

# 2021

*Environmental, Social,  
and Governance Report*

*We're Making a World of Difference*

**HUSKY**<sup>®</sup>

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All monetary amounts are presented in U.S. dollars, unless stated otherwise

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# INTRODUCTION

*We're Making a World of Difference*

## TOWARDS THE NEXT STEP – A LETTER FROM OUR CEO

We face new challenges and opportunities as the world embraces a more circular economy and greater sustainability. This means that our stakeholders will rely on us more than ever before. With customers in more than 140 countries, our success is founded on the ability to understand our customers' needs and to serve them better than any other. With our longstanding commitment to innovation and sustainability, we stand ready to help them meet the demands of changing markets and mindsets, to navigate the complexity of new technological innovations, and address the requirements for more environmentally responsible products and manufacturing processes.

Husky is, more than most companies, a truly global organization, delivering essential technologies that our world depends on. We have been working around the world in our customers' time zones, languages, and cultures for decades. We have found both the ties that bind us, and the distinctions that make each of us unique. We have built strong and lasting relationships based upon mutual respect. We recognized early on, the importance of investing to minimize our impact on the environment and have been enabling circular solutions for decades. To us, these principles are engrained in the very fabric of what makes Husky, Husky.

Never content to rest upon our laurels, I am pleased to present Husky's first Environmental, Social, and Governance (ESG) Report.

We have been embracing ESG principles for years. Environmental sustainability has been a key area of investment and is interwoven in all areas of our business. Systematically eliminating waste, a culture of inclusion and learning, and our commitment to excellence and ingenuity have always been a part of the Husky DNA. Being industry leaders, back in 2009, we had the foresight to plan for carbon neutrality by 2025 through our TargetZERO program. Today, I am pleased to say we remain on track to achieve that goal and are also working towards our other ambitions and goals as we look to 2030 and beyond.

We are enabling the circular economy through our innovation and technology, driven by the collective expertise of our people across all aspects of our business.

Husky people have always been the driving force of our success. They find innovative solutions through their diverse knowledge, culture of life-long learning, and roll-up-the-sleeves attitude. Our people are the cornerstones of our new campaign: *Powered by People*. We are *Powered by People*; we have been able to build local footprints and create unique opportunities to attract, retain, and develop a broad and diverse workforce. We have learned from each other, and we continue to learn from one another. Together, we are driving the innovation and technologies that enable the adoption of a circular future.

As we continue to enable the adoption of a circular future, Husky's solutions are designed with a long-term vision in mind – we are innovating to be one step ahead. Innovations such as our *HyPET systems*, which can run on fully recycled feedstock, our *Recycled Melt to Preform (rMtP)* system where we have enabled customers to close-the-loop on their operations, and services such as our award-winning *Advantage + Elite: We Call You™* in which we remotely monitor customers' systems for optimal performance, are paving the way for a circular future.

Husky is here to make a world of difference, and we are just getting started.



**John Galt**  
CEO



## ABOUT OUR COMPANY

Since 1953, Husky Technologies™ has been pioneering technology to help deliver the essential needs of the global community with sustainability-focused and industry-leading expertise and service. A global company, Husky is powered by teams of exceptional people in more than 40 locations covering our valued customers, who operate in over 140 countries. By focusing on sustainably sourced feedstocks, material reuse and use of medical-grade polymers, Husky continues to be committed to sustainability now and in the future.

At Husky, we are *Powered by People*. We believe our expertise is second to none. Husky's leading technologies, solutions, and customer experience are driven by the dedicated, empowered, and knowledgeable people who develop and deliver them. We are innovators, designers, and problem solvers.

Our innovative technologies play an important role in enabling the circular economy and empowering our customers to reduce costs, variability, and environmental impacts. We know polymers are the right solution to meeting the low carbon needs of our customers today—the key is managing these polymers responsibly. Specifically, we are unlocking the value in polyethylene terephthalate (PET) as a pathway to reduce carbon emissions and enable circularity.

We build, install, and support a comprehensive range of technologies, engineered solutions, and services. We look to enable and inspire the industry through sustainable and value-added offerings, such as end-to-end solution development,

collaborative factory planning, systems integration, and asset management. Our solutions support a range of markets and industries, including medical and healthcare, food and beverage, consumer products, among others. Find out about the industries we serve on our [website](#).

### Our Vision

Our vision is to be among the world's most valued technology and service industrial manufacturing companies. Using our innovation, collective expertise, and personal commitment, we will lead the way in developing new technologies, environmentally responsible products, and higher-efficiency manufacturing solutions that respond to and deliver the essential needs of people around the globe.

### Our Values

Our core values ground and guide us as we lead the industry into a sustainable future.

**Act with Integrity, Respect and Courage** — We conduct ourselves in an ethical and socially conscious manner and share a commitment to diversity, equity, and inclusion in our actions and words. We are honest and treat all colleagues, customers, investors, partners, and suppliers with dignity and respect, so that everyone can contribute, innovate, and excel, all while boldly challenging the norms of our industry.

**Foster Teamwork and Learning** — We build and maintain an environment that empowers all of us to work collaboratively, continuously learn, and problem-solve in order to better improve ourselves, our colleagues, our customers, and the communities we serve.

**Commitment to Excellence** — We deliver critical solutions that improve the lives and livelihoods of the global community. This requires our dedication to being leaders in all that we do, for ourselves, our industry, our customers, consumers, and the environment.



## Strong governance

Our executive leadership team brings significant collective expertise in engineering, sustainability, science, production development, and strategy. Our leadership drives our business to the forefront of innovation.

We seek to integrate proactive sustainability measures at every level, embedding ESG concerns in the way we guide Husky forward. Guided by our Executive Vice President of Innovation and Sustainability, we are continually innovating for circularity and developing the latest technological advances to ensure our products offer the lowest environmental footprint.

Our ESG initiative is led by our ESG Committee, including a range of subject matter experts from within our company. Our ESG Committee is sponsored by our Executive Vice President of Human Resources at the senior leadership level and also includes our Executive Vice President of Innovation and Sustainability, among others.

We provide financial support for social and environmental causes that align with our values and encourage community involvement. Our ESG Committee sets the budget direction, evaluates donation requests, and manages the global community engagement budget. passionate team members on our global campuses support local social impact projects and charitable endeavors. To learn more, please visit the [Community Impact section](#).

Find out more about our leadership team on our [website](#).

## History of Excellence: Selected Recognition and Awards

**2018:** Awarded Work Safety Risk Classification Management from Safety Supervision Bureau of WGQ Free Trade Zone

**2019:** Received the Shanghai Human Resource & Social Security Bureau and Shanghai Federation of Trade Unions' Certified Model Enterprise of Harmonious Employment Relationship

**2020:** Recognized by the Shanghai Pudong New Area People's Government, Measures on Promoting Enterprises to Fulfill Social Responsibility of Pudong New Area. Received certification as a CSR Qualified Enterprise of Pudong New Area after evaluation

**2021:** Association of Plastics Recyclers recognition for Innovation in Plastic Packaging Design

## Commitment and collaboration

Husky belongs to several associations that maintain commitments to support our industry and strong sustainability practices:

- [All India Plastic Manufacturer's Association \(AIPMA\)](#)
- [American Chamber of Business in Luxembourg](#)
- [Association of Plastics Recycling](#)
- [Brazilian PET Industry Association \(ABIPET\)](#)
- [Chemical Industry Association of Canada \(CIAC\)](#)
- [China Beverage Industry Association \(CBIA\)](#)
- [China Plastics Reuse & Recycling Association \(CPRRA\)](#)
- [Ellen Macarthur New Plastics Economy Global Commitment Signatory](#)
- [FEDIL – The Voice of Luxembourg's Industry](#)
- [Inspiring More Sustainability \(IMS\) Luxembourg](#)
- [Medical Polymer Products Branch of China Association for Medical Devices Industry \(CAMDI\)](#)
- [National Association for PET Container Resources \(NAPCOR\)](#)
- [Operation Clean Sweep](#)
- [Organization of Plastic Processors of India \(OPPI\)](#)
- [PET Packaging Association for Clean Environment](#)
- [Pioneering PET Circularity \(PETCORE Europe\)](#)
- [Plastics Industry Association \(PLASTICS\)](#)



## ABOUT OUR REPORT

At Husky, we believe that strong ESG initiatives guide sound business decisions, operations, and relationships—not only with customers, employees, and suppliers, but also with the communities in which we operate.

As a responsible global organization, we know that it is more important than ever to create greater transparency and authenticity for our stakeholders. Our inaugural ESG report outlines key aspects of our sustainability strategy, related goals, and our approach to managing the ESG topics most material to our business.

Sustainability is at the heart of our business. We actively innovate sustainability-focused technologies and leverage

our global reach to strive towards carbon neutrality (Scope 1 and Scope 2) and strengthen the circular economy. We care for our people and support our diverse teams by building a culture focused on health and wellbeing. We are committed to upholding a high standard of ethical business practices.

Throughout this report, we share our approach to sustainability, our performance, and how our people and innovative technologies support the journey towards a circular economy.

This report covers Husky Technologies and the activities across our global network. Our report is informed by the Sustainability Accounting Standards Board (SASB) Industrial Machinery & Goods Standard and selected Global Reporting Initiative (GRI) indicators.

We continue to build on the significant progress we have made over the years and look forward to reporting on our progress in the future.



# WE'RE MAKING A WORLD OF DIFFERENCE



# MATERIALITY

We know we need to understand the expectations of our internal and external stakeholders to support our ESG journey. Understanding our stakeholders allows us to prioritize the most important ESG topics to our business and remain informed of emerging risks and opportunities. Our stakeholders include our employees, customers, communities, suppliers, industry associations, trade groups, investors, lenders, and insurance companies.

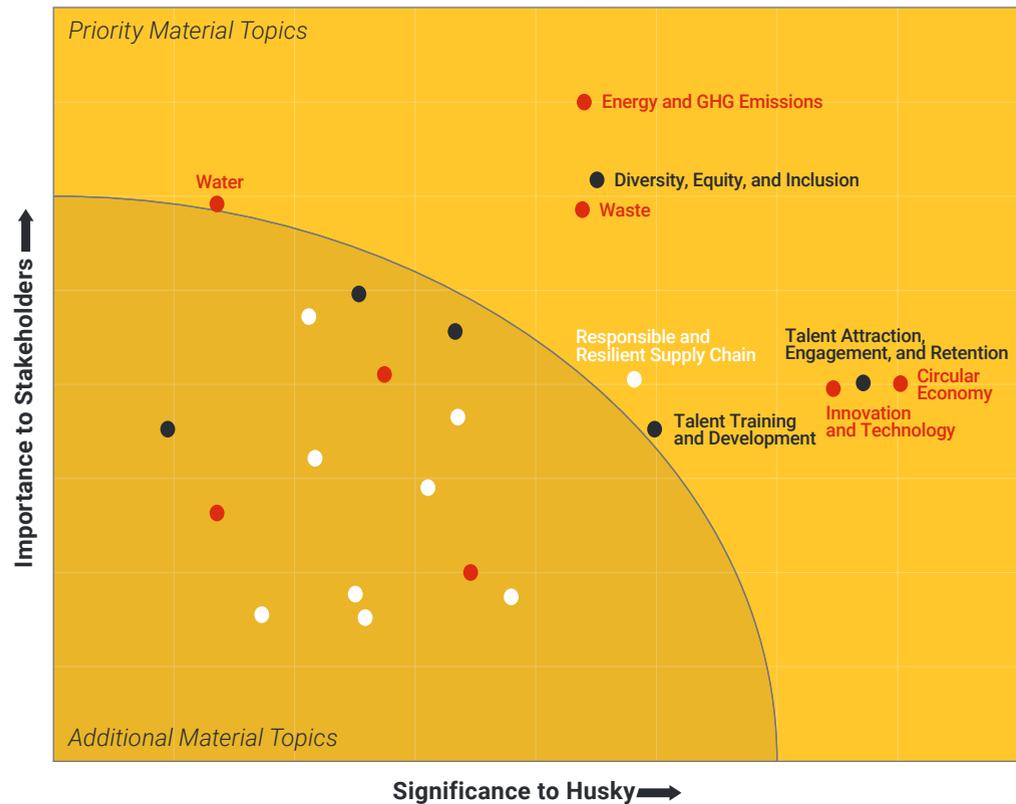
We completed our first ESG materiality assessment to identify the ESG topics most material to our business and stakeholders with the assistance of ERM, a leading global sustainability consulting firm. This ESG materiality assessment process began by identifying a universe of ESG topics most pertinent to our business. We assessed our current ESG practices, global and industry trends, peer practices, ESG rating and ranking agency criteria, and reporting framework requirements. We also referenced external guidelines, namely the United Nations Sustainable Development Goals (UN SDGs), to help inform topic identification.

We then gathered perspectives from a range of internal and external stakeholders.

The results were mapped into what we refer to as Husky's ESG materiality matrix, which was reviewed by, and aligned with, our leadership. The material ESG topics identified in the matrix were used to frame our priority ESG initiatives and the content of this report. We will build on this foundation going forward as we develop our ESG strategy and plans for future reporting.

## Husky's ESG Materiality Matrix

● Environment ● Social ○ Governance



Priority Material Topic	UN SDG
Innovation and Technology	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Circular Economy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Talent Attraction, Engagement, and Retention	4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Talent Training and Development	4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH
Responsible and Resilient Supply Chain	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Diversity, Equity, and Inclusion	5 GENDER EQUALITY, 10 REDUCED INEQUALITIES
Energy and GHG Emissions	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Water	6 CLEAN WATER AND SANITATION, 14 LIFE BELOW WATER

## Additional Material Topics

- Community Impact
- Business Ethics
- Health, Safety and Well-being
- Climate Change
- Corporate Governance
- Data Privacy and Cybersecurity
- Advocacy and Public Policy
- Material and Chemical Use
- Human Rights

# HUSKY MAKING A WORLD OF DIFFERENCE

*We're Making a World of Difference*  
**BY ENABLING THE CIRCULAR ECONOMY.**

## CIRCULAR ECONOMY

The circular economy is critical for a sustainable future. Husky's unique position in the circular value chain means our greatest impact opportunity is in providing the technology solutions needed to close the loop. Our technology allows for the use of 100% post-consumer recycled material and unlocks the potential of sustainable feedstocks. With our global size and reach, we have an incredible opportunity to support our

customers in our shared sustainability journey, and we play an integral role in driving the circular economy. Recyclable polymers play an essential role-providing 7.6 billion people globally with essentials including food, water, and medicine - and have many advantages over alternatives. We believe responsibly managed polymers are a key part of the solution to a low carbon circular economy.

## Ellen MacArthur New Plastics Economy

As part of our commitment to accelerating the transition to a circular economy and to help achieve the sustainability goals of our customers, we have signed the **Ellen MacArthur Foundation New Plastics Economy**. We have pledged to focus on the following four commitments:

### COMMITMENT 1 ENABLING SUSTAINABLE AND RECYCLED MATERIALS

We design and develop new solutions that enable our customers to use greater amounts of sustainable materials and recycled content in their packaging.

### COMMITMENT 2 REDUCING ENVIRONMENTAL IMPACT BY REDUCING PACKAGING WEIGHT

We proactively improve resource efficiency through the development of consumer packaging solutions that minimize environmental impact through reducing packaging weight.

### COMMITMENT 3 DESIGNING FOR CIRCULARITY

We continuously innovate and collaborate on solutions that enable packages with improved recyclability and circularity.

### COMMITMENT 4 INSPIRING AND ADVOCATING FOR A CIRCULAR FUTURE

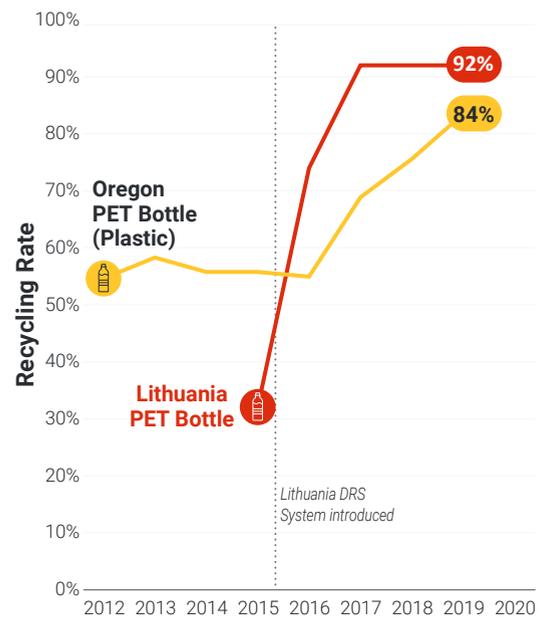
We partner and advocate for the advancement of the circular economy and sustainable packaging.

## Committed to sustainable packaging solutions for future generations

Husky strives to take a leading role being a responsible and environmentally conscious global player. With our proven track record of innovation and creativity, we are dedicated to enabling our customers in making the most sustainable choice for their packaging needs.

We recognize that the challenges of a circular economy require intentional innovation, collaboration, and partnerships to drive solutions. The circular economy needs a greater supply of rPET (recycled PET), which is achieved through an improved recycling rate and supporting infrastructure.

An internationally proven and efficient method to increase recycling rates greater than 90% is by placing a value on the package, such as implementing deposit return systems (DRS). Existing examples of success can be found in Oregon (USA), Lithuania and many other parts of Europe.



This simple solution can provide results extremely quickly; for example:

- In Lithuania they were able to improve recycling rates from 32% to 92% from 2015 to 2019\*.
- From 2012 to 2019, the recycling rate for plastics in Oregon jumped from 54% to 84%†.

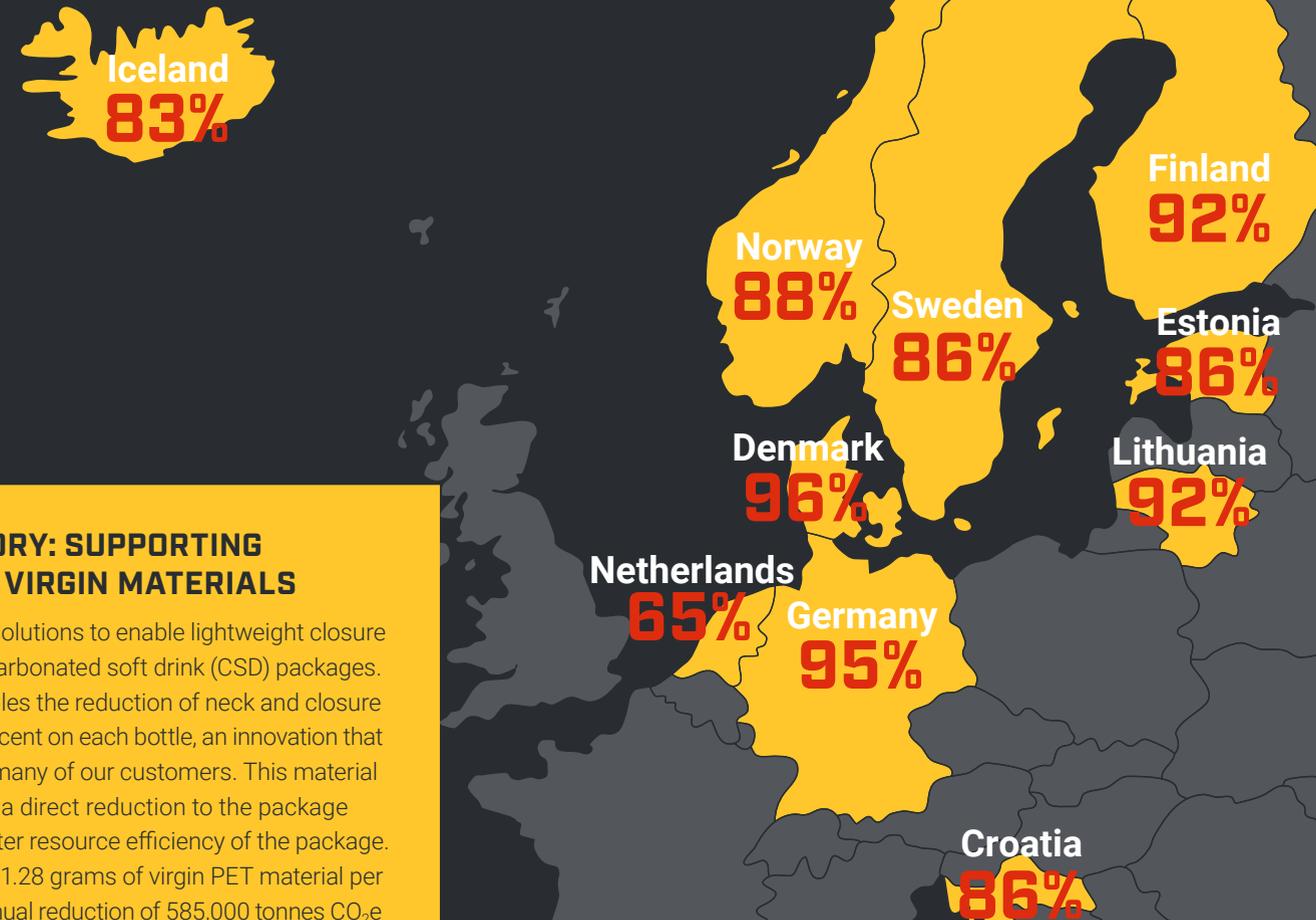
We plan to continue to advocate in various regions to decrease barriers to achieve a completely circular economy.

Husky is also conducting research to contribute to the transition to more sustainable materials that can be reused over and over again. Our strategic partnerships focused on identifying the best resins for current and future use are a key component of this strategy. Husky continues to collaborate and explore the benefits and feasibility of wide scale bio-resin adoption.

\* Unesda – Soft Drinks Europe, PET Collection Rates (accessed June 2022)

† Bottle Bill Resource Guide, The Beverage Container Act <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/oregon>

## PET Collection Rates Across Countries with DRS Systems that Include PET



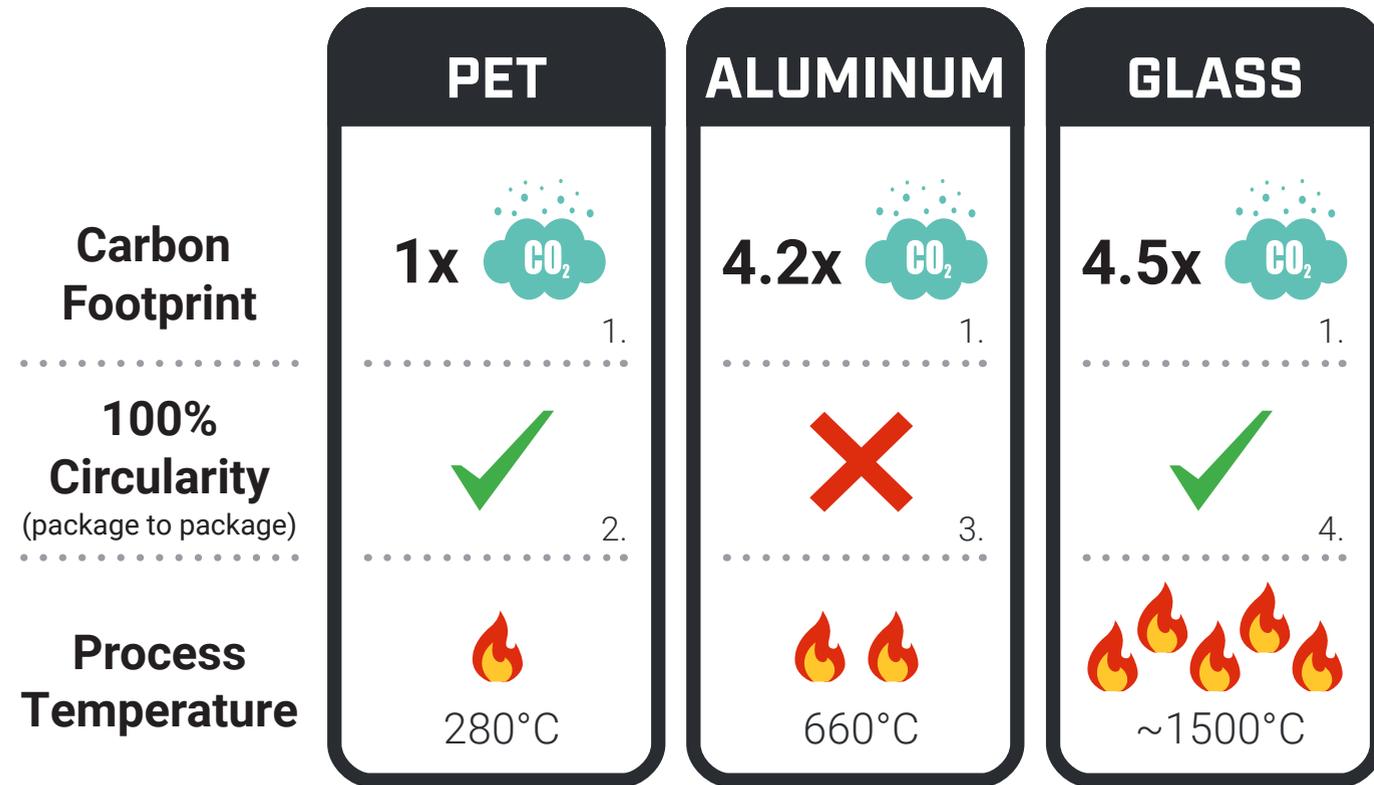
### HIGHLIGHT STORY: SUPPORTING REDUCTION OF VIRGIN MATERIALS

Husky has developed solutions to enable lightweight closure and thread design for carbonated soft drink (CSD) packages. This advancement enables the reduction of neck and closure materials by up to 30 percent on each bottle, an innovation that was quickly adopted by many of our customers. This material light-weighting results in a direct reduction to the package carbon footprint and greater resource efficiency of the package. This could reduce roughly 1.28 grams of virgin PET material per package, resulting in an annual reduction of 585,000 tonnes CO<sub>2</sub>e on global CSD packages on Husky systems\*.

\* This calculation is based on the estimated total number of CSD and PET water bottles produced in 2021 on Husky systems.

## PET as the circular choice

Packaging is critical to providing the global population with essentials, including food, water, and medicine. PET is used in food and beverage packaging and medical industries due to its level of hygiene, protection, light weight, resource efficiency, and inert properties. It is one of the most sustainable packaging materials used today and presents the greatest opportunity to contribute to a low carbon circular economy. PET is believed to be infinitely recyclable and has a lower carbon footprint\* compared to alternatives such as aluminum and glass.



1. Imperial College London PETCORE – Recycle the One Video.

2. 100% rPET Bottles Currently achieved and common place in industry.

3. 55% - Can to Can - Buffington, J. (2013, June). Defining a Closed-Loop U.S. Aluminum Can Supply Chain Through Technical Design and Supply Chain Innovation. 90% - PCR Recycling Unpacked Report commissioned by CMI by Metabolic.

4. "Technically up 100% recycled glass" - European Container Glass Federation. Up to 95% recycled material Glass Packaging Institute.

\* ALPLA LCA, <https://blog.alpla.com/en/press-release/newsroom/new-study-quantifies-environmental-impacts-packaging/04-19>

With that in mind, Husky is setting goals for its role in enabling the circular economy:

**GOAL 1:** 100% of our packaging solutions revenue will enable the production of reusable, recyclable or compostable packaging by 2025, aligned with Ellen MacArthur Foundation targets

**GOAL 2:** Husky will inspire and enable the industry to adopt the most circular and sustainable packaging solutions through our innovation and global scale market position

Through the use of PET, Husky is enabling its customers to transition to a future with fewer emissions. More than half of the CO<sub>2</sub> emissions of a PET bottle come from the *bottle's material*<sup>†‡</sup>. Husky is helping to reduce these emissions by minimizing resources, maximizing recovery, using sustainable materials, and engaging in mutually beneficial partnerships. We have several resources to support our customers in optimizing material use. We have a strong track record of enabling light-weighting closures and preforms with our innovative technology, working toward our goal of using the least amount of resources while still delivering a high performance package. More information on Husky's initiatives to reduce energy and greenhouse gas emissions can be found in the [Energy and GHG section](#) of our report.

### Designing with circularity in mind

With recycled PET in high demand and recyclability a primary sustainability goal for many brand owners, Husky has committed to sustainable packaging solutions for current and future generations. Our technology enables customers to design with circularity in mind – we work with customers and suppliers to produce packaging with the lowest environmental impact while exceeding many regulatory and design requirements, particularly regarding package recyclability and recycled content.

Husky is proud to be making strides toward creating the iconic package - a label-less, ultra light-weighted, 100 percent rPET bottle with tethered and PET closures. Through our continuous research, we are committed to innovating for sustainability.

<sup>†</sup> Institute for Energy and Environmental Research (ifeu), Comparative Life Cycle Assessment of Tetra Pak® carton packages and alternative packaging systems for liquid food on the Nordic market, <https://www.ifeu.de/en/project/tetra-pak-lca-nordic-countries>

<sup>‡</sup> Imperial College London, Examining Material Evidence – The Carbon Fingerprint, <https://www.imperial.ac.uk/media/imperial-college/faculty-of-natural-sciences/centre-for-environmental-policy/public/Veolia-Plastic-Whitepaper.pdf>

## Enabling circularity by supporting customer sustainability goals

Husky has made cutting edge advances with recycled PET that are instrumental in helping our customers reach their sustainability goals. Our rMtP system connects directly to third-party melt providers to turn washed rPET flake into food-grade preforms, eliminating waste and increasing efficiencies by removing the need to form PET pellets in a separate process. This allows customers in the food and beverage markets to achieve their recycled content targets with a lower carbon footprint.

As we make advancements in our products, we are working toward developing technologies that enable customers to incorporate more recycled content in their package to support their recycled content and virgin resin reduction targets. We are conducting a number of research projects focused on removing barriers associated with using more rPET as an input.



Our systems are  
**100%**  
post-consumer recycled  
content capable

### HIGHLIGHT STORY: BIO-RESIN

As we continue to be at the forefront of innovation, we have supported the use of bio-resins in hot runner applications for over a decade. We have optimized our hot runner systems to reliably run bio-resins and accommodate for any challenges that arise in production. As we continue to innovate and develop new products to match sustainability goals and consumer needs, we launched the *UltraMelt* platform. *UltraMelt* is designed to lower the risk for melt degradation, oxidation, and discoloration. Combined with our experience, guidelines, and analysis tools, *UltraMelt* provides a highly effective solution to meet the processing needs of bio-resins consistently.

## HIGHLIGHT STORY: ICE RIVER SPRINGS

Husky Technologies partnered with *Ice River Sustainable Solutions* to create a tailored closed-loop system in the heart of Ontario, Canada. When Ice River Sustainable Solutions decided to use 100% rPET in their bottles over a decade ago, they began by buying material from third-party providers, often finding inconsistencies in the quality of the rPET. They decided to build their own recycling facility where they recycle curbside collected materials and manufacture their rPET resin; providing stable quality and supply. With Husky's support, Ice River Sustainable Solutions became the first beverage company in North America to build a closed loop system for recycled PET. They are now manufacturing bottles made from 100% rPET and have been doing so since 2010. Today, Ice River Sustainable Solutions recycles approximately 80% of the PET that ends up in Ontario's curbside collection system, supported by Husky's innovative and state-of-the-art injection equipment.

## Driving circularity through partnership

Husky maintains partnerships with leading universities, research institutions and organizations within our value chain to advance our industry's adoption of the most circular and sustainable packaging solutions. We are collaborating with these institutions to understand in-depth material properties to support research and design of new solutions. These partnerships include performing analysis and characterization of rPET, showcasing our commitment to creating a fully circular economy. We are collaborating with these organizations to develop bio-based resins and remove barriers for industrialization and commercial adoption. In 2021, Husky spent approximately \$25.9 million on research to support the development of alternative resins, showcasing our commitment to creating a fully circular economy.

We also work with industry associations to drive circular and sustainable packaging solutions. We maintain key partnerships with several organizations throughout the circular economy chain, from rPET decontamination technology providers to recycling and collection organizations, including the Association of Plastics Recyclers (APR), the National Association for PET Container Resources (NAPCOR), and PET Container Recycling Europe (PETCORE). Our talented individuals also serve as thought leaders within the innovation and circular economy space. In 2021, through over 150 online events, industry tradeshows and conferences, we reached over 15,000 stakeholders.

Husky is involved in  
**7**  
research partnerships  
to promote a circular  
economy

Over  
**30**  
customer  
executive level  
meetings annually

## HIGHLIGHT STORY: FERRARELLE

Ferrarelle Società Benefit, a leading spring water brand, was looking to develop an operation that used recycled preforms at their plant based in Presenzano, Italy location. Seeking to lead in environmental sustainability, as it is a crucial part of their company values, they chose us to help them realize their vision.

We partnered with Ferrarelle Società Benefit by collaborating to design an operation for their 35,000 sqm plant that uses recycled PET preforms, thus making a closed loop bottle manufacturing process. We utilized our HyPET Recycled Flake systems, the only system in the world capable of manufacturing preforms with 100% food grade recycled PET flake at the time. The plant treats post-consumer plastic bottles, where more plastic bottles are collected and processed than put back out. Husky's innovative technology, under the Max Capacity regime, allows the plant to produce 18,000 - 20,000 tons of plastic bottles per year while recycling 30,000 tons.



We're Making a World of Difference  
**WITH OUR SOLUTIONS.**

## INNOVATION AND TECHNOLOGY

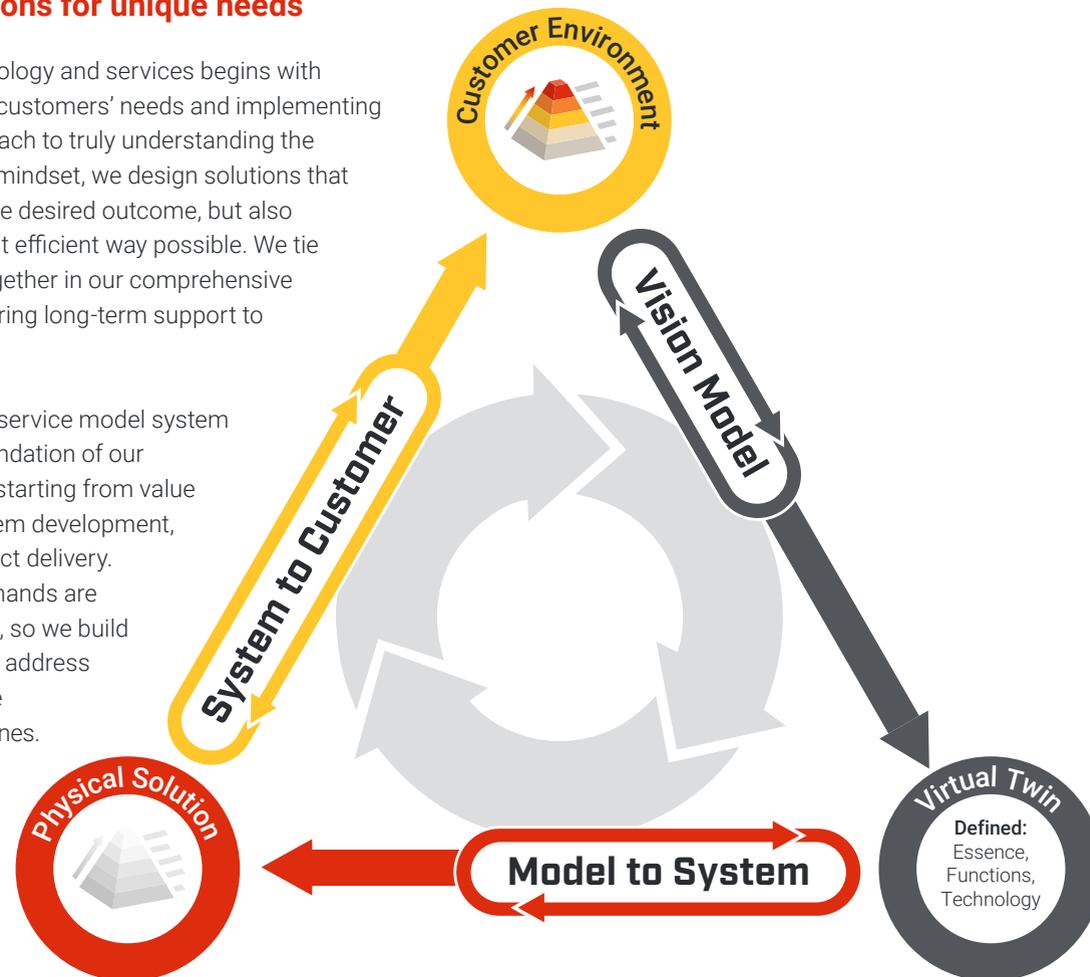
We understand the critical role Husky plays in a sustainable future—by innovating and developing the technology solutions that provide the essentials of life to a growing society and enabling a low carbon circular economy. At Husky, we embrace the idea that innovation means refusing to stand still.

Our philosophy integrates innovation into the core of our processes, ensuring that our products, systems, and services are constantly evolving to address the sustainability needs of today, and tomorrow.

### Tailored solutions for unique needs

Innovation in technology and services begins with understanding our customers' needs and implementing a systematic approach to truly understanding the problem. With this mindset, we design solutions that not only produce the desired outcome, but also deliver it in the most efficient way possible. We tie these two steps together in our comprehensive service model, offering long-term support to our customers.

Our three-pronged service model system exemplifies the foundation of our innovation system starting from value proposition to system development, and effective product delivery. End-consumer demands are constantly evolving, so we build our technologies to address current needs while anticipating future ones.



### Leveraging Husky's scope and scale for sustainability

Today, we believe Husky's market position offers a unique opportunity to tackle the increasing demand for sustainable packaging. We have an important role to play as consumers advocate to reduce plastic waste and our customers make their own sustainability commitments. We currently service more than 50% of the PET preform system market\*, offering technology solutions across a suite of service offerings that support customers' and consumers' pledges. With our sustainable packaging designs, cutting-edge technologies, and aftermarket services, we design our systems to last decades while maximizing production.

We believe our solutions support some of the highest injection pressures and fill rates in the industry, enabling the molding of aggressively lightweight packaging. For instance, our customers in the beverage industry leverage Husky's solutions for molding lightweight bottles that incorporate the latest neck finishes, which can decrease resin use by up to 30%. We also partner with universities and institutions to research the latest in packaging materials, like 100% post-consumer rPET, to ensure our technologies can process the safest, most sustainable inputs. We believe Husky is a market leader because we offer safe, adaptable, and innovative solutions in a rapidly changing world.

**Every gram of virgin PET resin saved reduces carbon emissions by 2.23 grams<sup>†</sup>. When 1 gram of resin is reduced on carbonated soft drinks and water beverages produced globally on Husky systems, this saves up to 408,000 tonnes of CO<sub>2</sub>e annually<sup>‡</sup>.**

\* Freedonia Global PET preform equipment market study and husky data

† NAPCOR Resin LCA

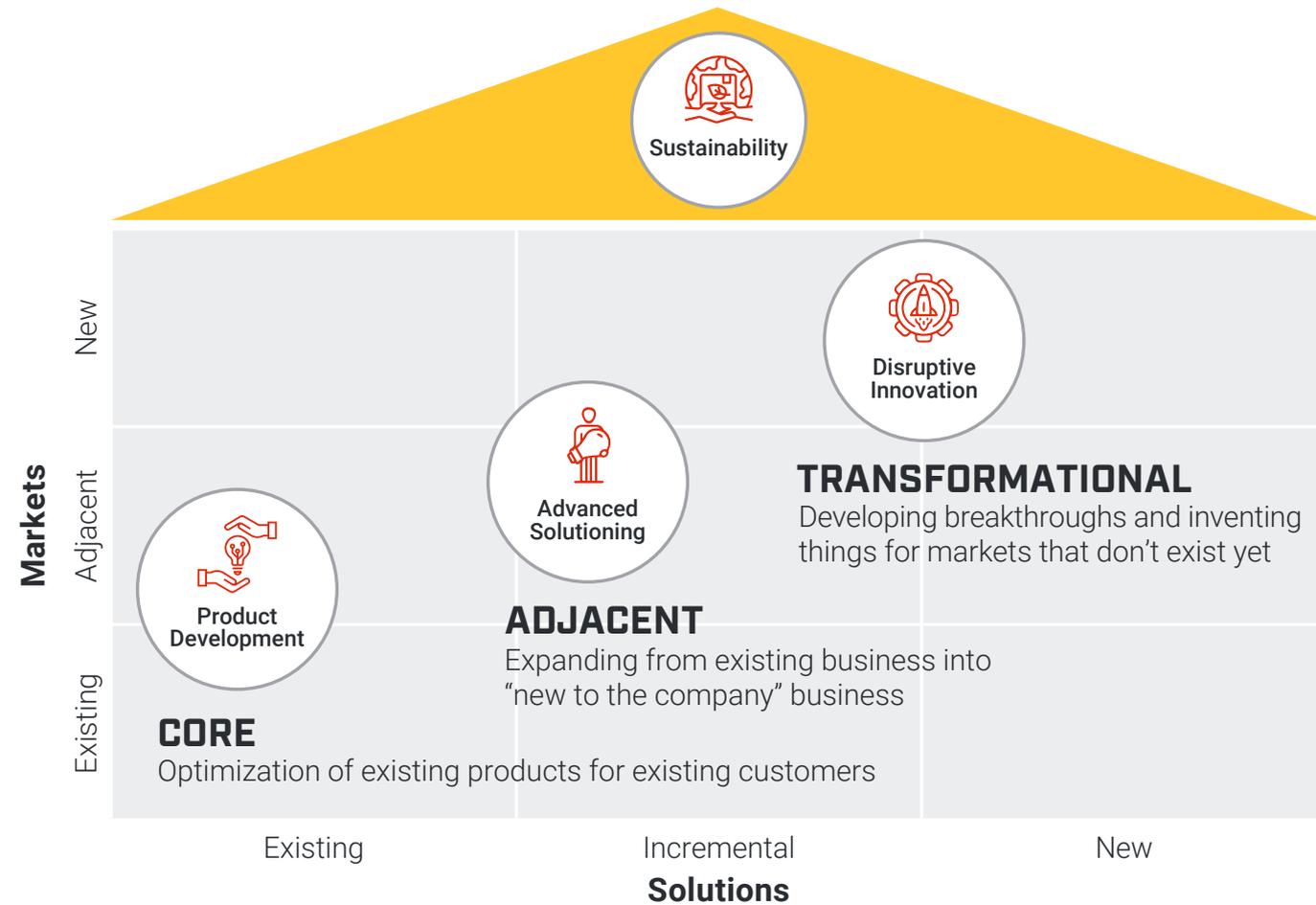
‡ This calculation assumes that Husky reduced 1 g from CSD and water bottles produced globally on Husky machinery, with Husky's estimated 50% market share in 2021

## Husky's Innovation and Sustainability team

Husky maintains a dedicated Innovation and Sustainability team to provide industry-leading solutions to our customers. Innovation and sustainability go together and we have synergized this team to improve the circularity and sustainability of the industries we serve. This team spans three main areas: optimizing existing products, expanding the business, and developing breakthroughs for markets that do not yet exist. By maintaining a cross-functional team dedicated to disruptive innovation, we unlock new value through research and development, both in terms of functionality and environmental efficiency. We know that sustainability and a circular economy are best achieved through innovative solutions. The future will be defined by adaptive solutions ready to change with the world around us, and we aim to shape this.

*“Innovation is a process that requires human creativity and ingenuity, brought to life by people. Innovation is Powered by People. Today my teams are involved in solving customers’ most complex problems and helping them navigate digitization and capture the tremendous opportunities that are arising from the global focus on sustainability and social responsibility. Innovation is simply incomplete if it does not consider sustainability and conversely, sustainability needs innovative solutions. Sustainability and innovation are synergistic. They go hand in hand.”*

— Joachim Niewels, Vice President of Innovation and Sustainability



2021 R&D expense  
**\$25.9**  
million

R&D expense/  
sales ratio  
**2%**

Husky Technologies owns over **175** families of active patents and designs with more than **1,280** pending and granted patents worldwide within which there are approximately **140** granted and approximately **60** pending U.S. patents and designs\*.

\* This statement is current as of May 10, 2022.

## Sustainability in product innovation

Our goals to systematically eliminate waste and variability have led to industry-leading solutions. We use a holistic approach, integrating research of technological designs, business value drivers, and market expertise, to address all aspects of a customer's needs. Our capabilities span software, electrical, mechanical engineering, simulations, materials expertise, and polymer characterization, providing functional solutions while creating a closed-loop system.

**GOAL: >85%** of new packaging product launches within the next 5 years will be part of Husky's clean technology solutions suite

Unlocking the value of rPET is a key component of polymer circularity; however, rPET can lead to increased variability from accumulated dust, potentially resulting in increased cleaning and lower production efficiency. To enable the efficient use of rPET, Husky has designed self-cleaning technologies that allow customers to use higher quantities of rPET without impacting operating efficiency. Our systems also optimize automatically to ensure the highest quality conditions in processing, which is especially critical for rPET. In this way, our technology supports customers in meeting their circularity goals, while ensuring quality and production efficiency.

We also optimize all our technologies for energy efficiency. Our HyPET family of systems has evolved to enable our customers to meet their energy reduction goals. Our latest HyPET 5e platform automatically optimizes the system performance to achieve the lowest energy consumption for each individual preform. Our HyPET systems allows for exceptional output capacity, delivering repeatable cycles quickly and efficiently. With a reduction in part variability, these systems result in higher quality end products.

We continually collaborate with innovators in the value chain to design packaging solutions that are focused on eliminating waste from the circularity loop. Some contamination in the PET recycling stream today includes labels, glues, and other non-PET material. That is why our label-less bottles are designed to communicate the same product information without the use of labels. They can also be made from 100% rPET and leverage light-weighting technology to decrease overall plastic use to make an increasingly sustainable and circular package.



## HIGHLIGHT STORY: ICONIC PACKAGE

Our Iconic Bottle combines all of our innovative solutions into one package, providing customers and consumers with what we believe is the safest, most sustainable option for distributing beverages. Its lightweight composition and use of recycled content eliminates the need for virgin inputs, and the label-less design with a PET tethered closure allows for the bottle to be easily recycled without the need for downstream sorting. This bottle combines the idea of circularity with food safety, ultimately offering a pathway to a closed-loop economy.



Husky's Recycled Melt to Preform System (rMtP) simplifies the steps necessary to recycle polymers and reduce energy use. Our rMtP technology is offered as a module of our proven HyPET HPP5e high performance system designed to support the closed-loop conversion of washed flake to preform by accepting food-approved grade melt from an upstream provider. By eliminating the drying and melting steps associated with traditional rPET preform manufacturing, this solution facilitates the effective production of packaging made from 100% rPET material, further supporting the circularity of PET.

Modernizing the recycling process with rMtP systems can also decrease energy usage by up to 30% as compared to traditional processing methods. Our first system, capable of processing 13,000,000 kilograms of rPET, is already in use, and we expect to announce the launch of a second system in 2023 that will be capable of processing another 10,000,000 kilograms.



### Sustainability in service innovation

Husky's innovation does not stop with our products; we equally find innovative ways to integrate sustainability and customer-centric solutions into our service offerings. These proactive solutions enable customers to optimize production efficiencies. Whether it's through proactive alerts, remote solutions, or reducing quality defects, we support our customers over the long-haul with their production and sustainability goals.

### Advantage + Elite We call you

Our award-winning Advantage + Elite remote monitoring system enables customers to optimize Husky's technologies, both economically and environmentally. This solution monitors asset efficiency in real time, leveraging predictive analytics to detect deterioration in system performance and identify inefficiencies before they become problems. The monitoring system can then email the customer a proactive alert, notifying them if the machine is not working in optimal condition. Advantage + Elite also offers an example of machine-learning application, as the system will analyze this data and send alerts to adjust to the most efficient conditions. When Advantage + Elite does detect the need for a mechanical replacement, analytics help deliver the right fix the first time. This prevents unnecessary service tech visits and incorrect part shipments, decreasing ultimate system downtime.

Husky Technologies designed this solution to not only increase efficiency, but also to enable the growth of the circular economy. We confront the increased variability of molding post-consumer resin by proactively advising and collaborating with customers to optimize setpoints and manage variability. Advantage + Elite monitors, adjusts, and analyzes our customers' systems, closing the loop through empowering the use of post-consumer resin.

**Husky receives nearly 6,000 emergency calls from our customers per year, and more than 85% of these emergency customer calls can be resolved remotely through Advantage + Elite. Between energy savings and virgin material reduction, this service reduces carbon emissions by more than 5.8 million kilograms of CO<sub>2</sub>e. That is the equivalent of offsetting through approximately 250,000 trees or 500 hectares of forest\*.**

\* Based on Encon ([www.encon.be](http://www.encon.be)) estimation of 24 kg CO<sub>2</sub>/tree and an average of 500 trees per hectare (as of July 2022).



### Shotscope

Another of our monitoring systems, Shotscope, is a web-based platform that allows a corporate-wide view of a company's operations. Unlike regional structures, Shotscope monitors all manufacturing equipment under a single system. This not only reduces maintenance, training and capital costs, but also allows comparisons between locations to identify efficient practices. Husky built Shotscope to create an accessible report that does not require a high degree of IT knowledge. With readily available information, customers can easily identify sustainable solutions tailored to their needs.

### Encore

The Husky Encore program is an aftermarket service that updates features on our customers' existing systems. With this program, we deliver new technologies to increase productivity while reducing energy consumption. Encore also allows for the connectivity of older machines, modernizing our customers' systems through optimizing energy efficiency in real time. This extends the lifetime of our systems because we continuously upgrade the technologies that our customers already own, reducing the need for replacements and fortifying our mission to design solutions that last decades.

### HIGHLIGHT STORY: CUSTOMER TECHNOLOGY UPGRADES

Through asset renewal and upgrade programs, our aftermarket services extend the lifetime of customers' technologies. PowerPro-G is just one example of our upgrades, and it's designed specifically for optimizing the energy usage of GPET systems. Field results have shown that this upgrade can reduce energy consumption up to 12%. When one customer upgraded with PowerPro-G, they reduced their annual energy cost by approximately \$78,000 per year, or about 740,000 kWh.



### HIGHLIGHT STORY: FACTORY OF THE FUTURE

Husky's Factory of the Future represents the pinnacle of efficiency in the mold manufacturing process. Built on a fully digitalized architecture, this factory design streamlines information and raw material flow, ultimately improving speed to market and product quality. In these facilities, the manufacturing process begins with autonomous driving vehicles delivering material as our digital backbone supports information flow. With each work cell completely automated, our state-of-the-art technologies then use real-time quality inspection to integrate immediate feedback. Specialized technicians also oversee changeover and monitor key performance indicators (KPIs) to maximize production and eliminate waste. This design moves seamlessly through the manufacturing process, minimizing traditional downtimes. The Factory of the Future supports our Next Generation Operating Model (NGOM), a framework that delivers end-to-end solutions in a digital, closed-loop ecosystem.

We're Making a World of Difference  
**WITH OUR PEOPLE.**

## TALENT

Husky is *Powered by People*. Our superior technologies and solutions work because of the dedicated and empowered team members who develop them. Our focus on developing the distinctively human traits of ingenuity, passion, drive, and problem solving demonstrate the inextricable link between resourceful people and the reliable, sustainable solutions necessary for achieving a more circular economy.

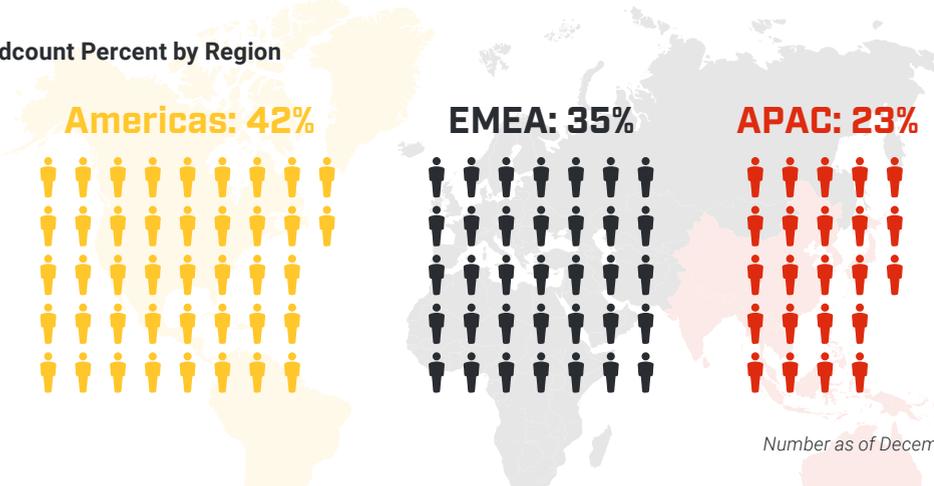
Husky's talent plays a significant role in our business success. We believe our ability to attract, develop, engage, and retain skilled individuals gives us a competitive edge. We aim to empower our workforce to deliver our commitments to our customers, drive the innovative technologies that enable the circular economy, and enable our customers to reduce costs, variability, and environmental impacts, while sustainably growing our business. We are focused on the two key material topics of talent attraction, engagement and retention, and talent training and development.

## TALENT ATTRACTION, ENGAGEMENT, AND RETENTION

### A global talent pool with a global perspective

Husky is a global company with a diverse talent pool. We are successful because of our ability to connect our team members together globally to create innovative solutions, no matter where our customers need us. We aim to cultivate a culture that celebrates the diversity of our people and contributes to our business success.

#### Headcount Percent by Region

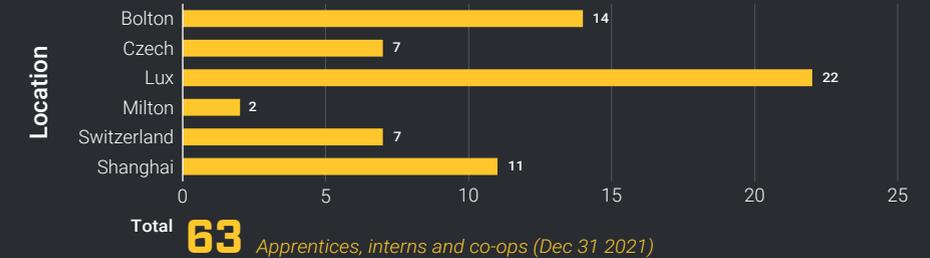


Number as of December 31, 2021.

Recognizing the challenges of the shrinking global talent pool of skilled trades, Husky has developed a robust apprenticeship program in addition to building connections with educational institutions to increase our pool of potential talent. We are also enhancing our adaptive and inclusive talent attraction process because we realize that a thriving and talented workforce is made up of a diverse group of individuals.

### HIGHLIGHT STORY: APPRENTICESHIP PROGRAMS

To attract and develop talent, Husky runs apprenticeship programs at its global campuses in Canada, USA, Czech Republic, Luxembourg, China and Switzerland. We offer the apprentice program in our manufacturing, engineering, logistics, customer service, and IT departments.



### HIGHLIGHT STORY: ENGAGING WITH THE COMMUNITY TO ATTRACT TOP TALENT

To attract talent and engage with the local community, Husky hosts career fairs at multiple campuses globally, including at our headquarters in Bolton, Ontario and at our Milton, Vermont and Jindrichuv Hradec, Czech Republic campuses. We have hosted these career fairs for several years and held virtual career fairs in 2021 to continue our search for talent while considering the safety of our communities during the COVID-19 pandemic.

We also partner with local schools, research institutions, trade programs, and mid-career change programs to expand our reach, offering internships, student co-ops, and apprenticeships. In 2021, we had 63 active interns, students, and apprentices across the globe. Additionally, in support of creating educational opportunities, we provide scholarships to local universities, and have provided more than 125 scholarships in Ontario to date.

## Engaging on our shared values

We engage with our employees on our overarching goal and philosophy – using our innovation, collective expertise, and personal commitment, to lead the way in developing new technologies, environmentally responsible products, and higher-efficiency manufacturing solutions. We believe this has established Husky as a place where people are proud to work. We encourage team members to align their personal sustainability goals with Husky's and we reward them for including and considering sustainability in their personal and professional life through our GreenShares program. We also engage team members to help guide our future goals to ensure that our people are a part of the decision making process.

## Communication channels

Internal communication is critical in an organization, especially a global company. At Husky, we recognize this importance and proactively seek to engage our employees and ensure they are informed, connected, united, and feel heard. From quarterly business updates, which all employees are invited to attend, to digital tools that support engagement, we are committed to building a global company culture around open communication.

We encourage corporate communication as an ongoing two-way dialogue and ensure we are listening to our employees and understanding their needs. To help achieve this understanding, we invite team members to submit questions through our Ask John communications initiative. This initiative allows any employee to submit a question to be answered by our company CEO, and the answer is then shared with the global team on our company intranet, Husky Connect. In addition to Husky Connect, we also leverage internal social platforms as a tool to build a sense of community and employee engagement.

## Husky Highlights

Husky Highlights is a new initiative launched to support our internal storytelling and enable the engagement of our team members globally. On a bi-monthly basis, internal success stories in the format of videos, interviews, articles, and interactive PDFs are shared through email, on our intranet, and on internal social platforms. These features highlight the stories and narratives around our customer commitments and company culture, inspiring employees with stories that show how a team or individual directly impacted the success of the business, our customers, and our role in providing essential products globally.

Husky Highlights is a powerful, engaging way to recognize and celebrate Husky team members that are living our Husky values: Act with Integrity, Respect and Courage, Foster Teamwork and Learning, and Commitment to Excellence.

### HIGHLIGHT STORY: GREENSHARES

Husky aims to cultivate a company culture that encourages team members to consider sustainability in all that we do. To achieve this, we encourage employees to take part in our GreenShares program, an environmental awareness initiative for employees that was launched in 2000 and aligns with Husky's TargetZERO program. TargetZERO is our 15-year program to reduce GHG emissions to achieve carbon neutrality across Scope 1 and 2 emissions by 2025. All team members are encouraged to participate by changing lifestyle habits at home and at work to reduce their footprint. Employees can earn GreenShares points by engaging in GreenShares activities each month. Activities are broken into four categories: sharing resources, sharing time, sharing spirit, and sharing a healthy lifestyle. Team members accumulate points throughout the year and are eligible for certain incentives.



# HUSKY<sup>®</sup> HIGHLIGHTS

RECOGNIZING AND CELEBRATING OUR  
TEAM MEMBERS THROUGH A SERIES OF  
VIDEOS AND STORIES SHARED GLOBALLY



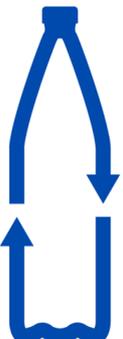
**SUSTAINABILITY**  
SPOTLIGHTS 

Husky prides itself on doing what is right for the planet. Our teams are constantly dedicated to delivering sustainable innovative solutions with a promise of quality and reliable performance. And, with our purpose as the compass guiding our decisions and actions, we are making a meaningful, sustainable difference for customers, consumers, and our environment for both today and for future generations.

Sharing our sustainability story and recognizing our values is key to bringing our “Enabling healthy and sustainable livelihoods globally” purpose to life. That is why we launched an educational and interactive sustainability-focused internal communications series – Sustainability Spotlights. From our Husky innovation and sustainability philosophy, to how we are enabling the circular economy, *Sustainability Spotlights* cover a variety of topics through engaging videos, infographics, and interviews.

**PET – Material of Choice**

Polyethylene Terephthalate (PET) is the best material available today for bottles and containers because it is:

-   Safe & Inert
-  Lightweight
-  Resealable
-  Shatter Resistant
-  Infinitely Recyclable
-  Low Carbon Footprint

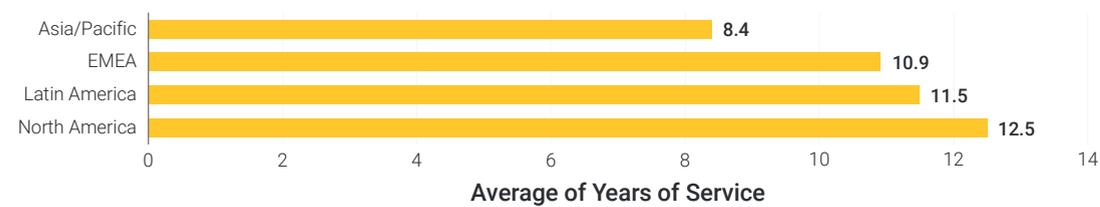
**Husky’s philosophy on health and wellness:**

From the inception of the company, Husky has placed a high priority on the health and wellness of our team members. Husky’s manufacturing facilities were equipped with fitness centers early on, which have expanded into larger more comprehensive wellness centers in select locations. Our cafeteria partnerships were strategically selected with a focus on providing healthy and nutritious options. On our larger campuses, we have explored alternatives to commuting between buildings. For example, employees can be found riding Husky bikes around the Bolton campus to get from building to building. Our Milton, Vermont campus sits on a large area of land which includes cross-country skiing trails in the winter and mountain biking trails in the summer.

**Husky is a lifelong career choice for many**

We realize the importance of engaging and retaining skilled team members at Husky, which is why we put together a team of cross-functional Human Resources (HR) experts to determine the key propositions to attract, engage, and retain our employees. Our HR experts leverage their skills and knowledge to determine which offerings are of the greatest value to our team members in each region to ensure we are meeting the needs of our diverse workforce. We also have a number of employee incentive programs that provide rewards for demonstrating our values and commitments, and bringing our business strategy to life. Husky ensures that our benefits are strong and competitive. For example, in North America, Husky provides what we believe to be an industry leading pension. For this and many other reasons, Husky is a lifelong employer for many of our team members.

**Average Employee Tenure**



Comparing these to averages in key areas, we truly see Husky’s strength in retention. In Ontario, our Bolton campus has an average tenure that is 30% longer than the average in Ontario\*. Additionally, in our Milton, Vermont campus, the average tenure is almost twice as long as the average for machine manufacturing in the USA†.

**GOAL:** Voluntary turnover rate of 6% or less using three year rolling average.

\* When compared to 2021 statistics from Statistics Canada, job tenure by occupation, annual.

† When compared to 2020 statistics from the U.S. Bureau of Labor Statistics, Table 5. Median years of tenure with current employer for employed wage and salary workers by industry.

**HIGHLIGHT STORY:  
BOLTON WELLNESS CENTER**

Husky’s success hinges on the contributions of our team members and we realize the importance of advocating for their health and well-being. Husky encourages employee well-being at our Bolton campus through our on-site Employee Wellness Center. The center offers employees a fully equipped gym and fitness studio, fitness classes, and access to a variety of doctors and health professionals. The center also provides routine medical care, healthy lifestyle counseling, nutrition, and exercise support, among other offerings.

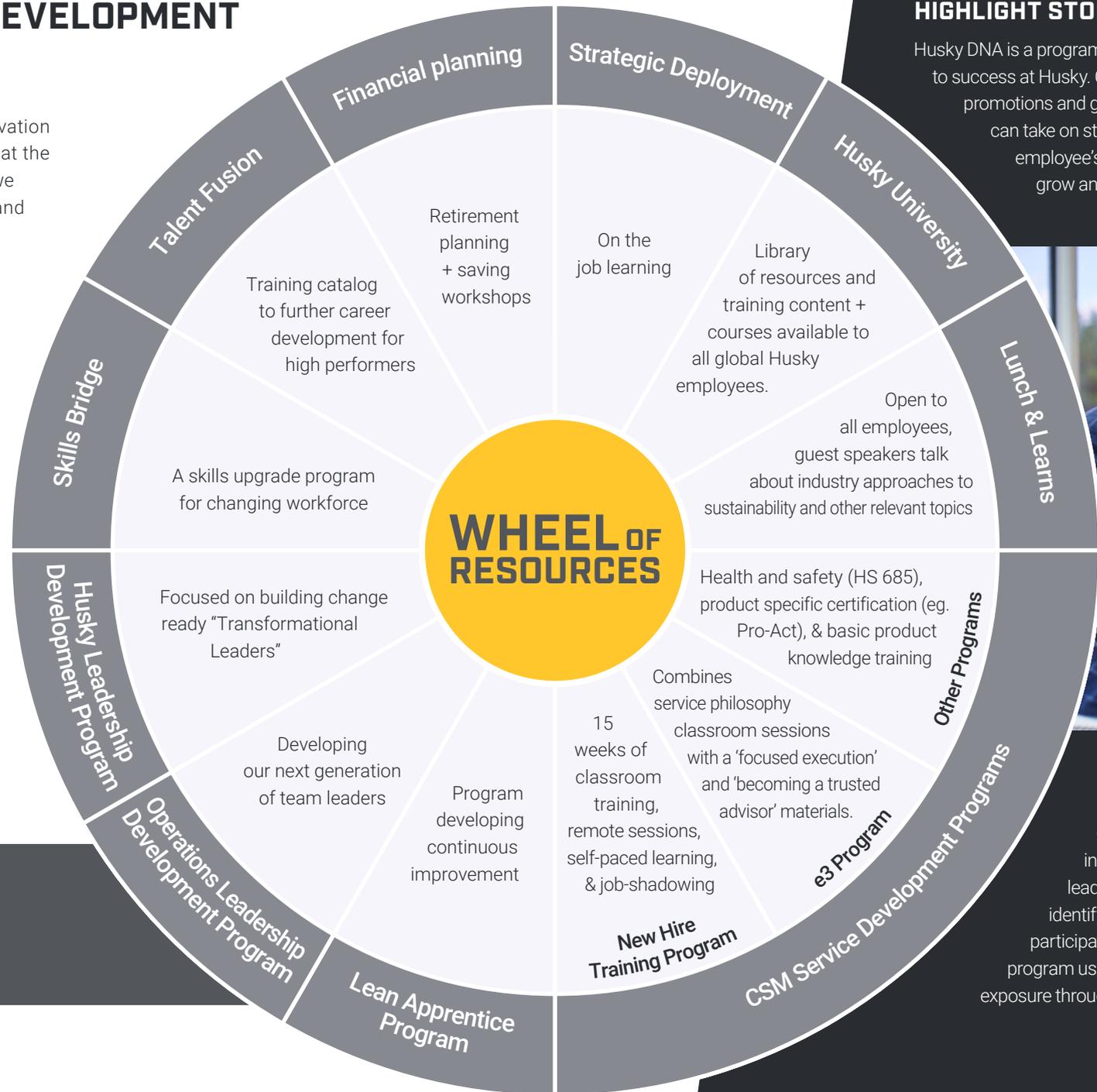


# TALENT TRAINING AND DEVELOPMENT

## Creating a life-long learning culture

Investing in our talent is critical to driving the innovation that enables sustainable livelihood globally. Being at the forefront of technological innovation means that we must adapt. Our dedicated Change Management and Talent Development teams assist the organization in identifying new skills required as our business continues to evolve. We provide each area of the company with tailored development plans to help ensure each team member is receiving relevant and educational development opportunities. We facilitate the learning through internal programs, such as our Husky University, where we provide a library of resources, training content, and courses which are available to all global Husky employees.

Additionally, our Customer Success Management (CSM) New Hire Training program is a 15-week training that consists of classroom education, remote sessions, self-paced learning, job shadowing, and on-the-job training. We also offer regular Lunch & Learns featuring guest speakers where all employees are invited to attend and learn about different industry approaches to a variety of topics including sustainability.



## HIGHLIGHT STORY: HUSKY DNA

Husky DNA is a program used for identifying new hires that possess key characteristics that are critical to success at Husky. Continuing that ethos, the Husky DNA approach also identifies talent suited for promotions and growth opportunities within the organization. Through this program, individuals can take on stretch assignments to expedite their growth at Husky. It is also used to inform an employee's talent development plan, establishing developmental opportunities for them to grow and evolve within Husky.



## HIGHLIGHT STORY: TALENT FUSION PROGRAM

Our Shanghai Talent Fusion program is a catalog of training programs offered in Asia. The program aims to empower organization transformation, strengthen leadership pillars, enhance people engagement, and drive internal synergy by identifying high performers throughout the organization and encouraging them to participate in training opportunities. The trainings offered through the Talent Fusion program use experiential learning, team reflection, and sharing to offer team members exposure throughout the organization to further their careers with Husky.

**GOAL:** 100% of employees will leverage professional development courses in Husky University by 2025.

## RIGHT PEOPLE, RIGHT SEATS

Development plans are tailored to the individuals' needs. This cultivates a unique development culture while promoting equity within the company. In addition, all employees have access to our learning platform, Husky University. Through the platform, employees can access a library of resources and training content.

Husky's Workforce Planning program focuses on development and retention to further combat the diminishing skilled trades labor pool. Through our Workforce Planning Program, we increase flexibility by upskilling talent, providing developmental opportunities, and diversifying our people's expertise. With the evolution of digitalization and Husky's *Factory of the Future*, Husky has developed the Skills Bridge Program designed to upskill our manufacturing talent to prepare them for future roles. Detailed consideration goes into what roles will look like in the future, what our people's skill sets are and what skills will need to be developed in the near and distant future.

## Building Husky's leadership pipeline

We offer a variety of leadership development opportunities and programs to team members, including Situational Leadership Development, Operations Leadership Development and Transformational Leadership Development. These opportunities and programs comprise Husky Leadership Development, a program designed to create transformational leaders who can advance their career at Husky. The Operations Leadership Development program was created to develop our next generation of team leaders for operations. These programs provide team members the opportunity to gain the business expertise necessary to grow into new roles.

Through our Strategic Deployment Process (SDP), we target specific challenges and identify breakthrough leaders to help overcome them. The breakthrough leader is given the stretch assignment to lead, develop, strategize, and ultimately deploy a project aimed at overcoming the challenge.

**38%** of open roles filled internally (2021)

**GOAL:** Maintain a minimum of 33% of roles filled by internal candidates

### HIGHLIGHT STORY: CAREER HIGHLIGHTS

Through my 25+ years with Husky, I am humbled to have had the opportunity to hold several diverse roles in virtually every area of the organization. I have always been passionate about my own development, and Husky has provided me the platform and support which allowed me to advance my career growth and build a hugely fulfilling career. And as a mother of two, Husky has supported my journey holistically.

In addition to training and development courses, I've also had supportive mentors who took the time to understand my ambitions and promote opportunities to grow in all the different roles I've had the privilege of experiencing.

This journey continues to inspire me to live out our mission in creating an inclusive workplace where diversity is celebrated, and individual development is prioritized with tailored talent development plans. Here at Husky, we truly are *Powered by People*. I am proud to be part of a company that is dedicated to supporting our people with the plan, tools, and opportunities they need to achieve their full potential.

— Stacie Kordts, Vice President of Human Resources

### HIGHLIGHT STORY: LUXEMBOURG MENTORSHIP PROGRAM

Husky's systematic approach to succession planning includes the Husky Mentorship Program, which aims to execute the knowledge transfer process in an efficient and comprehensive manner. The mentor helps the mentee to acquire and apply new knowledge, skills, and attitudes by explaining, modeling, and demonstrating the various aspects of the role. The mentor has the opportunity to teach, coach and provide guidance to less experienced team members with the goal of transferring their skills, knowledge and applied competencies.

### Mentor:

I am proud to be part of Husky's new Mentorship Program. Having been with Husky for 34 Years and having the "Husky" approach, I am happy to be able to pass on what I have learned, and provide the best possible training to my trainee.

As for the trainee, he knows that the transition will occur over an expanded period (up to 2 years) and will allow him to be more confident and in a more comfortable position when he takes over this role. I clearly see this as a win-win situation for Husky and the employees.

— Nico Bierlair "Mentor", Sales Engineer, Customer Success Team

### Mentee:

I'm very happy that I got the chance to be part of Husky's new Mentorship Program because it gives me the possibility to implement my knowledge and skills from my experience to my future position.

I've known my mentor for several years and he has been providing the best possible training so that I can gain the necessary knowledge and skills in my new areas of responsibility to ensure that I am fully ready for my new position after 2 years.

Every party benefits from this new program and I can only recommend it.

— Thomas Zimmer "Mentee", Test Technician, Commitment Team



## HIGHLIGHT STORY: STRETCH ASSIGNMENT

I see the SDP process as a talent development program that looks at stretching high potential individuals into assignments that increase Husky's capabilities, top and / or bottom line in a break-through manner. My initiative to apply for the SDP program was to take on new challenges, get out of my comfort zone, develop new skills and capabilities that will allow me to grow within the company. Through the SDP program, I have the opportunity to expose my vision & ideas and get direct feedback & support from the Leadership team, which helps me to round-up my profile and prepare me for bigger roles and an exciting career development.

— *Marco Duarte Dominguez, Director, Tethered Closures*

SDP is a great development tool that gives me an opportunity to interact with leaders in the organization and learn to understand business differently while taking on challenging and rewarding projects. Through my long tenure with Husky, I've been able to experience different areas of the aftermarket business and have found great success in taking on new challenges. Husky has always been an encouraging partner in exposing me to new opportunities to grow and elevate my career.

— *David Veutin, Business Development Manager*

## Employment data

	2019	2020	2021
<b>Global Employees by Employment Type</b>			
Full-time Equivalent	4,364	4,197	4,430
Part-time	2.40%	2.00%	2.30%
Contract/temporary	3.60%	3.67%	5.73%
<b>Global Hires</b>			
Global Hires	10.04%	6.97%	11.36%
Global hires by region			
Asia/Pacific	16.59%	17.89%	20.99%
EMEA	40.05%	38.25%	27.19%
Latin America	0.71%	1.05%	1.07%
North America	42.65%	42.81%	50.75%
Global Hires by Age group			
Under 30 years	45.50%	38.95%	42.40%
30-50 years	47.16%	49.47%	46.04%
Over 50 years	7.35%	11.58%	11.56%
Internal Hires	39.8%	42.0%	38.6%
New hires total global	512	343	650
New Hires Through Employee Referral Program	167	100	191
<b>Turnover</b>			
Voluntary Turnover	5.8%	4.5%	7.1%
Total Turnover	(11.5%)	(8.60%)	(9.00%)

The data disclosed is in reference to GRI 102-7, 401-1 and SASB Industrial Machinery & Goods standard.



# ENVIRONMENTAL STEWARDSHIP

## WASTE

As innovators, we believe that circular solutions can be found for all our material inputs and outputs. We view waste as being a possible resource. This is integral to our mission of enabling a circular economy, so we find opportunities to reduce or reuse waste through our innovation and technology solutions, operations, products and services, and through partnerships and collaborations.

### Eliminating waste in our operations

Husky shares many of the same personal environmental values as our team members. We see very strong participation in our waste minimization initiatives and recycling programs at our global campuses. We have waste diversion solutions for every waste stream at our headquarters, technical centers, and manufacturing facilities worldwide.

**GOAL:** 90% waste diversion at global manufacturing campuses by 2025.

Our Environment, Health and Safety (EHS) group is responsible for establishing and implementing waste-related policies and procedures, managing day-to-day waste challenges and solutions, and reporting waste diversion performance to Husky's leadership team.

We have several policies and procedures to ensure compliance with waste regulations. Our Recycling and Solid Waste Management procedure provides guidance to all Husky sites on the generation, handling, and disposal of solid waste and recyclable materials. Husky's Hazardous Waste procedure guides team members on the proper steps to take when working with and arranging disposal of hazardous waste.

We require hazardous waste training for applicable team members covering hazardous waste handling, spill prevention and response, and waste disposal. Our training also highlights changes in regulations and site-specific procedures. We also comply with the UN Globally Harmonized System (GHS), a standard classification system that ensures hazardous materials are properly labeled and that products do not contain banned chemicals.

We regularly evaluate internal compliance with our policies and procedures through audits and regular site inspections to ensure compliance with our procedures and applicable regulations. Additionally, to provide assurance that our diverted materials are being safely handled and processed at approved facilities, the EHS team conducts periodic external audits of service providers, such as haulers and receivers.

**>90%** waste diversion at the Bolton campus (where the Ontario diversion rate is about 25%\* and the average Ontario industrial, commercial, institutional (IC&I) sector is 15%†).

**85%** global waste diversion rate

### Waste data

	2019	2020	2021
<b>Total Waste (Mt)</b>	<b>10,160.56</b>	<b>7,812.52</b>	<b>9,119.77</b>
Hazardous Waste (Mt)‡	1,095.98	1,241.10	1,291.12
Non-Hazardous Waste (Mt)	9,064.58	6,571.42	7,828.65
<b>Total Waste Diverted from Disposal (Mt)</b>	<b>9,116.44</b>	<b>6,715.33</b>	<b>7,755.32</b>
<b>Total Hazardous Waste Diverted from Disposal (Mt)</b>	<b>622.70</b>	<b>706.70</b>	<b>734.50</b>
Preparation for Reuse	0	0	0
Recycling	622.70	706.70	734.50
Other Recovery Options	0	0	0
<b>Total Non-Hazardous Waste Diverted from Disposal (Mt)</b>	<b>8,493.74</b>	<b>6,008.63</b>	<b>7,020.82</b>
Preparation for Reuse	0	0	0
Recycling	8,335.77	5,873.28	6,884.16
Other Recovery Options (composted)	157.97	135.35	136.66

The data disclosed is in reference to GRI 306-3 and 306-4.

\* Based on 2018 data from the Government of Canada, solid waste diversion and disposal <https://www.canada.ca/en/environment-climate-change/services/environmental-indicators/solid-waste-diversion-disposal.html#DSM>

† Based on 2018 data from the Office of the Auditor General of Ontario, Value-for-Money Audit: Non-Hazardous Waste Reduction and Diversion in the Industrial, Commercial and Institutional (IC&I) Sector, [https://www.auditor.on.ca/en/content/annualreports/arreports/en21/ENV\\_ICI\\_en21.pdf](https://www.auditor.on.ca/en/content/annualreports/arreports/en21/ENV_ICI_en21.pdf)

‡ Hazardous waste is reported for manufacturing facilities but not total operations.

## HIGHLIGHT STORY: EARTHWEEK CLEAN-UP

We showcased our commitment to environmental responsibility by coordinating a series of earth week events to educate and provide our team opportunities to make a difference. Team members participated in lunch & learns and a spring cleanup to remove the litter on and around Husky's Bolton campus. Team members were excited to celebrate, promote, and inspire environmental education and participation.

## HIGHLIGHT STORY: HUSKY CREATES A CIRCULAR ECONOMY FOR PET COLD HALVES

The robustness of Husky tooling is well known in the industry. Converting and refurbishing existing molds can keep tooling running for decades. Some molds still in production today were built 40+ years ago! For many years Husky has helped customers significantly reduce downtime for conversions and refurbishments with the Express Program. The Express Program uses an inventory of refurbished 'like new' mold shoes. These fully warranted shoes are equipped with new stacks and are exchanged with the customer at the customer site for their tooling. This avoids the customer sending their tooling to Husky to be converted or refurbished, which can result in weeks of downtime. This enables idle shoes that might otherwise be scrapped, a new chance at life.

Over the years Husky has accumulated a large inventory of shoes to support the program. Customers can purchase cold halves built with the Express Program inventory. These programs allow the materials to be reused, avoid tons of steel from being recycled and lower the carbon footprint to produce.

## Waste diversion through our products and services

Husky's continuous innovations advance and enable the circular economy. We build systems compatible with post-consumer recycled resin and advanced light-weighting to reduce their virgin material consumption. We build systems compatible with infinitely recyclable PET, enabling customers to reduce their virgin material consumption. Our systems are capable of running 100 percent rPET throughout their lifetime, supporting the consumer's package to stay in the circular loop and turning what was once considered "waste" into a resource. Today, we believe Husky has far more systems in operation globally that allow our customers to run more recycled material than any other solution provider.

Husky is making a difference in package recyclability through our innovative portfolio of tethered closure options that are compatible with industry standard neck finishes. The tethered closures can be implemented globally and we have several systems in use today producing tethered closures.

To differentiate ourselves from our competitors, we offer extensive repair and refurbishment services through our Encore program to extend our products' lifespan and prevent premature waste.

Through our Encore program, our machines not only create circular products, but also contribute to circularity at the end of their lifespan. To learn more about our Encore program, please see our [Innovation and Technology section](#).

## Partnerships for waste elimination

Effective partnerships and collaborations make more waste management and elimination options available to Husky, and we can scale our impact when we work together with other organizations to tackle common challenges.

Husky has worked diligently to find solutions to divert materials from landfills, working with third parties to exchange and recycle our metals, preforms, and resins. These partnerships promote the reuse of certain materials and enhance the market for recycling, which contributes to a functioning circular economy.

## HIGHLIGHT STORY: OPERATION CLEAN SWEEP

Operation Clean Sweep is an international campaign designed to prevent plastic litter materials from entering marine environments. To demonstrate our commitment to a clean environment, Husky is a signatory of Operation Clean Sweep. As part of our commitment, we focus on limiting resin spills at our manufacturing facilities. We complete regular audits and implement improvements proactively.

## HIGHLIGHT STORY: FOOD WASTE: NOT ON MY WATCH

Through our partnership with Sodexo, a cafeteria vendor, we implement WasteWatch, powered by LeanPath. WasteWatch aims to contribute towards addressing global hunger and climate change by reducing the amount of food that goes to waste in cafeterias across the globe. Sodexo utilizes automated waste tracking and an analytics platform to measure food waste performance, with a goal of preventing waste before it happens. Using this system, Sodexo is able to quantify and identify cases and means of disposal. Sodexo aims to reduce food loss and waste by 50 percent by 2025 through collaboration, raising awareness, improved processes, measuring impact, and sharing expertise.



# WATER

At Husky, we proactively consider water management in our decision-making as we build our facilities, install new machinery, and design innovative technologies. We seek to minimize water use and maximize reuse where possible by establishing closed-loop systems. We develop engineered solutions in consideration of potential impacts both upstream and downstream. These solutions address our own operations while enabling our customers to reach their conservation goals.

## Integrating water management into our operations

### Minimizing consumption

In our manufacturing facilities, we monitor and investigate water use, sharing knowledge between teams to reduce overall consumption. With the help of the WRI Aqueduct tool, we have determined which of our facilities operate in water stressed regions, and we have developed and implemented a number of conservation projects in these areas to minimize and optimize water consumption. These include natural and engineered solutions—from creative landscaping to recycling condensate and implementing dry cooling technology—that innovatively integrate water conservation into Husky operations around the globe.

### Monitoring effluents

Our approach to water management goes beyond our manufacturing processes. We also consciously design landscapes to foster natural and free growth, leveraging native ecosystem interactions to design more ecologically sustainable campuses. By integrating our facilities into the natural ecology, we avoid the need for ongoing irrigation and pesticide or herbicide use. This means that we not only minimize water usage, but also prevent runoff of artificial contaminants. We also utilize natural pre-filtering to manage storm water discharge in some of our campuses. Under this approach, we use ponds to collect storm water, where microorganisms organically filter out accumulated contaminants.

### HIGHLIGHT STORY:

In our effort to monitor and adapt to water stressed areas, we have implemented innovative measures on our Chennai, India campus that reduce overall water consumption. While monsoon season provides natural watering across our campus, during the dry season, water becomes scarce. We capture condensate water from our air handling units (AHUs) and wastewater from our reverse osmosis and softener plants. This water is then treated and re-used to water the rest of our campus. This alone saves roughly 125,000 liters per month, and we continue to explore ways to reduce our consumption. For instance, a pond on campus captures storm water during the rainy season, so we installed a pump to utilize this excess water to further irrigate our landscape.



## Water-stressed area data

	2019	2020	2021
Water Usage	We assume all water withdrawn is discharged.	We assume all water withdrawn is discharged.	We assume all water withdrawn is discharged.
Total Water Withdrawal (mega liters)	162.38	158.47	160.11
Water Withdrawal in San Dimas	1,099 m <sup>3</sup>	699 m <sup>3</sup>	682 m <sup>3</sup>
Water Withdrawal in Chennai	N/A	7,178 m <sup>3</sup>	9,601 m <sup>3</sup>
Third-party water (mega liters)	162.38	158.47	160.11

*The data disclosed is in reference to GRI 303-3.*

Overall, through our low water-intensity production, we limited water withdrawal to 160 mega liters in 2021, with a water intensity of just 36 m<sup>3</sup> per employee.

At Husky, we aim to exceed regulatory compliance requirements – we installed all new oil tanks above ground to easily identify and secure any potential leaks, and we create oversized containments for all potential spill areas. We also integrate berms and regularly test our Spill Prevention Procedure, ensuring that in the unlikely event of a spill, we are prepared to minimize environmental impacts. As part of our Spill Prevention Procedure, spill kits are located throughout our campuses, and third parties test released sewage water to monitor discharge. In water stressed areas of operation, the impact on water in the region is given high consideration. For example, in Chennai, dry cooling is preferentially used to reduce water consumption. By utilizing engineered solutions with natural ecosystem services, we use available resources to mitigate effluents in the environment.

Due to the low intensity of water use, there are limited losses throughout the operations as the water is returned to the local utility. There is not a material difference between water withdrawal and discharge.

## Impacting water management throughout the value chain

Husky's leadership in water management means not only integrating proactive measures within our own operations, but also extending our efforts to our customers. We create technologies that minimize consumption, pollutants and inputs, reducing a product's impact on water throughout its lifecycle. Husky equipment are designed as a closed-loop system, with minor treatment of water required.

Husky takes a progressive approach to water management, and we encourage the same within our supply chain. We play an important role in enabling our customers to reach their water consumption goals through designing and recommending efficient technologies and leveraging our expertise and experience during the factory planning process. As we continue to evolve our understanding of our suppliers' water usage, we will optimize our solutions to support our customers' goals.

# ENERGY & GHG EMISSIONS MANAGEMENT

In 2009, six years before the Paris Climate Accords, we set a goal to achieve Scopes 1 and 2 carbon neutrality by 2025 as a part of our TargetZERO program. We have embraced a low-carbon future, and we demonstrate this commitment through our internal actions as well as in supporting our customers' carbon goals. Our investments in innovation and product development deliver efficient, reliable, and safe technologies that enable the circular economy, significantly reducing carbon emissions in the process. By building our technologies to use rPET, we help save approximately over 1 million tons of CO<sub>2</sub>e per year\*, and the efficiency of our cumulative PET systems are estimated to save nearly 19 million tons† of CO<sub>2</sub>e each year. Our climate action spans our business units, extending our actions to impact the entire industry.

**GOAL 1:** Achieve Scope 1 and Scope 2 carbon neutrality by 2025

**GOAL 2:** Establish Husky's climate strategy, including approach to Scope 3 and addressing TCFD requirements, by 2023

## Emissions management at Husky

We are proud of our work to reduce our energy and greenhouse gas footprint, but we recognize the urgent call for climate action requires continuous improvement. "In 2023, we plan to develop a strategy targeted at reducing our carbon footprint including Scope 3 emissions and aligning with Task Force on Climate-Related Disclosures (TCFD) disclosures recommendations.

**GHG emissions intensity ratio (by number of full-time employees) = 9.77 tCO<sub>2</sub>e per Full time equivalent employee (location based)**

## Accredited global carbon reduction projects



## An early adopter of carbon neutrality

We introduced our journey to carbon neutrality as TargetZERO, a 15-year journey designed to learn and innovate to reach our goal of Scope 1 and 2 carbon neutrality by 2025. Between 2006 and 2020, we reduced our absolute emissions by 43% despite expanding our operations from 4 to 9 reporting facilities.

This accomplishment and our ongoing reduction efforts are made possible by the dedication of our entire organization. All of our team members, from engineers to technicians to logistics coordinators, know that sustainability is ingrained in the DNA of Husky Technologies, and we are excited to continue innovating to achieve our goal of carbon neutrality.



Above are examples of accredited carbon reduction projects worldwide that Husky has helped fund. This has amounted to a reduction of 168,451 tonnes of CO<sub>2</sub> globally.

\* Estimated using the number of HyPET systems sold between 2020 and 2021 using rPET and the global annual food grade rPET resin use in 2018 (from Wood Mackenzie research, <https://www.woodmac.com/news/feature/aluminium-vs-plastic-who-will-win-the-water-bottle-war/>)

† Calculated using Husky's market share and bottle weight reduction since 2000.

## HIGHLIGHT STORY: SHANGHAI TECHNICAL CENTER

Husky's Shanghai Technical Center uses 40% less energy compared to a traditional building and is designed to use natural systems to maintain operations. With increased insulation, hi-thermal mass concrete construction, and innovative heating and cooling systems, the Center efficiently adjusts to changing seasons. The economical radiant floor uses cold ground thermal storage to cool the building in the summer. Natural daylight combined with LED spot illumination also creates a more efficient lighting system. With these efficiency measures, the Shanghai Technical Center acts as a model for future building designs.



## Emissions data breakdown

	2019		2020		2021	
	Location-based	Market-based	Location-based	Market-based	Location-based	Market-based
<b>Scope 1 Emissions</b>						
Company-Owned/Leased Vehicles (tCO <sub>2</sub> e/yr)	880	880	1,311	1,311	1,399	1,399
Premises Total (tCO <sub>2</sub> e/yr)*	4,035	4,035	3,806	3,806	3,584	3,584
<b>Scope 2 Emissions</b>						
District heating	706	706	782	782	770	770
Electricity	16,194	21,489	15,595	12,608	15,353	21,089
<b>Scope 3 Emissions</b>						
Business Travel Total (tCO <sub>2</sub> e/yr)	5,565	5,565	1,454	1,454	2,683	2,683
Premises Total (tCO <sub>2</sub> e/yr)	1,913	1,913	2,251	2,251	9,588	9,588
Homeworkers Total (tCO <sub>2</sub> e/yr)	0	0	573	573	362	362
Downstream transportation and distribution Total (tCO <sub>2</sub> e/yr)	N/A	N/A	N/A	N/A	7,416	7,416
Vehicles Upstream Emission Total (tCO <sub>2</sub> e/yr)	N/A	N/A	N/A	N/A	317	317
<b>Totals</b>						
Total Scope 1 Emissions (tCO <sub>2</sub> e/yr)	4,915	4,915	5,117	5,117	4,983	4,983
Total Scope 2 Emissions (tCO <sub>2</sub> e/yr)	16,899	22,195	16,376	13,389	16,123	21,860
Total Scope 3 Emissions (tCO <sub>2</sub> e/yr)	7,478	7,478	4,278	4,278	20,366**	20,366**
<b>Total Emissions (tCO<sub>2</sub>e/yr)</b>	<b>29,292</b>	<b>34,588</b>	<b>25,771</b>	<b>22,784</b>	<b>41,473**</b>	<b>47,209**</b>
CO <sub>2</sub> e per full time employee (tCO <sub>2</sub> e/yr/full time employee)	6.84	8.08	6.26	5.54	9.77	11.1
CO <sub>2</sub> e per unit building area (tCO <sub>2</sub> e/yr/ft <sup>2</sup> )	0.0136	0.0161	0.012	0.106	0.0193	0.0219

The data disclosed is in reference to GRI 305-1, 305-2, and 305-3.

\* Includes fuel oil, generator fuel, natural gas, refrigerant gas loss and other fugitive emissions.

\*\*Total emissions for 2021 have increased due to expanding Husky's scope 3 accounting. In-line with our GHG goals, Husky has included additional scope 3 emission categories in the value chain to the accounting exercise for 2021. The overall increase in 2021 is not due to change in performance, but an expansion in accounting.



## Efficiency in our operations

By monitoring areas of improvement in our buildings, we apply targeted energy efficiency development projects. Between 2007 and 2019, we executed 342 of these projects. Now, low-energy window coatings and fastdoors optimize insulation and reduce energy loss. Adiabatic cooling uses natural evaporation to regulate temperature, and economizers increase efficiency in our rooftop units. In our Milton, Vermont location, we partnered with Efficiency Vermont to assess our current equipment and find the ideal pressure and volume for our machinery to run most efficiently. We also incorporate environmental considerations in our planning process as we upgrade and replace existing equipment. For example, at our Bolton campus, six new HVAC units led to an emissions savings of about 50,000 kg CO<sub>2</sub>e per year.

Cumulatively, with these measures, we reduced our global energy consumption by 244 GWh between 2007 and 2019—that is the equivalent of about 22,800 U.S. households' annual electricity usage\*.

\* Estimated based on 2020 U.S. Energy Information Administration annual residential electricity usage, <https://www.eia.gov/tools/faqs/faq.php?id=97&t=3#:~:text=In%202020%2C%20the%20average%20annual,about%20893%20kWh%20per%20month>

## HIGHLIGHT STORY: BOLTON CAMPUS

In 2019, we replaced evaporative cooling towers with adiabatic coolers in a Process Cooling Plant at our Bolton campus. This not only minimizes our water usage, but also saves 500MWh per year. Upgrades like these reduce our overall emissions, and we will continue to invest in them to help achieve a low-carbon future.

In our offices, we employ LED lighting, an extensive use of skylights, an open layout concept, and timers and motion sensors to minimize the consumption of energy-intensive artificial lighting. Where we cannot reduce or eliminate sources of greenhouse gas, we use accredited and certified offsets. Since 2010, we have participated in 22 greenhouse gas offset projects in 13 countries, removing about 168,000 tonnes of CO<sub>2</sub>e from the environment.

We are proud that through these offset programs, we are also having a positive effect on the communities in which these projects are implemented. For example, in Kenya, we funded a project which allowed families to cook food using cleaner, more efficient cookstoves. This not only reduced CO<sub>2</sub>e emissions, but also reduced indoor air pollution which is a significant concern in the region, with nearly 5,000 children dying ever year as a result of infections caused by smoke. For more information see here: <https://www.climateimpact.com/global-projects/burn-efficient-cookstoves-kenya/>

## Programs that make a difference

Our efforts are not limited to our buildings and operations; our team members contribute to our goal of climate neutrality through Husky-led programs. Our Greenshares program began in 2000, providing incentives for our team members who take individual measures to reduce their emissions. These measures include activities like carpooling, eating plant-based meals, or even driving fuel-efficient vehicles. Our focus on awareness of sustainability is an important part of our business, and the actions of our team members continue to demonstrate that sustainability is in Husky's DNA.

### HIGHLIGHT STORY: CONVERGENT PARTNERSHIP

In 2017, Convergent deployed a state-of-the-art 4.2 MW / 8.4 MWh energy storage solution at Husky's campus in Bolton. To date, the system has enabled Husky to eliminate 34 metric tonnes of Scope 2 GHG emissions. This is equivalent to the emissions from burning 37,000 pounds of coal.



## Partnering for carbon neutrality

As an early pioneer of targeting the achievement of carbon neutrality across Scopes 1 and 2, we've partnered with a variety of organizations that share our vision of a low-carbon future.

- In our Milton, Vermont location, we collaborate with Efficiency Vermont, an organization that works with businesses and individuals to reduce energy consumption, to evaluate our current equipment and determine optimal conditions. Over the past decade, we've implemented a number of projects with their support. This includes installing power metering in our process chillers, air compressors, and heat treatment oven, detecting and repairing compressed air leaks, and upgrading building infrastructure.
- Husky's Bolton campus is a member of the Ontario Power Authority's (OPA) Demand Response Program. In the event the grid reaches peak kilowatt load, the OPA can request participants to reduce power usage, thereby lowering overall load to the grid and reducing Husky's energy consumption.

We also maintain active relationships with external stakeholders to instill a focus on sustainability beyond our business. By participating in webinars and conferences, we use our position as a thought leader to encourage sustainable solutions.

	2019	2020	2021
<b>Total energy use</b>			
Percentage of electricity supplied from grid electricity*	100%	100%	100%
Percentage energy from renewable energy sources	Bolton: 34.6% Luxembourg: 32.3% Vermont: >50%	Bolton: 35.5% Luxembourg: 47.7% Vermont: >50%	Bolton: 37% Luxembourg: 17.6% Vermont: 78%
Reduction in energy requirements of products and services (GRI302-5)	See <a href="#">Sustainability in product innovation</a> on page 15.		
Energy Intensity for employees (kWh/employee)	25,430	25,248	25,960

*The data disclosed is in reference to GRI 302-1 and SASB Industrial Machinery & Goods standard.*

\* Calculated as purchased grid electricity consumption divided by total energy consumption.

## Helping our customers achieve their carbon goals

While we improve our own internal standards, we also provide our customers with systematic energy-saving solutions. This includes our aftermarket services like Encore and Advantage + Elite, which enable our customers to continue using the most efficient technologies at all times by extending product life and optimizing current output. We have also worked with customers on a foundational level, collaborating to design factory plans calculated for optimization and efficiency. After evaluating one customer's assets, we supported them in retiring, optimizing and renewing their technologies. This reduced their overall machinery by 20%—and cut back emissions and energy usage—while still growing capacity by 30%.

We seek to focus on achieving the smallest carbon footprint while providing customers with the safest and most reliable solutions. By adapting machinery to produce the most sustainable low carbon packaging solutions, optimizing equipment operations, and proactively offering services to extend product lifecycles, we support customers in their journey to reach emissions and energy reduction goals. Working with Husky means that our customers have access to the support and cutting-edge technologies that can reduce direct emissions. We believe our innovations have also pushed the entire industry forward, and our contributions played a key role in reducing the weight of PET bottles over time. Since 2000, the average PET bottle has become 40% lighter. Our products are centered on developing more efficient, sustainable models than the previous generations. For more on our technology innovations, please see the [Innovation and Technology section](#) of this report.

# SOCIAL IMPACT

## DIVERSITY, EQUITY, AND INCLUSION

At Husky, we are deeply committed to creating an inclusive team that promotes the representation and participation of different groups of individuals, including people of different ages, races and ethnicities, abilities and disabilities, genders, religions, cultures and sexual orientations. Creating a diverse talent base allows us to view solutions from a variety of perspectives, cultivating an atmosphere of life-long learning while delivering the highest quality products our customers expect. To bring together these people that shape Husky's success, we not only provide avenues to directly increase representation, but also develop an inclusive atmosphere that inspires diversity of thought.



### Global representation

We are a global organization, and we are proud of our diverse representation of nationalities and cultures. Our workforce operates in over 50 countries and this wide array of backgrounds and perspectives has brought with it a rich sense of collaboration that sets Husky apart. As our team members come together with their unique perspectives, they not only construct cutting-edge technologies, but also create a space that recognizes and encourages the people developing them.

	2019	2020	2021
<b>Age Breakdown – All team members</b>			
≤30 years old (%)	18.2%	17.6%	18.2%
30–50 years old (%)	57.9%	57.6%	56.2%
>50 years old (%)	23.9%	24.8%	25.7%
<b>Age Breakdown – Management</b>			
≤30 years old (%)	1.3%	0.6%	0%
30–50 years old (%)	72.2%	70.0%	68.1%
>50 years old (%)	26.5%	29.4%	31.9%
<b>Age Breakdown – Senior Management</b>			
≤30 years old (%)	0%	0%	0%
30–50 years old (%)	52.2%	48.9%	44.4%
>50 years old (%)	47.8%	51.1%	55.6%
<b>Gender Breakdown – All team members</b>			
Female (%)	13.5%	13.1%	13.4%
Male (%)	86.5%	86.9%	86.6%
<b>Gender Breakdown – Management</b>			
Female (%)	13.7%	14.2%	13.4%
Male (%)	86.3%	85.8%	86.6%
<b>Gender Breakdown – Senior Management</b>			
Female (%)	14.3%	14.3%	14.3%
Male (%)	85.7%	85.7%	85.7%

*The data disclosed is in reference to GRI 405-1. Due to rounding, percentages may not add up to 100%.*

## Promoting diversity, equity, and inclusion in our recruiting process

We know that building a diverse workforce begins with the recruiting process. That is why we created recruiting, hiring, and training processes that account for systemic barriers to employment, encouraging those from marginalized communities to join our team. We adhere to all equitable hiring practice regulations in our countries of operation, and we write all our job descriptions with inclusive language to help prevent unconscious bias. We also train our hiring managers on anti-discrimination, and by 2023, we plan to have 100% of hiring managers trained in diverse and inclusive hiring practices. Our hiring process is regularly evaluated in order to continuously improve our hiring practices to create an equitable and encouraging organization.

**GOAL:** 100% of hiring managers trained in diverse and inclusive hiring practices by 2023

During the recruiting process, we have also begun collecting diversity information in select areas to ensure our recruitment process reaches a large and diverse base of candidates. As we continue to expand this data collection, we hope to establish policies that more completely reflect the needs of our team.

In 2020, we were proud to introduce our Affirmative Action Plan (AAP) in the United States. This plan confronts barriers to employment and supports traditionally underrepresented communities. As we look forward to expanding our resources, we partnered with an AAP consultant to develop and execute a comprehensive strategy. In addition, we partner with Circa to post job openings on specific U.S. job boards, including Diversityjobs.com and their network of sites for Black, Latinx, Asian, and Native American candidates, as well as women, veterans, people with disabilities and members of the LGBTQIA+ community. We have also partnered with a recruitment agency that specializes in recruiting U.S. veterans. Through these partnerships, we expand our outreach, encourage increased representation, and continue building toward a more inclusive organization.

## Fostering inclusivity in the workplace

Building a diverse workforce may begin with the recruiting process, but it does not end there. As we create a supportive, encouraging environment, we continue to foster a sense of inclusion that empowers the people who power our solutions. As part of our commitment to creating an inclusive environment for all, multi-faith rooms have been established in areas where a need has been identified.

Husky does not tolerate any forms of harassment or discrimination. Our Workplace Violence, Harassment, and Anti-Discrimination Program establishes a formal process to prevent workplace discrimination and raise concerns. For more information on the specific programs that Husky has established, please see the [Business Ethics](#) section.

## Our future as an inclusive organization

We know that building a diverse and inclusive workforce is a continuous commitment.

**GOAL:** By 2023, we look forward to establishing a Diversity, Equity, and Inclusion (DE&I) Advisory Council with lived experience to help inform and grow our strategy.

This strategy will include engagement across the organization, including by encouraging supplier diversity, expanding the tracking of key performance indicators, and growing our training and development programs for all employees. We also want to continue the dialogue and promote awareness through partnering with organizations and institutions that support DE&I initiatives, such as promoting Women in STEM (Science, Technology, Engineering, Mathematics). We are excited to advance our DE&I strategy, fortifying our culture that supports and encourages new perspectives and innovative solutions.

## HIGHLIGHT STORY: BEYOND THE MOLD PODCAST

Our Husky podcast, *"Beyond the Mold"*, features an episode from two long-tenured female engineers. This episode shines a light on the journey for female engineers, addressing things like the inspiration to become an engineer, career accomplishments, and systematic barriers. We plan to expand this podcast into a diversity speaker series, because learning from shared experiences is integral to promoting diversity and inclusivity.

### Podcast Guests:



**VIVIAN CHEUNG**

Project Engineer,  
Rigid Packaging



**MELANIE HENDERSON**

Global Training Specialist,  
Hot Runners & Controllers



# HEALTH, SAFETY, AND WELLBEING

A key component of Husky’s growth has been our focus on our people—recruiting a diverse base, growing their talents, and bringing their ideas to life. But before any of this, we know that maintaining the physical and mental health of our team comes first. Our team members’ safety and well-being establishes the foundation for their success, and we work hard to safeguard healthy lifestyles both in and out of the workplace.

## Creating a culture of safety

We’ve built a strong foundation of health, safety, and wellbeing at Husky, which we believe is integral in defining our role as a leader in the industry. Our EHS Policy outlines our commitment to building our positive safety culture, fostering a sense of responsibility for everyone in our organization. With this approach, our team is trained and empowered to identify, report, and mitigate risk, ensuring we can all operate safely. Contractor health and safety standards have been established to ensure the health and safety of all contractors working on-site. All contractors receive a contractor’s EHS handbook and must sign and acknowledge that they will adhere to all requirements outlined in the handbook.

	2019	2020	2021
<b>All Team Members</b>			
Total Recordable Incident Rate TRIR (per 200,000 hours worked)	0.84	0.91	0.61
Near Miss Frequency Rate (NMFR)	0.21	0.044	0.08
Loss Time Injury Frequency Rate (LTIFR)	0.39	0.43	0.53

The data disclosed is in reference to GRI 403-9, 403-10 and SASB Industrial Machinery & Goods standard.

There has never been a work-related fatality at Husky and we continue to stress the importance of safety and precautions to continue to prevent work-related fatalities.

## A safe place to work

Our Internal Responsibility System (IRS) guides safety culture throughout the organization, outlining the responsibilities for all Husky team members in ensuring a collective safe working environment. This begins at the top, with executives and Vice Presidents designing methods to effectively communicate our EHS system throughout the organization, ensure regular audits to identify system-wide solutions and allocate resources to properly establish a foundation of security. Our Joint Environmental Health and Safety Committees (JEHSC) teams meet to review performance and discuss improvement initiatives on a quarterly basis.

The JEHSC teams are made up of both management co-chairs and workers co-chairs from across our global campuses. On a more regional level, our Business Leaders continue the implementation of safety initiatives by assessing audit reports and supporting Team Leaders.

Team Leaders steer our EHS management system on the ground, ensuring that team members are prepared for their roles. These leaders are the direct contact for our team members, with responsibility for conducting safety talks, enforcing regulations, and encouraging reports. Every member of our workforce is equipped to identify unsafe acts, as we assign tailored training to each position in our organization. This ensures that team members are capable of safely operating machinery, identifying appropriate personal protective equipment (PPE), and following workplace procedures.

We believe it is the responsibility of all team members to ensure we work and live in a safe and healthy manner, so we encourage everyone to identify hazards, take action, and inspire others. Our extensive workplace procedures establish protocols for potentially hazardous activities that team members conduct, including documents such as:

- Aerial Work Platform Procedure
- Bloodborne Pathogens Procedure
- Laser Safety Program
- Confined Space Entry Procedure
- Electrical Safety Program
- Hazardous Waste Procedure
- Lockout Target Global Program

**We have established Joint Environmental Health and Safety Committees (JEHSC) across our operations. While these committees are required in Canada, we go beyond to establish one for each of our manufacturing locations globally. Because of the size of the Bolton campus, we have three JEHSC teams to serve all its team members. These committees bring together leadership and workers to help spur direct communication for health and safety issues, ultimately allowing for a quicker response time and more collaborative, innovative measures. The committees also help conduct periodic Hazard Assessments and Risk Assessments, which develop the action plans to determine control measures in high-risk activities.**

## Fostering healthy lifestyles

Employee wellbeing is integral to maintaining a safe and healthy work environment, so we have taken measures to encourage healthy lifestyles for our employees. At our Milton, Vermont site, we have developed extensive outdoor recreational trails that weave throughout our 700-acre campus. Here, our team members are encouraged to enjoy mountain biking, trail running, snowshoeing, and even Nordic skiing. On our larger campuses, we’ve established a state-of-the-art Wellness Center equipped for both cardio and weight training, as well as several different group fitness classes. At the Bolton Wellness Center, team members also have access to medical practitioners, including a chiropractor, massage therapist, chiropodist, physiotherapist, naturopath doctor, and nurse practitioner. Globally, we provide resources that support our team members’ mental health and wellbeing, including coping with anxiety and other mental health topics.

At Husky Technologies, health and safety come first. All these practices, procedures, and resources come together to create a global focus on well-being—protecting our team members both in and out of the workplace.



## COMMUNITY IMPACT

Husky is committed to building relationships and creating a positive impact in the communities in which we operate. We maintain a comprehensive oversight process to ensure our giving reflects our values and priorities as a company.



### Oversight of Our Impact Strategy

Our Global Corporate Social Responsibility (CSR) Committee is responsible for coordinating our community giving budget and evaluating donation requests. Each Husky campus has a local CSR Committee to manage local donations and evaluate and recommend larger projects. Each CSR Committee includes the senior executive for the campus, a representative from Human Resources, and team members with a passion for community impact. We allocate our annual giving budget between large initiatives where Husky is a significant donor, and local projects.

We evaluate donation requests regularly by considering a variety of factors, including the impact and effectiveness of the program, alignment with our areas of focus, and connection to Husky and our people. We aim to select strategic charitable giving endeavors that align with Husky's primary areas of focus: community, environment, education, and customer and supplier relationships.

## LUXEMBOURG SOS Villages d'enfants monde

For fifteen years in a row, the Luxembourg Husky team has been firmly committed to helping the SOS Villages d'Enfants Monde in their endeavors to improve the situation of orphaned and disadvantaged children worldwide. In September 2021, Husky donated a total of 15,000€ (CAD 20,000). This donation supported SOS on an emergency aid project in the Tigray region of Ethiopia. The program covered the health, nutrition, water sanitation, and hygiene of communities affected by the ongoing armed conflict.



## Education

As we continue to look for new ways to create impact, we also strive to maintain our current relationships and programs, one of which is our scholarship program. This year marks over 125 scholarships for the program handed out to students studying at Ontario universities. Scholarships are one of the primary ways we deliver community impact through individuals that are deserving of support, and continue to ensure that the next generation is equipped to make lasting and sustainable impact.

## CANADA 🇨🇦

### Alpha Dogs Robotics - Bolton High School Robotics Scholarship

Husky believes in empowering youth and encouraging the next generation of leaders in STEM (Science, Technology, Engineering, Mathematics), and we have supported the high school Alpha Dogs Robotics team as a diamond sponsor since 2014. In addition to the sponsorship, Husky team members help these students gain a better grasp of robotics and machines through mentoring workshops and trainings. The Alpha Dogs Robotics team recently participated in the annual regional competition where they were placed eighth out of 67 competitors. They also received the Industrial Design award for Climber Mechanism.



## CANADA 🇨🇦

### Caledon Community Services

**Caledon Food Drive:** A total of 844 lbs. of non-perishable food items were donated by Husky employees, along with toys and financial donations for the families in need in Caledon in 2021.

**Caledon Furniture Donation:** Husky generously donated dozens of office furniture items and many pieces of artwork to Caledon Community Services (CCS).

**Monetary Donations:** For almost 20 years, Husky has contributed to the CCS Santa Fund. Husky boosted the donations from \$25,000 to \$35,000 CAD in 2021 to help the growing need of families in Caledon.

## CHINA 🇨🇳

### Shanghai Auction

The Husky Sales and Engineering teams in Shanghai organized a charity bazaar where employees donated a variety of items to be auctioned on campus. The team collected 7,648 RMB in total (CAD 1,470) through the auction, which was donated to the Shanghai Charity Foundation's Medical Aid Project.



## INDIA 🇮🇳

### Chennai Plantation

The Husky team in Chennai donated a vehicle to the Mastermind Foundation's Viruksham Initiative in 2020 to help transportation of saplings and plants. Their goal is to plant millions of trees as well as raise public awareness about issues such as global warming, healthy living, water conservation, carbon footprints, and the value of a clean environment. To commemorate and support this initiative, the Husky team also carried out a Tree Plantation Drive. To date, the Husky team has planted over 600 trees as part of this initiative.



## MEXICO 🇲🇽

### Bottle Cap Collection

The Husky team in Mexico has been supporting the *Banco de Tapitas A.C.* charity since 2019. The program collects plastic in the form of bottle caps, plastic bottles, jugs, and containers through authorized ambassadors and delivery locations. The collected plastic is then sent to collection centers to be recycled. The money raised through recycling is donated to support children affected by cancer. In 2021, nearly 20 kilograms of bottle caps were collected by Husky team members.



## USA 🇺🇸

### Habitat Protection

Husky's Milton, Vermont campus is located among some of the most vital forests for bird species breeding in the United States. Many bird species are experiencing long-term population declines and Husky is committed to playing a role in maintaining the population of these birds before they become threatened or endangered. We partnered with Audubon Vermont to conduct a habitat assessment, meeting the standards of the Current Use Program, while offering recreational areas for company employees to enjoy the surrounding nature. In connection with this partnership, Audubon Vermont provided us with information and resources to ensure we are doing everything we can to protect local wildlife.



## HUMAN RIGHTS

Respect for human rights is a fundamental value at Husky, and we promote this ideal in our own operations and beyond. We are informed by the United Nations Guiding Principles on Business and Human Rights in our relationships with employees and suppliers, with the objective of maintaining high standards and practices for the way we do business in accordance with our corporate values.

### Human rights management at Husky

We reinforce several policies to ensure Husky is effectively managing our commitment to human rights internally and throughout our supply chain. These policies include our Human Rights Policy, Accessibility Policy, and Code of Conduct.

Our Human Rights Policy sets the standard for respecting the rights of our employees, suppliers, and other third parties. In this section, we outline our commitment to compensating employees fairly, maintaining a workplace free from violence and harassment, and providing equal opportunities to those from marginalized communities. We also prohibit the use of all forms of child labor and forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking through Husky's Code of Conduct and our Supplier Code of Conduct. We train all of our team members on this Human Rights Policy, ensuring that they feel comfortable identifying and raising concerns.

To provide assurance for our business and to our customers that our programs supporting ethics, safety and wellbeing are implemented as intended, Husky participates in SMETA (Sedex Members Ethical Trade Audit) audits, which is the most widely used social audit methodology in the world. This social auditing methodology enables Husky to assess its sites to better understand working conditions. In 2019, we had onsite, four-pillar SMETA audits covering Labor Standards, Health & Safety, Business Ethics, and Environment. The audits were completed at our main campuses covering more than 70 percent of our workforce. Starting in 2023, we will be conducting 2-3 audits each year and will be adding 4 additional sites to the audit schedule – India, Czech Republic, Switzerland, and USA (San Dimas) – with each on a three-year audit cycle.

We are committed to positive relationships with our team members, and we encourage and promote constructive and open communication with management in every Husky facility.

All our team members are free to join organizations that represent them, in accordance with local regulations, and if an organization is recognized as an appropriate agent, they may engage in collective bargaining. In 2021, 26 percent of Husky employees were covered by collective bargaining agreements, and 24 percent maintained formally elected employee representatives. This is governed by our Human Rights policy, specifically the Freedom of Association and Collective Bargaining section of the policy.

Our Human Rights Policy is reviewed and acknowledged as part of our employee onboarding program and again annually by all team members.

### Human rights throughout the value chain

Our respect for human rights extends beyond our own organization, as we strive to instill these values in organizations that we engage with. To become a Husky supplier, organizations must first undergo a risk assessment that includes consideration of the supplier in relation to Husky's values. This risk assessment helps us to understand vendors' labour policies, internal review processes, and any reportable KPIs related to human rights. Husky's Supplier Code of Conduct includes standards surrounding labor practices, prohibiting suppliers from using forced labor and ensuring suppliers meet legal and industry standards regarding wages and working hours.

To learn more about how we uphold human rights throughout our supply chain, please see the [Responsible and Resilient Supply Chain](#) section of this report.



# GOVERNANCE

## BUSINESS ETHICS

Husky's reputation for honesty and integrity is one of our most valuable assets. We aim to cultivate a company culture that places ethics and integrity at the core of our business. We extend our ethical obligations to our employees and business partners to uphold our standards and set an example.

### Code of Conduct

Husky's Code of Conduct establishes our fair and ethical behavior standards and defines and communicates ethical expectations and obligations for all team members. The Code of Conduct applies to team members at every level globally. We review and update the Code of Conduct periodically to ensure it remains relevant and effective. We extend our ethical expectations to business partners through our [Supplier Code of Conduct](#), which holds suppliers, contractors, and other third-party partners accountable.

### Whistleblower Program

Husky has a zero-tolerance policy for harassment or retaliation. Husky encourages team members to speak up through our Whistleblower Program. Team members can anonymously report ethics-related concerns to the IntegrityLine. The IntegrityLine is accessible 24-hours a day, seven days a week through phone, email, or a web-based platform. Employees can also report concerns internally to Husky's Secretary and General Counsel, who will raise the matter to the Chair of the Audit Committee. The Audit Committee promptly and thoroughly investigates all reports.

Customers, suppliers, and other stakeholders have the opportunity to raise questions and concerns, confidentially or anonymously, with any management team member or with the Secretary and General Counsel.

### Antitrust compliance

We maintain strict adherence to antitrust laws and regulations. We implemented a Competition Law Compliance Policy accompanied by guidance materials to ensure every employee understands and complies with the relevant laws and regulations. All relevant team members are required to complete antitrust compliance training and certify that they understand the content of the training. In addition, Husky's Antitrust Compliance Officer prepares an annual report containing identified risk areas, reports of any antitrust violations, investigations conducted, third-party complaints, information requests from antitrust authorities, and any other relevant information. We consistently seek to improve and strengthen the effectiveness of our Antitrust Compliance program. Moreover, we also continue to monitor antitrust laws to ensure we are complying with new developments.



## RESPONSIBLE PRODUCTS AND SERVICES

Here at Husky, we embrace the responsibility of creating a world of difference through our products and services. We are proud to offer high-quality products that are safe to operate and support services that prolong the useful life of our products. Producing reliable, upgradable, and future-focused technology products is intrinsic to Husky's mission to drive innovation in enabling the circular economy.

### Product and service safety at Husky

The safety of our machines is paramount to our customers when they choose Husky. We have participated in setting safety standards for our industry, such as chairing the committee that drafted the ANSI standard for Safety Requirements for Injection Molding Machines\*.

Our Product Safety Manager oversees the safety of the product development process, safety testing and safe commissioning of all Husky products worldwide and ensures safe operation and servicing of our products. Our Product Safety Manager actively participates in all aspects of regulatory compliance, risk identification, risk reduction and environmental, social, health, and safety impact in the workplace wherever Husky systems are operating. We also implemented a Product Safety Policy to ensure safe servicing and maintenance of the products in our customers' workplaces and to enhance the safety and efficiency of our products throughout the lifecycle of the product.

When interacting with our customers, we apply our Service and Sales Product Safety Program to minimize risk and liability during servicing and maintaining our products in our customer's facilities. Safety is critically important to us and our customers, and this program is informed

**During the product development process, we conduct a robust risk assessment that complies with the ISO12100:2011 standard, which specifies the principles and methodology for achieving safety in the design of machinery. This risk assessment evaluates all phases of the product life cycle to consider proper and improper usage, and ultimately ensures that our machines are designed with the most advanced safety features according to the safety standards for this equipment.**

through our extensive knowledge in modern safety management processes, robust engineering methods, post-sale service, and meeting or exceeding industry safety regulations. We continually maintain close contact with users of our products, allowing us to identify and assess potential risks in the use or misuse of our products. We issue safety bulletins to address and inform customers of any known safety concerns, provide information regarding equipment modifications or procedural changes, and communicate significant improvements in the level of safety of the equipment. We take a leading role by alerting customers of changes in the safety regulatory arena so that our customers are up to date on the latest requirements and legislation in product safety.

### Sustainability impacts of our products and services

We manage the environmental impact of our products and services through resource efficiency and innovation. Our products are durable, due in part to our service dedication to repairing or upgrading our customers' machines. Our machines are also made up of over 90% recyclable material, which contributes to the circularity of our systems.

Additionally, we offer application design solutions to help our customers produce sustainable packaging, such as lighter-weight packages, which allow for reduced material usage and a lower associated carbon footprint, and tethered closures for higher recyclability.

Our technological developments help our customers include up to 100 percent recycled content in their packaging.

Beyond just our products, our services are designed with sustainability in mind as well. Our award-winning Advantage + Elite remote monitoring system offers customers a proactive approach to problem solving. The Advantage + Elite system can predict system performance deterioration and identify performance problems at our Husky Monitoring Centre, so our team can alert customers and provide solutions to bring system variables back into specification. Real time monitoring optimizes efficiency to prevent productivity loss and maintain quality output. To learn more about how our innovation drives the circular economy, please see the [Innovation and Technology section](#) of this report.

### Our responsibility to innovate

The world realized during the COVID-19 pandemic how important reliable and fast supplies of medical devices are to safeguard public health. Even prior to the COVID-19 pandemic, Husky was engaged in providing world class solutions to our medical customers: from components and medical molds to fully integrated medical systems. Husky's role in a sustainable future is focused on sustainably providing the essentials of life to a growing society to support healthy and safe livelihoods around the world. This includes the safe and reliable delivery of medicine and medical devices globally. Global medical markets follow tight standardization with tight tolerances, controls and validated processes, which is easier to achieve with fully integrated systems.

Husky is not only able to offer a single-source solution to reliably meet these product and production requirements, but we also understand our customers' needs, and deliver solutions to address those needs in all areas, offering full

end-to-end solutions. Through our technologies, we enable the production of items such as insulin pens, medical tubes and syringes. Our injection molding solutions for medical applications can increase output and reduce waste and quality defects. Our solutions also provide high cavitation, multi-resin capability, and optimized melt delivery and cycle times, plus predictable, reduced maintenance. Our technology offers product optimization, quality control, and fast time-to-market, without compromising the reliability and safety of the part.

At the same time, we focus conscious effort on supporting and growing our existing customers and systems. As part of our enabling the circular economy through innovation, we help facilitate the continuous and optimal operation of our customers' existing Husky machines by providing necessary upgrades and refurbishment. Our Encore program is an aftermarket service that updates system features, retrofits new technologies and refurbishes existing equipment. As a result, as we innovate new technologies, we integrate them into existing machines to extend the lifespan of our products. To learn more about our lifecycle measures, please visit the [Circular Economy section](#) of the report.



\* <https://webstore.ansi.org/Standards/ANSI/ANSIPLASTICSB1512017?source=blog>

# RESPONSIBLE AND RESILIENT SUPPLY CHAIN

Our supply chain is fundamental to the success of our company—not only in providing the physical materials necessary for our technology, but also in maintaining the integrity that comes with our service. COVID-19 delays highlighted the need for a diverse and resilient base of suppliers, and now more than ever, supply chains have grown into a reflection of a company's values. We partner with suppliers that maintain our guiding principles: absolute honesty, integrity, trust, open communication, and proactive environmental responsibility. In this way, we ensure our values extend beyond our own conduct and into the behavior of those with whom Husky conducts its business.

**GOAL 1:** 100% of suppliers align to Husky's supplier code of conduct

**GOAL 2:** 100% of new production suppliers complete Husky's supplier audit procedure including CSR assessment

**GOAL 3:** 75% of input costs come from production suppliers located in same region as manufacturing facility by 2025

## Setting expectations for a responsible supply chain

Becoming a Husky supplier involves an extensive assessment process, beginning with an Anti-Bribery, Anti-Corruption Declaration and a detailed quality audit to accredited standards. At this stage, we evaluate quality control procedures, addressing policies and practices from process management, to human and material resources, to ultimate output. After this evaluation, we assess a vendors' alignment with our Corporate Social Responsibility principles, including human rights, health and safety, environmental, and ethics standards. For these areas, we ask potential suppliers to first conduct a self-evaluated risk assessment, where we learn about their policies, audit controls, and key performance indicators. This assessment works both as an evaluation and as a performance target for our supplier partners. We determine our partnerships based on compatibility, but also encourage vendors to work on continuous improvement. The self-assessment results factor into our supplier decision making process.

After the initial audit procedure, suppliers must then sign our Supplier Code of Conduct, agreeing to our standards regarding ESG principles. Our Supplier Code of Conduct specifies that suppliers must demonstrate compliance with any of these standards or legal regulations upon request. This may include on-site visits, meetings, or discussions.

Husky will engage with its partners to help develop areas of improvement, evaluating further partnerships based on advancements and ultimately Husky reserves the right to terminate the relationship where relevant matters cannot be resolved. Through these procedures, we are seeking to create a strong, stable supply chain that protects the safety and security of all of our stakeholders. For further information see [Husky's Global Supplier Quality Manual](#).

In rare cases, a Husky supplier may ship directly to a Husky customer. In these cases, Husky is not directly involved in the supplier's safety and regulatory compliance actions. To guarantee a satisfactory level of compliance with safety regulations, Husky established the Supplier Safety Regulation Adherence Process. Through this process, Husky works directly with suppliers to understand the regulations of countries for manufacturing, import and export, and help suppliers establish systems to ensure they are meeting these regulatory requirements and ensuring the safety of all parties involved.

## Strengthening and building resiliency into Husky's supply chain

Our suppliers, service providers, and business partners are crucial to getting our innovative technologies to our customers. With the onset of the COVID-19 pandemic and increasing global unrest, we reassessed our procurement practice.

We found that localizing our supply chain closer to our operations increases our resiliency, lowers procurement costs, reduces carbon emissions from transport, and enables better quality control through closer partnerships. This is why we have set our goal for 75% of inputs costs to be sourced from local suppliers by 2025\*. With Husky's diversified suppliers and service providers across the globe, this goal ensures our responsible management while creating a resilient supply chain.

**62%** weighted global average for on-shoring

We also recognize that resiliency stems from a diverse supplier base. To increase our understanding of our vendors, we leverage an external supplier data platform that allows vendors to declare their diversity status at the beginning of our partnership. We encourage all our supply chain to use this tool, as it increases equal access to business opportunities and promotes sustainability practices throughout our supply chain. To date, Husky has received almost 300 diversity declarations from suppliers.

\* A local supplier is defined by a vendor being in the same region as our manufacturing facilities.

## DATA PRIVACY AND CYBERSECURITY

Husky's comprehensive data privacy and cybersecurity programs ensure we protect the privacy and security of our customers, team members, vendors, business partners, and others who have provided private information to Husky.

### Cybersecurity at Husky

Husky's Information Security Program facilitates oversight of Husky's efforts to preserve the confidentiality and integrity of Husky's digital assets, networks systems, and data. We develop and implement proactive technical and non-technical measures through the program to help detect and prevent security risks, establish policies, standards, and guidance, and provide an effective incident response when necessary. Husky's Chief Information Officer (CIO) is responsible for overseeing the Information Security Program and delegating information security-related responsibilities. The Cybersecurity Council meets quarterly, and is comprised of the Executive Leadership Team, the CIO, the Director of Information Security, and numerous other leaders across the organization. The council convenes to share updates, progress, and actions relating to information security. Husky also has a robust Privacy Program to implement and assist our team members in maintaining their responsibilities and strengthening their accountability. Our Chief Privacy Officer is responsible for defining, implementing, and overseeing Husky's Data Privacy Program as well as our compliance with privacy laws and regulations.

### Data privacy at Husky

Husky's Data Privacy Steering Committee, comprised of the CIO, Vice President of Human Resources, and other leadership members, is responsible for providing guidance and decision-making. The Committee ensures that security and privacy controls and policy requirements remain effective and that we manage risks appropriately, guided by our:

- Personal Data Protection Policy
- Information Security Policy
- Data Classification and Handling Policy
- Data Retention Policy, GDPR and CCPA Data Subject Access Request (DASR) Guidelines
- Data Protection Impact Assessment Procedure
- Acceptable Use Policy, and
- Privacy Notice.

With collaboration from the Legal Team, the Chief Privacy Officer oversees the review and revision of our Privacy Policies and template agreements containing privacy terms at least annually.

Husky adheres to all major compliance regulations and laws in all countries of operation, such as the General Data Protection Regulation (GDPR) and has developed the internal processes to support this. In compliance with GDPR and to align with best practices, we created a procedure for Data Protection Impact Assessments (DPIA) which help us systematically analyze our processes and projects to identify and minimize data protection risks.

Data Privacy and Cybersecurity training teaches Husky team members how to identify and respond to potential risks and threats. Team members complete monthly phishing simulations as well as regular training on acceptable use, hacking, and cyber-attacks. By ensuring employees are trained on major cybersecurity risks, we limit data privacy and cybersecurity threats.



**HUSKY<sup>®</sup>**