

## Parkland's Sustainability Policy

At Parkland, sustainability is embedded across our business. We are committed to making a positive contribution to a low-carbon, sustainable future and our commitment is reflected in the strategic investments we are making. We support our customers' and governments' efforts to reach net zero and see the energy transition as a growth opportunity for Parkland.

Parkland's Approach to Sustainability sets out the vision and commitments and guides us in our efforts to contribute to a sustainable future as we help meet the growing demand for responsibly produced energy, services, and products. Our commitment to our employees, investors and stakeholders is continuous improvement, sustainable, safe operations and compliance with all applicable laws and regulations.

As part of Parkland's sustainability journey, we will identify and take advantage of opportunities across our entire business to achieve our sustainability goals. These efforts will help Parkland stay one step ahead of customers' needs as we evolve with the energy transition.

### Sustainability Governance

Transparent corporate governance is critical to resilience, long-term shareholder value and progress to our sustainability strategy. Parkland's governance structure includes our Board of Directors and the Environment, Social & Sustainability (ESS) Committee as well as the Senior Leadership Team (SLT), including the Chief Sustainability Officer. The diverse skills and experiences of Parkland's directors support progress towards the sustainability strategy.

Parkland is committed to integrating sustainability across our operations and in all our strategic decision making. The ESS Committee is responsible for overseeing the company's sustainability performance. Parkland's SLT, Chief Sustainability Officer, and cross-functional Sustainability Task Force are responsible for the development and implementation of this policy and providing all required support to ensure the policy's alignment with the company's operations and activities.

This policy is applicable to all staff, suppliers and service providers working for, or on behalf of, Parkland wherever we conduct business.

Parkland’s governance structure as it pertains to sustainability is outlined below.



## Our Commitments

We are a Canadian company, operating across 25 countries, that recognizes the role we can play in helping governments and our customers achieve their sustainability goals, while lessening our impact on the environment. At Parkland, sustainability means providing our customers with safe, reliable energy and products they need today, while making strategic decisions and innovative investments that contribute to a lower carbon future. We strive to protect the safety of our employees and customers, strengthen our diverse, inclusive culture, support our communities, and protect our shared environment.

Our commitment to sustainability is underpinned by our values: Safety, Integrity, Community and Respect. We support the United Nations Sustainable Development Goals and use them to guide our sustainability strategy.

Our approach to sustainability is structured to align with four distinct pillars that we believe best reflect our business and our impact: People, Environment, Partners and Responsible Growth.

## Principles and pillars

Parkland's enterprise-wide sustainability strategy is grounded in the four pillars of People, Environment, Partners, and Responsible Growth. We have developed a balanced approach that leverages our existing business to develop low-carbon opportunities, diversify by creating convenience destinations and decarbonize by supporting customers through the energy transition.

This strategy reinforces our commitment to support our customers, team members, local and Indigenous communities, and our shared environment by championing safe operations, environmental stewardship, and systemic inclusion, now and into the future.



## United Nations Sustainable Development Goals

The United Nations Sustainable Development Goals (UNSDGs) are a global guide for a more equitable, sustainable future. Parkland's sustainability strategy is aligned with several UNSDGs that help inform our approach to sustainability and the role we play in accelerating universal progress towards a more sustainable, low-carbon and equitable future.

We align our sustainability disclosures with globally recognized ESG reporting frameworks. These include:

- Global Reporting Index

- Sustainability Accounting Standards Board
- Task Force on Climate-related Financial Disclosures
- United Nations Sustainable Development Goals

## People

Our people are the heart of our business. The physical and mental well-being of our customers, communities and partners, is paramount. We are deeply committed to upholding our strong safety culture and creating an environment in which each individual feels empowered to bring their full and best self to work.

As one of our core values, safety is the starting point of everything we do. Parkland has an enterprise-wide Health, Safety and Environment Policy that applies in every operating jurisdiction. Signed and endorsed annually by our President and CEO, this policy states our commitment to ensuring a safe working environment that protects our team, customers, the environment, and the communities we serve.

The following aspirations and targets underscore our efforts to provide a safe and healthy environment that protects our staff, partners, customers and the communities we serve:

- Drive to zero safety incidents, injuries and fatalities and establish the systems, processes, oversight and training to realize this goal. This means continually improving our safety and emergency preparedness, processes and practices to best protect all those involved with our activities.
- Promote a diverse and inclusive workplace with zero tolerance for racism or harassment of minority or vulnerable groups, while promoting and protecting the rights of women, Black, Indigenous and people of colour, members of the LGBTQ+ community and their inclusion among our family of workers and partners. This includes maintaining on our Board of Directors and Executive Management Team a target of 30% gender diversity and 10% BIPOC, LGBTQ+ representation.
- Respect all human rights and implement the commitments outlined in the Parkland Human Rights Policy.
- Maintain an environment at Parkland that makes us an organization where people want to work and makes the company a partner of choice and one held in high esteem.
- Incorporate ESG performance in executive compensation.

## Environment

We are committed to meeting our customers' growing need for energy and convenience products, while at the same time protecting our shared environment and contributing to the world's transition to a lower carbon future. Parkland recognizes that climate change is a significant issue, presenting risks to our company, customers and the countries where we

operate. As we grow our business, we will continue to look for innovative ways to reduce our own emissions and provide our customers with more low-carbon choices, helping them reduce their own environmental footprint.

Responding to environmental challenges is a complex undertaking. Climate change and the transition to a lower carbon economy include physical climate-related risks, as well as impacts on demand for energy. This policy is designed to help mitigate those risks and navigate the complexities of this transition. For more information, please visit *Parkland's Approach to Climate Change*.

Our commitments to a low-carbon future through continual improvement over time are listed below.

- Make a positive contribution to the energy transition in support of our governments' goals of net zero emissions by 2050. These initiatives include:
  - Reducing Scope 1 and Scope 2 emissions intensity by 15% per barrel at our refining operations and by 40% at our retail and commercial operations;
  - Reducing our customers' carbon footprint by 1 million tonnes of carbon dioxide annually by 2026 through co-processing bio feedstocks and blending low-carbon fuels and making renewable fuels more readily available in each market we operate.
  - Expanding the use of solar photovoltaic (PV) technology on sites where appropriate.
- Work towards zero spills and accidents from our products and equipment throughout the lifecycle of their production, storage, transportation and disposal as part of Parkland's *Drive to Zero* initiative.
- Manage waste from our operations and products to reduce, reuse and recycle and commit to reducing single-use plastic products in our stores.
- Aim to continuously improve our processes through a combination of our safety culture, rigorous monitoring, and capturing lessons learned.
- Integrate environmental considerations into our decision-making and work with partners and suppliers, in particular Indigenous and local communities, to reduce, mitigate and where possible eradicate any adverse impacts from our activities.

## Partners

We are committed to cultivating mutually beneficial relationships that support environmental, social and economic prosperity. We cannot achieve sustainable growth without the participation and support of our partners, including local and Indigenous communities, suppliers, stakeholders and shareholders. To help accomplish these goals, we commit to:

- Zero tolerance for corruption, bribery, and other forms of unethical behaviour. We will continue to improve our controls, systems and processes for identifying and eradicating such practices.
- Engage respectfully to establish lasting, and mutually beneficial relationships with a view to sharing benefits and promoting reconciliation with the Indigenous communities on whose traditional territories Parkland operates.
- Building capacity and promoting long-term economic opportunity and development within the local and Indigenous communities where we operate.
- Support suppliers to integrate the principles outlined in this policy as well as in our Supplier Code of Conduct, including developing their own inventory of low-impact products and services.
- Open and transparent communications to build trust with our stakeholders.
- Increase participation in the Parkland Pledge program.
- Progressive Aboriginal Relations (PAR) certification through the Canadian Council for Aboriginal Business.

## **Responsible Growth**

As we grow our business, we believe it is important to address our impact today, and into the future. We seek to maximize the benefits of what we do beyond a simple return on investment; our brand, our reputation and our future depend on it. To enable this, we rely on strong governance mechanisms, including sustainability assessments for all acquisitions to ensure we operate sustainably and with integrity. We therefore commit to the following in support of our objectives:

- Conduct open and honest business dealings including in our partnerships and mergers and acquisitions that meet the sustainability standards implied by this policy.
- Conduct sustainability assessments for all acquisitions.
- Apply Parkland's sustainability program to all newly acquired companies within 12 months starting in 2023.
- Grow Parkland's low-carbon business to \$400 million of EBITDA by 2025.

## **Honouring our commitments**

Our commitment to sustainability must be supported by appropriate accountabilities, measurement, monitoring, reporting and feedback to provide a framework for continuous improvement. As part of this commitment, we plan to provide ongoing updates of our progress in our Annual Sustainability Report, engage regularly with our stakeholders and hold ourselves, along with our suppliers, contractors and business partners accountable for achieving the commitments set out in this policy.

## **Support**

We invite you to engage with us. For all enquiries related to this policy please contact us at:

Sustainability@parkland.ca

*[Links to Related Parkland Documents](#)*

[Code of Conduct & Conflict of Interest - Guidelines for Directors, Officers and Senior Managers](#)

[Human Rights Policy](#)

[Health, Safety and Environment Policy](#)

[Parkland's 8 Life Saving Rules](#)

[Governing Principles for Emergency Management](#)

[Supplier Code of Conduct](#)

*[Links to Relevant International Conventions, Goals and Task Forces](#)*

[United Nations Sustainable Development Goals](#)

[United Nations Global Compact](#)