" report. Risk Effects: Increased demand for improved	Reduced demand for goods/services	>6 years	Direct	Unknown	Low	If Husky were to experience a 1.7% annual decrease in gasoline sales, corresponding to the EIA's Low Vehicle Miles Travelled estimate through 2040 in its 2014 Annual Energy Outlook, the	As regulations develop and markets for its products change, Husky will continue to manage the risk through the Carbon Management Critical Competency and the GHG Management Framework. Through these methods, Husky monitors emerging regulations,	Husky has integrated its Climate Change Management Framework into everyday business operations at a corporate-services level. There are no additional material costs to manage the risks

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	vehicle performance leading to increased fuel efficiency may reduce demand for gasoline and diesel at Husky fuel outlets in North America as described in the U.S. Energy Information Administration's 2014 Annual Energy Outlook.						scale of potential financial impacts are on the order of $10 million per year based on 2014 gasoline sales. This figure is less than 0.1% of gross revenue. The Company is well positioned to face such a trend as it has growth opportunities in enhanced oil production using CO2, and ethanol-blended fuels.	advises management and lead officers of any developments, and advocates the Company's position with the regulators. Additionally, Husky's Executive Health, Safety, and Environment Committee reviews and approves compliance and emission reduction strategies, establishes performance targets, and allocates resources as appropriate. Through the application of this framework and Husky's Corporate Risk Management program over time, the Company will seek to develop the appropriate response to changing markets as they materialize. This includes allocating resources as appropriate to growth opportunities in natural gas, enhanced oil production using CO2, and ethanol blended transportation fuels. As an example of a current action to address this risk, Husky is reducing emissions through biofuel blending optimization In	described in this response at this time. If any of these risks are determined to be more pressing or impactful, a reassessment of management plans and costs will be performed.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								2014, the use ethanol blended fuel helped prevent the emission of 41,000 tonnes of CO2e.	
Uncertainty in market signals	Reducing GHG emissions from the Electricity sector, in the absence of carbon capture and storage technology, could have a negative impact on fossil fuel demand, especially coal. Electricity sector demand for natural gas, as a lower carbon fossil fuel relative to coal, is expected to increase as forecasted by the U.S. Energy Information Administration and the National Energy Board of Canada.	Reduced demand for goods/services	>6 years	Direct	Unknown	Unknown			Husky has integrated its GHG Management Framework into everyday business operations at a corporate-services level. There are no additional material costs to manage the risks described in this response at this time. If any of these risks are determined to be more pressing or impactful, a reassessment of management plans and costs will be performed.

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Opportunities driven by changes in regulation
Opportunities driven by changes in physical climate parameters
Opportunities driven by changes in other climate-related developments

CC6.1a
Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	Opportunity Description: Husky has a number of high-quality, point sources of CO2 that may be relatively inexpensive to capture. These sources include ethanol plants, hydrogen plants and sour gas sweetening plants. However, presently there is no widespread infrastructure in place to transport this CO2 for other uses. Regulations will influence the construction and operation of CO2 capture and transport infrastructure. Husky is also developing a pilot for capturing CO2 from once-through steam generators at EOR candidate facilities to avoid transportation costs. Opportunity Effects: The high quality, point sources of CO2 available for carbon capture will allow Husky to respond to regulatory changes influencing carbon capture and storage and may lead to	Reduced operational costs	3 to 6 years	Direct	Unknown	Unknown	performing ongoing evaluations to assess the financial impact of this opportunity. Commodity prices of CO2 for EOR purposes can exceed $100 per tonne when delivered to remote sites. Based on 2014 injected volumes, this could correspond to a supply cost of greater than $10 million.	The opportunities above are being managed through the Carbon Management Critical Competency and GHG Management Framework. Specifically, the opportunity to capture CO2 from various sources and inject it for EOR deponds on these methods: 1. Emission Inventory: knowledge of where opportunities exist, specifically, where the best source of CO2 is for capture. It will also allow Husky to track emission reductions. 2. Monitor Regulation and	Husky's initial 35 tonne per day pilot for CO2 Capture from once through steam generator flue gas for EOR at its Lashburn, Sask. test facility is expected to cost $20 million, with $6 million provided through external grants and is scheduled for completion of construction in June 2015.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	reduced operating costs.							Advocate Policy: Husky monitors emerging regulations, advises Management of any developments, and advocates the Company's position with regulators. Husky continues to work with technology proponents and funding agencies at the provincial and federal levels to support innovation in CO2 capture and utilization. 3. Compliance and Emission Reduction Opportunities: Husky has and continues to develop a number of compliance options, including emission reductions through efficiency improvements and technology advancements, management of fugitive emissions, CO2 capture, carbon trading and offset credit generation. 4.	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								Governance: Husky's Executive Health, Safety, and Environment Committee reviews and approves compliance and emission reduction strategies as well as establishes performance targets. Husky is currently implementing a CO2 capture program for EOR pilot from once-through steam generators to evaluate technological and economic feasibility of large scale technology adoption and opportunity exploitation.	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fuel/energy taxes and regulations	Regulations may drive the demand for renewable transportation fuels, including ethanol for blending with gasoline. Husky is Western Canada's largest producer of ethanol, operating two plants with a total annual capacity of 260 million litres, and is the region's largest distributor of ethanol for blending into gasoline.	Increased production capacity	3 to 6 years	Direct	Likely	Unknown			
Fuel/energy taxes and regulations	Regulations may drive the use of energy efficient equipment and equipment and projects designed to reduce emissions	Reduced operational costs	1 to 3 years	Direct	Very likely	Unknown			

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Product efficiency regulations and standards	Regulations may encourage research into the use of CO2 for enhanced oil recovery. Husky completed a project in 2012 which includes capturing CO2, injecting it into heavy oil reservoirs, and then using the CO2 to assist with enhanced heavy oil recovery and continues to investigate additional capture technologies. Husky is among the leaders in industry in developing this recovery method which has not yet been applied commercially in the thin, shallow, viscous formations typical of heavy oil. Specifically, Husky is developing knowledge and methods on how to capture CO2 from its Lloydminster Ethanol plant; and then purify, dehydrate and compress it before transporting it to heavy oil reservoirs located in proximity to the plant. The CO2 would be injected into the reservoirs and used to enhance oil recovery. When the reservoirs were fully depleted, the CO2 would be stored in the reservoir.	Increased production capacity	1 to 3 years	Direct	Very likely	Unknown			

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Fuel/energy taxes and regulations	Regulations may drive the demand of low-carbon-based fuels. Husky maintains that natural gas offers a relatively inexpensive, practical, and clean source of energy.	Increased production capacity	3 to 6 years	Direct	Likely	Unknown			

CC6.1b
Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Snow and ice	Opportunity Description: Husky operates in some of the harshest environments in the world. These environments are subject to physical changes due to climate change including extreme weather conditions and ice melt that could adversely affect in onshore and offshore operations. For example, icebergs off the coast of Newfoundland may threaten offshore oil production facilities. The Company has developed a number of policies to protect people, equipment, and the environment in the event of extreme weather conditions, which has turned this business risk into a growth opportunity. Opportunity Effects: Husky's experience in harsh environments and particularly ice management allows the Company to adapt to this threat, increases capital availability that would otherwise be spent on damage repairs, and increases its competitive advantage in operating in harsh environments, which may lead to opportunities for increased production.	Increased production capacity	Up to 1 year	Direct	Likely	Unknown	Husky's proven ability to operate in the harsh offshore environment in the Atlantic Region has contributed to an expectation that the Company will recover additional oil resources over time. Husky produced more than 19 million barrels of oil in the White Rose area in 2014 after reaching a milestone of just over 200 million barrels of cumulative production in	Husky's Atlantic Region business unit has a robust ice management program. The program uses a range of resources including a dedicated ice surveillance aircraft, as well as synergistic relationships with government agencies including Environment Canada, the Coast Guard and Canadian Ice Service. Regular ice surveillance flights commence in February, and	The cost of the Company's ice monitoring and management activities were approximately $6.5 million in 2014.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							2013, the recoverable resource estimate expected when the development was sanctioned.	continue until the threat has abated. In addition to this, Atlantic Region operators employ a series of supply and support vessels to actively manage ice and icebergs. These vessels are equipped with a variety of ice management tools including towing ropes, towing nets and water cannons. Husky also maintains a series of ad-hoc relationships with contractors, allowing the quick mobilization of additional resources as required. In 2008, three additional vessels were hired for ice management, bringing the total number of available vessels to 10.	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	Opportunity Description: Husky may have an opportunity to provide low carbon fuels to meet new consumer demand. Consumer preferences could shift toward low carbon transportation fuels and coal may be phased out and replaced by natural gas as the fuel of choice for power generation. Husky is well positioned to benefit from these trends in consumer behaviour as it has growth opportunities in natural gas and ethanol blended transportation fuels. Opportunity Effects: Increased consumer demand for low carbon transportation fuels and natural gas could result in new revenue opportunities.	Increased demand for existing products/services	>6 years	Indirect (Client)	Unknown	Low-medium	The financial implications are difficult to measure at this time, however these opportunities have the potential to have an impact on Husky's long term strategy on an enterprise scale, informing investment decisions. For example, if consumer preference shifts to low carbon fuels for transportation and natural gas for power generation, Husky may allocate greater resources to these growth areas.	ky identifies and manages opportunities related to consumer behaviour through several mechanisms: The Company's enterprise risk matrix with mitigation strategies is reviewed by the Audit Committee quarterly and provided to the Board of Directors annually. Through the application of this risk matrix over time, the company will be able to determine the appropriate response to changing markets as they develop. This includes allocating resources as appropriate to growth opportunities in	Husky has integrated its risk and opportunity identification processes into everyday business operations at a corporate services level. There are no additional material costs to identify and manage the opportunities described in this response at this time. If any of these opportunities are determined to warrant further study, a formal project sanctioning process would follow with the appropriate decision gates as needed. Costs would be refined at

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								natural gas, and ethanol blended transportation fuels. Husky also has a formal opportunity identification and evaluation process that is managed through its corporate Project Management Office that is able to identify additional opportunities from changes in consumer behaviour as they arise. Husky currently blends biofuels above provincial and federal standards in many jurisdictions, providing lower-carbon fuels to the market. In 2014, the use of ethanol blended fuel helped prevent the emission of 41,000 tonnes of CO2e.	each of these gates.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1
Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Sat 01 Jan 2011 - Sat 31 Dec 2011	10320000
Scope 2	Sat 01 Jan 2011 - Sat 31 Dec 2011	2310000

CC7.2
Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use
Canadian Association of Petroleum Producers, Calculating Greenhouse Gas Emissions, 2003
IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2003
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Other

CC7.2a
If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Western Climate Initiative: Quantification Method 2013 Addendum to Canadian Harmonization Version (December 20, 2013);

Western Climate Initiative: Final Essential Requirements of Mandatory Reporting - 2011 Amendments for Harmonization of Reporting in Canadian Jurisdictions (December 21, 2011, as amended on February 10, 2012); and

Western Climate Initiative: Final Essential Requirements of Mandatory Reporting - 2010 Amended for Canadian Harmonization (December 17, 2010).

CC7.3
Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fourth Assessment Report (AR4 - 100 year)

CC7.4
Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: Alberta Grid-supplied Electricity	820	kg CO2e per MWh	Canada's 2015 UNFCCC Submission
Other: Saskatchewan Grid-supplied Electricity	700	kg CO2e per MWh	Canada's 2015 UNFCCC Submission

Fuel/Material/Energy	Emission Factor	Unit	Reference
Other: British Coumbia Grid-supplied Electricity	15.1	kg CO2e per MWh	Canada's 2015 UNFCCC Submission
Other: Manitoba Grid-supplied Electricity	3.2	kg CO2e per MWh	Canada's 2015 UNFCCC Submission
Other: Ohio Grid-supplied Electricity	1635	lb CO2 per MWh	American Electric Power Company

Further Information

Question 7.4 limits the responses on emission factors such that additional comments are necessary. Fuel and flare CO2 emissions factors are derived from actual gas analysis on a carbon mass balance where applicable. Natural gas may range from 1.9 to 2 tonnes CO2 per e3m3 gas. Refinery gas may be as high as 3 tonnes CO2 per e3m3 Gas. If gas analysis is not available, emission factors from the above mentioned guidance documents are used. CH4 and N2O emission factors are equipment specific, and are sourced from US EPA AP42 http://www.epa.gov/ttnchie1/ap42/. Where Husky has not found N2O emission factors, we have assumed an emission factor equal to 1.5 percent of the published or manufacturer N2O emission factor.

Page: CC8. Emissions Data - (1 Jan 2014 - 31 Dec 2014)

CC8.1
Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2
Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

11260000

CC8.3
Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

2300000

CC8.4
Are there are any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

CC8.4a
Please provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded

Source	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Drilling and Completions emissions	Emissions are not evaluated	Emissions are not evaluated	Drilling and completions operations emissions are only estimated and reported in jurisdictions where mandated. In British Columbia, where regulatory obligations require reporting of drilling and completions-related emissions, these emissions are 0.5% of total emissions from Husky operations in the province.
Emissions from Husky owned and operated vehicles that are operated outside of specific large-emitting facilities	Emissions are not relevant	No emissions from this source	Husky estimates that this is not a major emissions source at this time.

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 5% but less than or equal to 10%	Metering/ Measurement Constraints	Fuel, flare and vent volumes are used to calculate GHG emissions from a very large number of small facilities. Engineering estimates are often used to estimate fuel consumption for small sources where it is impractical to install and service a meter. This adds to the uncertainty.
Scope 2	More than 2% but less than or equal to 5%	Data Management	Scope 2 emissions are based on the invoiced energy purchases, and are believed to be accurate and auditable.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014 Husky BC LFO GHG Verification Satement.pdf	3,6,7	ISO14064-3	1
Reasonable assurance	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014 Husky Ram River AB SGER GHG Verification Statement.pdf	1-3	ISO14064-3	3
Reasonable assurance	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014 Husky Tucker AB SGER GHG Verification Statement.pdf	1-3	ISO14064-3	5

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Reasonable assurance	https://www.cdp.net/sites/2015/75/8675/Climate Change 2015/Shared Documents/Attachments/CC8.6a/2014 Husky Prince George Refinery GHG Verification Statement.pdf	3,6,7	ISO14064-3	1

CC8.7
Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

No third party verification or assurance

CC8.8
Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Progress against emission reduction target	For facilities that are governed by the Alberta Specified Gas Emitters Regulation, verification work is in relation to a baseline year for the purposes of evaluating progress towards emissions reduction obligations.

CC8.9
Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

Yes

CC8.9a
Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

213000

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC9.1
Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a
Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Canada	10140000
United States of America	1120000

CC9.2
Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By facility
By GHG type
By activity

CC9.2b
Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
Lloydminster Upgrader	1270000	53.263	-109.9489
Lima Refinery	1120000	40.721323	-84.114139
Tucker Thermal Project	610000	54.3427	-110.3287
Sea Rose FPSO	550000	46.7215	-48.1341
Bolney Thermal Project	440000	53.527	-109.3568
Ram River Gas Plant	370000	52.1463	-115.33
Pikes Peak South Thermal Project	250000	53.21062	-109.36673
Pikes Peak Thermal Project	200000	53.2796	-109.3719
Prince George Refinery	130000	53.9268	-122.7028
Paradise Hill Thermal Project	120000	53.6023	-109.4479
Sandall Thermal Project	100000	53.40071	-109.43703
Lloydminster Refinery	90000	53.2885	-110.0183
Minnedosa Ethanol Plant	80000	50.2543	-99.8498
Rainbow Lake Gas Plant	60000	58.45067	-119.2384
All Other Husky Operated Facilities	5870000		

CC9.2c
Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
CO2	6720000
CH4	4390000
N2O	150000

CC9.2d
Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Conventional Oil Production	4670000

Activity	Scope 1 emissions (metric tonnes CO2e)
Thermal Oil Production	1780000
Gas Production, Gathering, and Processing	1540000
Canadian Refining and Upgrading	1490000
U.S. Refining	1120000
Off Shore Oil Production	550000
Ethanol Production	110000

Further Information

1. In 2014, Husky continued to develop its portfolio of heavy oil thermal projects, which resulted in increased associated emissions. 2. Offshore production increased in 2014, which also increased the associated emissions. 3. Emissions from US Refining decreased primarily due to a planned maintenance outage in March 2014. 4. Natural reservoir declines from mature conventional oil and gas properties in Western Canada resulted in a slight production decrease in 2014 which resulted in a corresponding decrease in emissions. 5. Husky has continued to improve its methodologies for emissions estimation for small facilities and these changes are reflected in the total numbers estimated and allocated to conventional oil and gas production. 6. Facility breakdown includes individual facilities operated by Husky as of December 31, 2014 that have Scope 1 emissions greater than 50,000 tonnes CO2e in 2014. The facility listed as “All other Husky Operated Facilities” includes all other facilities operated by Husky as of December 31, 2014 that emitted less than 50,000 tonnes CO2e in 2014.

Page: CC10. Scope 2 Emissions Breakdown - (1 Jan 2014 - 31 Dec 2014)

CC10.1
Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a
Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for in CC8.3 (MWh)
Canada	1750000	3410000	0
United States of America	550000	1100000	

CC10.2
Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

Further Information

While some operations use electricity from hydro sources (i.e. Minnedosa Ethanol Plant), Husky is not utilizing tracking instruments at this time.

Page: CC11. Energy

CC11.1
What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2
Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	32600000
Electricity	2500000
Heat	0
Steam	2010000
Cooling	0

CC11.3
Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Natural gas	25900000
Refinery gas	5630000
Petroleum coke	1000000
Diesel/Gas oil	35000
Propane	35000

CC11.4
Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	While some operations use electricity from hydro sources (e.g. Minnedosa Ethanol Plant), Husky is not utilizing tracking instruments at this time.

Further Information

Data used for calculating the response to question CC11.1, energy spend as a percentage of total operational spend, has been reported on a net equity consolidation basis. Operational spend includes purchases of crude and other products; production and operating expenses; selling, general and administrative expenses; and exploration and evaluation expenses as disclosed in Husky's annual report.

Page: CC12. Emissions Performance

CC12.1
How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a
Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	0.03	Decrease	In 2014, Husky estimates 4,315 tonnes of CO2e combined S1 and S2 emissions were reduced through emissions reduction projects. Husky's total combined S1 and S2 emissions in the previous year were 13,720,000 tCO2e. Thus 4,315 / 13,720,000 * 100 = 0.03%.
Divestment			
Acquisitions			
Mergers			
Change in output	0.2	Increase	Increases in combined S1 and S2 GHG emissions from production growth in thermal and offshore activities were partially offset by natural reservoir declines from mature properties in Western Canada as well as a planned maintenance outage at the Lima Refinery in March 2014.
Change in methodology			
Change in boundary			
Change in physical operating conditions	1.33	Decrease	Scope 2 GHG emissions decreased as a result of lower electricity grid emissions factors in Alberta, Saskatchewan and Ohio.
Unidentified			
Other			

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.00056	metric tonnes CO2e	unit total revenue	4.35	Decrease	Gross revenues, net of royalties used from 2014 annual report, which is calculated on a net-equity consolidation basis. Gross global combined Scope 1 & 2 GHG emissions are calculated on an operational control consolidation basis. Change is primarily due to growth in gross revenues outpacing emissions growth, but a portion (~0.7%) of the change can be attributed to estimated emissions reductions due to emissions reduction activities in 2014.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
2348	metric tonnes CO2e	FTE employee	6.22	Decrease	FTE is from the 2014 annual information from and is based on number of permanent employees, excluding contractors. Change is primarily due to workforce growth outpacing emissions growth, but a portion (~0.5%) of the change can be attributed to estimated emissions reductions due to emissions reduction activities in 2014.

CC12.4
Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
	metric tonnes CO2e				

Further Information

Page: CC13. Emissions Trading

CC13.1
Do you participate in any emissions trading schemes?

Yes

CC13.1a
Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership
Alberta Emissions Trading Regulation	Wed 01 Jan 2014 - Wed 31 Dec 2014	860207	117036	977243	Other: Facilities we operate and either own outright or jointly

CC13.1b
What is your strategy for complying with the schemes in which you participate or anticipate participating?

Husky seeks to reduce emissions at regulated facilities through improved energy and emissions management and offsets the balance of compliance obligations through the use of emissions performance credits, purchases of project based carbon offsets, and purchases of Climate Change Emissions Management Fund credits.

In the future, budgeting for the purchase of emission reduction credits and / or offsets will be considered.

CC13.2
Has your organization originated any project-based carbon credits or purchased any within the reporting period?

Yes

CC13.2a
Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit Purchase	Energy efficiency: industry	Genalta Power Aggregated Waste Heat Recovery Project	Other: ISO 14064:3, ISO 14065	7900	7900	No	Compliance

Further Information

Page: CC14. Scope 3 Emissions

CC14.1
Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Capital goods	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Upstream transportation and distribution	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Waste generated in operations	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Business travel	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Employee commuting	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Upstream leased assets	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Downstream transportation and distribution	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Processing of sold products	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Use of sold products	Relevant, calculated	21200000	Emission factors are from EPA 40 CFR part 98 subpart MM regulation.		Data is only provided where there is a regulatory requirement to disclose end use of sold product emissions. This includes Husky's Downstream assets in the U.S.
End of life treatment of sold products	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Downstream leased assets	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Franchises	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Investments	Not relevant, explanation provided				This source of Scope 3 GHG emissions is not material when compared against the emissions related to the end-use combustion and / or oxidation of the products Husky sells.
Other (upstream)					
Other (downstream)					

CC14.2
Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

No third party verification or assurance

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a
Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Use of sold products	Change in output	2.30	Decrease	

CC14.4
Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, other partners in the value chain

CC14.4a
Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Methods of engagement:

Husky engages with its JV partners on large projects through JV committees made up of representatives from each partner to discuss numerous issues, including GHG emissions. Specifically, Husky and BP collaborate on GHG issues related to BP-Husky Refining LLC and the Sunrise Energy Project.

Strategy:

Husky focuses on GHG engagement with value chain partners where there is a major risk posed by exposure to climate-related issues such as regulatory changes. Success is measured through financial indicators, including performance against carbon related fee targets for facilities that fall under a regulatory scheme that includes a compliance cost for carbon emissions.

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1
Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Robert J. Peabody	Chief Operating Officer	Chief Operating Officer (COO)

Further Information

Module: Oil & Gas

Page: OG0. Reference information

OG0.1
Please identify the significant petroleum industry components of your business within your reporting boundary (select all that apply)

Exploration, production & gas processing
Storage, transportation & distribution
Specialty operations
Refining
Retail & marketing

Further Information

For the purposes of this CDP response, Husky defines the Refining Segment as including refining, upgrading and associated Downstream business operations. Specialty Operations includes ethanol production.

Page: OG1. Production & reserves by hydrocarbon type - (1 Jan 2014 - 31 Dec 2014)

OG1.1
Is your organization involved with oil & gas production or reserves?

Yes

OG1.2
Please provide values for annual production by hydrocarbon type (in units of BOE) for the reporting year in the following table. The values required are aggregate values for the reporting organization. The values required for the next reporting year are forward-looking estimates

Product	Production (BOE) - Reporting year	Production (BOE) - Next reporting year estimate
Conventional non-associated natural gas Associated natural gas Shale gas Tight gas	37780000	36500000
Natural gas condensate Natural gas liquids (NGL) Light oil Medium oil Shale oil Tight oil	38330000	36500000
Heavy oil	28030000	
Bitumen (oil sands)	19930000	
Heavy oil Bitumen (oil sands)		45630000

OG1.3

Please provide values for reserves by hydrocarbon type (in units of BOE) for the reporting year. Please indicate if the figures are for reserves that are proved, probable or both proved and probable. The values required are aggregate values for the reporting organization

Product	Country/region	Reserves (BOE)	Date of assessment	Proved/Probable/Proved+Probable
Natural gas liquids (NGL) Light oil Shale oil Tight oil	Canada	200200000	Wed 31 Dec 2014	Proved
Natural gas liquids (NGL) Light oil Shale oil Tight oil	Rest of world	23800000	Wed 31 Dec 2014	Proved
Medium oil	Canada	85000000	Wed 31 Dec 2014	Proved
Heavy oil	Canada	106000000	Wed 31 Dec 2014	Proved
Bitumen (oil sands)	Canada	420200000	Wed 31 Dec 2014	Proved
Conventional non-associated natural gas Associated natural gas Shale gas Tight gas	Canada	358900000	Wed 31 Dec 2014	Proved
Conventional non-associated natural gas Associated natural gas Shale gas Tight gas	Rest of world	84700000	Wed 31 Dec 2014	Proved

OG1.4

Please explain which listing requirements or other methodologies you have used to provide reserves data in OG1.3. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this

Husky's oil and gas reserves are estimated in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook (COGEH) and the reserves data disclosed conform with the requirements of NI 51-101. The majority of Husky's oil and gas reserves are prepared by internal reserves evaluation staff using a formalized process for determining, approving and booking reserves, with the remainder, the Company's Heavy Oil and Gas business unit, excluding the Tucker property, evaluated by Sproule Unconventional Limited. This process requires all reserves evaluations to be done on a consistent basis using established definitions and guidelines. Approval of individually significant reserves changes requires review by an internal panel of qualified reserves evaluators. The Audit Committee of the Board of Directors has examined Husky's procedures for assembling and reporting reserves data and other information associated with oil and gas activities and has reviewed that information with management. The Board of Directors has approved, on the recommendation of the Audit Committee, the content of Husky's disclosure of its reserves data and other oil and gas information. The reserves in OG1.3 are Husky's gross reserves, which are the working interest share of reserves before deduction of royalties and without including any royalty interests.

OG1.5

Please provide the average breakeven cost of current production used in estimation of proven reserves

Hydrocarbon/project	Breakeven cost/BOE	Comment

OG1.6

In your economic assessment of hydrocarbon reserves and resources, do you conduct scenario analysis consistent with global developments to avoid dangerous climate change by reducing GHG emissions?

Further Information

The data in OG 1.2 are consolidated by net-equity share as reported in Husky's 2014 Annual Report. Production estimates for the next reporting year are annualized from the low end of the 2015 guidance on page 26 of the Company's 2014 Annual Report.

Page: OG2. Emissions by segment in the O&G value chain - (1 Jan 2014 - 31 Dec 2014)

OG2.1
Please indicate the consolidation basis (financial control, operational control, equity share) used to report the Scope 1 and Scope 2 emissions by segment in the O&G value chain. Further information can be provided in the text box in OG2.2

Segment	Consolidation basis for reporting Scope 1 emissions	Consolidation basis for reporting Scope 2 emissions
Exploration, production & gas processing	Operational Control	Operational Control
Specialty operations	Operational Control	Operational Control
Refining	Operational Control	Operational Control

OG2.2
Please provide clarification for cases in which different consolidation bases have been used and the level/focus of disclosure. For example, a reporting organization whose business is solely in storage, transportation and distribution (STD) may use the text box to explain why only the STD row has been completed

For the purposes of this CDP response, Husky defines the Refining Segment as including refining, upgrading and associated Downstream business operations. Specialty Operations includes ethanol production.

OG2.3
Please provide masses of gross Scope 1 GHG emissions in units of metric tonnes CO2e for the organization's owned/controlled operations by value chain segment. The values required for the next reporting year are forward-looking estimates

Segment	Gross Scope 1 emissions (metric tonnes CO2e) - Reporting year	Gross Scope 1 emissions (metric tonnes CO2e) - Next reporting year estimate
Exploration, production & gas processing	8540000	
Specialty operations	110000	
Refining	2610000	

OG2.4
Please provide masses of gross Scope 2 GHG emissions in units of metric tonnes CO2e for the organization's owned/controlled operations by value chain segment. The values required for the next reporting year are forward-looking estimates

Segment	Gross Scope 2 emissions (metric tonnes CO2e) – Reporting year	Gross Scope 2 emissions (metric tonnes CO2e) – Next reporting year estimate
Exploration, production & gas processing	1100000	
Specialty operations	110000	
Refining	1090000	

Further Information

Page: OG3. Scope 1 emissions by emissions category - (1 Jan 2014 - 31 Dec 2014)

OG3.1
Please confirm the consolidation basis (financial control, operational control, equity share) used to report Scope 1 emissions by emissions category

Segment	Consolidation basis for reporting Scope 1 emissions by emissions category
Exploration, production & gas processing	Operational Control
Specialty operations	Operational Control
Refining	Operational Control

OG3.2
Please provide clarification for cases in which different consolidation bases have been used to report by emissions categories (combustion, flaring, process emissions, vented emissions, fugitive emissions) in the various segments

For the purposes of this CDP response, Husky defines the Refining Segment as including refining, upgrading and associated Downstream business operations. Specialty Operations includes ethanol production.

OG3.3
Please provide masses of gross Scope 1 GHG emissions released into the atmosphere in units of metric tonnes CO2e for the whole organization broken down by emissions categories: combustion, flaring, process emissions, vented emissions, fugitive emissions. The values required for the next reporting year are forward-looking estimates

Category	Gross Scope 1 emissions (metric tonnes CO2e) – Reporting year	Gross Scope 1 emissions (metric tonnes CO2e) – Next reporting year estimate
Combustion	5720000	
Flaring	670000	
Process emissions	380000	
Vented emissions	4450000	
Fugitive emissions	40000	

Further Information

Page: OG4. Transfers & sequestration of CO2 emissions - (1 Jan 2014 - 31 Dec 2014)

OG4.1
Is your organization involved in the transfer or sequestration of CO2?

Yes

OG4.2
Please indicate the consolidation basis (financial control, operational control, equity share) used to report transfers and sequestration of CO2 emissions

Activity	Consolidation basis
Transfers	Operational Control
Sequestration of CO2 emissions	Operational Control

OG4.3
Please provide clarification for cases in which different consolidation bases have been used (e.g. for a given activity, capture, injection or storage pathway)

OG4.4
Using the units of metric tonnes of CO2, please provide gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis). Please note that questions of ownership of the CO2 are addressed in OG4.6

Transfer direction	CO2 transferred – Reporting year
CO2 transferred in	33343
CO2 transferred out	0

OG4.5
Please provide clarification on whether any oil reservoirs and/or sequestration system (geological or oceanic) have been included within the boundary of the reporting organization. Provide details, including degrees to which reservoirs are shared with other entities

Husky injects CO2 into several reservoirs in the Lloydminster area of Saskatchewan for the purposes of enhanced oil recovery. This activity is not for the purpose of sequestration.

OG4.6
Please explain who (e.g. the reporting organization) owns the transferred emissions and what potential liabilities are attached. In the case of sequestered emissions, please clarify whether the reporting organization or one or more third parties owns the sequestered emissions and who has potential liability for them

Husky does not consider CO2 injected for the purposes of enhanced oil recovery as sequestered emissions at this time.

OG4.7
Please provide masses in metric tonnes of gross CO2 captured for purposes of carbon capture and sequestration (CCS) during the reporting year according to capture pathway. For each pathway, please provide a breakdown of the percentage of the gross captured CO2 that was transferred into the reporting organization and the percentage that was transferred out of the organization (to be stored)

Capture pathway in CCS	Captured CO2 (metric tonnes CO2)	Percentage transferred in	Percentage transferred out
Separation of CO2 from industrial process gas streams	109318	31%	0%

OG4.8
Please provide masses in metric tonnes of gross CO2 injected and stored for purposes of CCS during the reporting year according to injection and storage pathway

Injection and storage pathway	Injected CO2 (metric tonnes CO2)	Percentage of injected CO2 intended for long-term (>100 year) storage	Year in which injection began	Cumulative CO2 injected and stored (metric tonnes CO2)
CO2 used for enhanced oil recovery (EOR) or enhanced gas recovery (EGR)	100640	0%	2008	224000

OG4.9
Please provide details of risk management performed by the reporting organization and/or third party in relation to its CCS activities. This should cover pre-operational evaluation of the storage (e.g. site characterisation), operational monitoring, closure monitoring, remediation for CO2 leakage, and results of third party verification

Husky does not consider CO2 injected for the purposes of enhanced oil recovery as sequestered emissions at this time.

Further Information

Page: OG5. Sales and emissions intensity - (1 Jan 2014 - 31 Dec 2014)

OG5.1
Please provide values for annual sales of the hydrocarbon types (in units of BOE) for the years given in the following table. The values required are aggregate values for the reporting organization. The values for the next reporting year are forward-looking estimates

Product	Sales (BOE) - Reporting year	Sales (BOE) - Next reporting year estimate
Conventional non-associated natural gas Associated natural gas Shale gas Tight gas	37780000	36500000
Natural gas condensate Natural gas liquids (NGL) Light oil Medium oil Shale oil Tight oil	38330000	36500000
Heavy oil	28030000	
Bitumen (oil sands)	19930000	
Heavy oil Bitumen (oil sands)		45630000
Synthetic oil	19450000	
Refined products	91330000	

OG5.2
Please provide estimated emissions (Scope 1 + Scope 2) intensities for the a) exploration, production and gas processing, b) storage, transportation and distribution, and c) refining associated with current production and operations

Year ending	Emissions intensity: exploration, production & gas processing (metric tonnes CO2e per thousand BOE)	Emissions intensity: storage, transportation & distribution (metric tonnes CO2e per thousand BOE)	Emissions intensity: refining (metric tonnes CO2e per thousand BOE)

Year ending	Emissions intensity: exploration, production & gas processing (metric tonnes CO2e per thousand BOE)	Emissions intensity: storage, transportation & distribution (metric tonnes CO2e per thousand BOE)	Emissions intensity: refining (metric tonnes CO2e per thousand BOE)

OG5.3
Please clarify how each of the emissions intensities has been derived and supply information on the methodology used where this differs from information already given in answer to the methodology questions in the main information request

Husky is not disclosing emission intensities at a corporate level at this time.

Further Information

For question OG 5.1, Refined Products includes ethanol sales and is calculated based on refinery throughputs as reported in Husky's 2014 Annual Report. Sales volumes for question OG5.1 are reported on a net equity consolidation basis. Sales estimates for the next reporting year are annualized from the low end of the 2015 guidance on page 26 of the Company's 2014 Annual Report.

Page: OG6. Development strategy - (1 Jan 2014 - 31 Dec 2014)

OG6.1
For each relevant strategic development area, please provide financial information for the reporting year

Strategic development area	Describe how this relates to your business strategy	Sales generated	EBITDA	Net assets	CAPEX	OPEX	Comment

OG6.2
Please describe your future capital expenditure plans for different strategic development areas

Strategic development area	CAPEX	Total return expected from CAPEX investments	Comment

OG6.3
Please describe your current expenses in research and development (R&D) and future R&D expenditure plans for different strategic development areas

Strategic development area	R&D expenses – Reporting year	R&D expenses – Future plans	Comment

Further Information

Page: OG7. Methane from the natural gas value chain

OG7.1
Please indicate the consolidation basis (financial control, operational control, equity share) used to prepare data to answer the questions in OG7

Segment	Consolidation basis
Production	Operational Control
Gathering	Operational Control

Segment	Consolidation basis
Processing	Operational Control

OG7.1a
Please provide clarification for cases in which different consolidation bases have been used

OG7.2
Does your organization have written operating procedures and/or policies covering the reduction of methane leakage and venting?

Yes

OG7.2a
Please attach the relevant document(s) in the further information field or describe how the written procedures/policies cover these emissions sources

Husky meets or exceeds regulatory compliance requirements for monitoring and reporting to effectively address risk. Prescriptive programs are in place at Company facilities for leak detection and repair of fugitive emission sources.

Husky endeavours to comply with the regulatory amounts of flaring and venting, concomitant to the requirements for gas conservation (i.e., tie-in of solution gas sources based on the economics and needed infrastructure), consistent with the jurisdictions that it operates within - for example, compliance with the Alberta Energy Regulator Directive 60; and, the Saskatchewan Ministry of the Economy, S-10 requirements. Where industry comparison data exists (such as in Alberta), the Company's gas conservation in 2013, the most recent year that aggregate data is available at the time of this submission, was above the industry average (AER ST-60B reports: http://www.aer.ca/data-and-publications/statistical-reports/st60b)

In addition, there are specific procedures for reducing venting in operational districts with example summaries as follows:

Heavy Oil and Gas Lloydminster Alberta - evaluate all wells that vent or flare over 900 m3/day and prepare and document a Decision Tree Analysis (DTA) as per AER Directive 60; if conservation is economic (greater than negative $55,000 NPV considering gas sales only), conservation is implemented prior to the D60 deadline; if conservation is uneconomic (less than negative $55,000 NPV considering gas sales only) flaring should be evaluated; and, if flaring is not feasible (gas rates or heating value cannot support continuous combustion), then venting will occur.

If conservation is uneconomic, and flaring is feasible, then an internal economic comparison of conservation and flaring would be completed, and the more favorable option implemented. Flaring is not an option within 500m of a residence. If the recommendation from the DTA cannot be implemented prior to the D60 deadline an extension may be requested or the well shut in. Wells are reevaluated in 12 months using same logic.

Heavy Oil and Gas Lloydminster Saskatchewan - evaluate all wells that vent or flare over 900 m3/day and prepare and document a Decision Tree Analysis as per MER Directive S-10; if conservation is economic (greater than negative $50,000 NPV considering gas sales only), a conservation strategy is then initiated and will not exceed a maximum of 6 months if fuel gas lines are already in place, or 12 months if a fuel gas line needs to be constructed. If the deadline cannot be met, an extension may be requested or the well will be shut in until conservation is in place.

If conservation is uneconomic (less than negative $50,000 NPV considering gas sales only) flaring should be evaluated; and, if flaring is not feasible (gas rates or heating value cannot support continuous combustion), then venting will occur. If conservation is uneconomic, and flaring is feasible, then an internal economic comparison of conservation and flaring would be completed, and the more favorable option implemented. Wells are reevaluated in 12 months using same logic.

OG7.3
Please indicate the proportion of your organization's methane emissions inventory estimated using the following methodologies (+/- 5%)

Methodology	Proportion of total methane emissions estimated with methodology	What area of your operations does this answer relate to?

Methodology	Proportion of total methane emissions estimated with methodology	What area of your operations does this answer relate to?
Direct detection and measurement		
Engineering calculations		
Source-specific emission factors (IPCC Tier 3)		
IPCC Tier 1 and/or Tier 2 emission factors	>75%	All

OG7.3a
Do your operations include the production, gathering and processing stages?

Yes

OG7.3b
Please use the following table to report the proportion of your organization's natural gas production that is emitted into the atmosphere during production (differentiating if possible between production from hydraulically-fractured wells and non-hydraulically-fractured wells), gathering and processing

Stage	Estimate gas leaked or vented expressed as % of gas produced

OG7.4
OG7.4: Does your organization participate in voluntary methane emissions reduction programs?

No

OG7.5
Are reduced emission completions relevant to your operations?

Yes

OG7.5a
For natural gas wells that are hydraulically-fractured, please complete the table

What proportion of completions and work-overs in the reporting year used reduced emission completion technology for these wells?	If gas is not utilized via reduced emission completion technology, please explain if it is flared or vented	What area of your operations does this answer relate to?

OG7.6
Is liquids unloading (de-watering) of natural gas wells relevant to your operations?

Yes

OG7.6a
For gas wells with liquids accumulation requiring venting into the atmosphere or some form of artificial liquids unloading, please complete the table

What proportion has technologies in place that reduce methane venting from the liquids unloading process?	If you wish, please add context to this figure	What area of your operations does this answer relate to?

OG7.7
Does your organization have a program for identifying and replacing or retrofitting high-bleed rate pneumatic controllers powered by natural gas (i.e. controllers that vent more than 6 standard cubic feet per hour)?

Yes

OG7.7a
Please complete the table on high-bleed rate pneumatic controllers

What proportion of the organization's high-bleed controllers have been replaced with low-emission alternatives?	If you wish, please add context to this figure	What area of your operations does this answer relate to?
96%	Some high-bleed devices in this figure have been taken out of service as opposed to having been replaced with low bleed alternatives.	Other: This figure only relates to the portion of high to low bleed pneumatic controller conversions that have been completed in Husky's northeastern B.C. operations.

OG7.8
Are natural gas compressors relevant to your operations?

Yes

OG7.8a
Please complete the table on natural gas compressors

What proportion of compressors, including those at the wellhead and in gathering and processing, are either reciprocating compressors or centrifugal compressors operating wet seals?	What proportion of these compressors is vented to the atmosphere?	What area of your operations does this answer relate to?
16%		All

OG7.8b
Please explain measures you are taking to reduce emissions from these sources

OG7.9
Is associated gas relevant to your organization?

Yes

OG7.9a
What is your organization's overall approach for dealing with associated gas in terms of its relative use of venting, flaring and capture (e.g. for sale, re-injection or use as a fuel)? Organizations may differentiate their approach between circumstances where there is/is not a market

Husky endeavours to comply with all regulatory requirements to capture associated gas and move it to market or its own operations as infrastructure and economics allow.

OG7.9b

Outline the measures undertaken to reduce venting for example from tank and casing-head gas

The Company is investigating opportunities to capture tank and well-head vented emissions through the application of new technologies. In 2014, multiple technologies were evaluated.

Further Information

CDP: [D][-,-][D2]