ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

March 14, 2022

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GLOSSARY OF TERMS

When used in this Annual Information Form, the following terms have the meanings set forth below:

"**2026 3.875% Senior Notes**" means the $600,000,000 aggregate principal amount of 3.875% senior notes of Parkland with a final maturity date of June 16, 2026, issued on June 16, 2021;

"**2027 5.875% US Senior Notes**" means the U.S.$500,000,000 aggregate principal amount of 5.875% senior notes of Parkland with a final maturity date of July 15, 2027, issued on July 10, 2019;

"**2028 6.000% Senior Notes**" means the $400,000,000 aggregate principal amount of 6.000% senior notes of Parkland with a final maturity of June 23, 2028, issued on June 23, 2020;

"**2029 4.375% Senior Notes**" means the $600,000,000 aggregate principal amount of 4.375% senior notes of Parkland with a final maturity date of March 26, 2029, issued on March 25, 2021;

"**2029 4.500% US Senior Notes**" means the U.S.$800,000,000 aggregate principal amount of 4.500% senior notes of Parkland with a final maturity date of October 1, 2029, issued on April 13, 2021;

"**2030 4.625% US Senior Notes**" means the U.S.$800,000,000 aggregate principal amount of 4.625% senior notes of Parkland with a final maturity date of May 1, 2030, issued on November 23, 2021;

"**Adjusted EBITDA**" means Parkland's adjusted earnings before interest, taxes, depreciation and amortization but excludes costs that are not considered representative of Parkland's underlying core operating performance, including, among other items, (i) costs related to potential and completed acquisitions, (ii) non-core acquisitions and integration employee costs, (iii) business integration and restructuring costs, (iv) changes in the fair value of share-based compensation liabilities, and (v) realized foreign exchange gains and losses as a result of refinancing activities. Adjusted EBITDA is a total of segments measure. Refer to section 15 of the Annual MD&A for further information with respect to this financial measure, which is incorporated herein by reference;

"**Annual Financial Statements**" means Parkland's annual consolidated financial statements for the year ended December 31, 2021, which is deemed to be incorporated by reference in this Annual Information Form and is filed and available under the Corporation's SEDAR profile at www.sedar.com;

"**Annual Information Form**" or "**AIF**" means this annual information form for the financial year ended December 31, 2021, dated March 14, 2022;

"**Annual MD&A**" means Parkland's management's discussion and analysis for the year ended December 31, 2021, which is deemed to be incorporated by reference in this Annual Information Form and is filed and available under the Corporation's SEDAR profile at www.sedar.com;

"**Board of Directors**" or "**Board**" means the board of directors of Parkland;

"**Burnaby Refinery**" means the 55,000 bpd light/sweet crude refinery of Parkland, located in Burnaby, British Columbia;

"**Business Corporations Act**" means the *Business Corporations Act* (Alberta), as amended, including the regulations promulgated thereunder;

"**COCO**" means company-owned, company-operated;

"**CODO**" means company-owned, dealer-operated;

"**Common Shares**" means the common shares in the capital of Parkland;

"**Competition Act**" means the *Competition Act* (Canada), as amended;

"**Computershare**" means Computershare Trust Company of Canada;

"**Corporation**", "**Company**" or "**Parkland**" means Parkland Corporation, a corporation incorporated under the Business Corporations Act and includes its subsidiaries on a consolidated basis, unless the context otherwise requires;

"**COVID-19**" means the disease caused by the SARS-CoV-2 virus;

"**Credit Agreement**" means the third amended and restated senior secured credit agreement between the Corporation, certain of its subsidiaries, as borrowers, Canadian Imperial Bank of Commerce, as agent, and the financial institutions party thereto as lenders dated March 25, 2021, as amended from time to time;

"**Credit Facilities**" means credit facilities available under the Credit Agreement, as further described under the heading "Description of Capital Structure – Indebtedness – Credit Agreement";

"**DODO**" means dealer-owned, dealer-operated;

"**ESG**" means environment, social and governance;

"**EV**" means electric vehicle;

"**GHG**" means greenhouse gases;

"**IT**" means information technology;

"**JOURNIE™ Rewards**" means Parkland's rewards and customer loyalty program;

"**LPG**" means liquefied petroleum gas;

"**NEB**" means the National Energy Board, which was replaced by the Canada Energy Regulator on August 28, 2019 when the *Canadian Energy Regulator Act* came into effect, repealing and replacing the *National Energy Board Act* (Canada);

"**NTI**" means new to industry;

"**Parkland Refining**" means Parkland Refining (B.C.) Ltd., a wholly-owned subsidiary of Parkland;

"**ROC**" means Regional Operating Centre;

"**SEDAR**" means System for Electronic Document Analysis and Retrieval;

"**Senior Note Indentures**" means, collectively, (i) the trust indenture dated July 10, 2019 governing the terms of the 2027 5.875% US Senior Notes, (ii) the trust indenture dated June 23, 2020 governing the terms of the 2028 6.000% Senior Notes, (iii) the trust indenture dated March 25, 2021 governing the terms of the 2029 4.375% Senior Notes, (iv) the trust indenture dated June 16, 2021 governing the terms of the 2026 3.875% Senior Notes, (v) the trust indenture dated April 13, 2021 governing the terms of the 2029 4.500% US Senior Notes, and (vi) the trust indenture dated November 23, 2021 governing the terms of the 2030 4.625% US Senior Notes;

"**Senior Notes**" means, collectively, (i) the 2027 5.875% US Senior Notes, (ii) the 2028 6.000% Senior Notes, (iii) the 2029 4.375% Senior Notes, (iv) the 2026 3.875% Senior Notes, (v) the 2029 4.500% US Senior Notes, and (vi) the 2030 4.625% US Senior Notes;

"**Shareholders**" means the holders of the Common Shares;

"**SIL**" means Sol Investments SEZC;

"**Sol**" means, collectively, SIL and its subsidiaries;

"**Sustainability Report**" means Parkland's most recent Sustainability Report, titled "Drive to Zero", published on November 16, 2021, which is available on the Corporation's website at www.parkland.ca;

"**TMPL**" means Trans Mountain Pipeline owned by the Trans Mountain Corporation, which carries crude and refined product from Alberta to the coast of British Columbia;

"**TSX**" means the Toronto Stock Exchange; and

"**United States**" or "**U.S.**" means the United States of America.

PRESENTATION OF INFORMATION

Unless otherwise noted, the information contained in this Annual Information Form is given as at or for the year ended December 31, 2021. All dollar amounts are in Canadian dollars unless otherwise noted. Unless the context otherwise requires, all references to the "Company", the "Corporation", "Parkland", "we", "our" and "us" herein refer to Parkland Corporation and its subsidiaries on a consolidated basis. Capitalized terms not defined in the body of this Annual Information Form will have the respective meanings set out in the "Glossary of Terms" section of this Annual Information Form.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Annual Information Form contains forward-looking statements. Many of these statements can be identified by words such as "believe", "plan", "expect", "could", "seek", "would", "will", "intend", "strategy", "project", "anticipate", "target", "estimate", "continue" or similar words and expressions. In particular, this Annual Information Form contains forward-looking statements with respect to, among other things: business objectives of the Corporation; integrating completed acquisitions; results of operations, performance, business projects, strategy and opportunities; Parkland's business and growth strategies including with respect to, among other things, to developing its existing business, retail diversification, commercial decarbonization, energy transition, sustainability, organic growth opportunities, acquisitions and integration and consolidation opportunities; and acquisitions; impact of management systems and programs and financial results; the impact, benefits, synergies, results, opportunities and optionality of Parkland's completed, pending and future acquisitions; completing the Husky Acquisition, the timing thereof and consideration payable thereunder; the Sustainability Report, including Parkland's strategies, commitments and goals relating to climate change, safety and emergency preparedness, product transportation and storage, diversity and inclusion and governance and ethics; COVID-19, including the impact thereof on Parkland and the economy and Parkland's response thereto; changes in commodity prices, interest rates, exchange rates and inflation; future dividend amounts and frequency; continued expansion of the JOURNIE™ Rewards program and the timing and benefits thereof; and Parkland's plan to launch the EV ultra-fast charger network, details relating thereto and timing thereof.

The forward-looking information contained herein is based upon a number of material factors and assumptions including, without limitation:

- Parkland's ability to successfully execute its business and growth strategies;
- the regulatory framework that governs the operation of Parkland's business;
- the effect the COVID-19 pandemic on Parkland's business;
- Parkland's ability to successfully integrate acquired assets and businesses into Parkland's operations;
- commodity prices for gasoline, diesel, propane, lubricants, heating oil and other petroleum products;
- financial market conditions, including interest rates, inflation and exchange rates;
- Parkland's future debt levels;
- Parkland's ability to generate sufficient cash flows from operations to meet its current and future obligations;
- future capital expenditures to be made by Parkland;
- access to and terms of future sources of funding for Parkland's capital program;
- Parkland's ability to win new customers in the various markets where it operates;
- Parkland's ability to identify suitable acquisition targets;
- Parkland's ability to complete acquisitions and realize synergies and cost reductions from the implementation of integration initiatives, increased purchasing power, and contract renegotiations, among other items;
- Parkland's ability to identify customers' evolving needs; and
- Parkland's ability to respond to the energy transition.

These forward-looking statements involve numerous assumptions, known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The forward-looking information contained herein is subject to certain risks and uncertainties, including without limitation, those described under the heading "Risk Factors" in this Annual Information Form and set forth below:

- regulatory frameworks that govern the operation of Parkland's current and future business and changes thereto;
- general market conditions;
- COVID-19, the impact thereof and future developments relating thereto;
- micro and macro-economic trends and conditions, including increases in interest rates, inflation and commodity prices;
- ability to execute on our business and growth strategy and realize the benefits therefrom;
- ability to realize the benefits from our core capabilities;
- ability to capture value in each step of the value chain;
- ability to identify acquisition targets, complete acquisitions and realize the expected benefits, synergies and opportunities from acquisitions;
- ability to secure future capital to support and develop our business, including the issuance of additional Common Shares;
- effectiveness of Parkland's management systems and programs;
- continuous improvement of Parkland's drive to operational excellence through the continued roll out of POEMS;
- factors and risks associated with retail pricing and margins;
- availability and pricing of petroleum product supply;
- volatility of crude oil prices;
- the competitive environment of our industry in the jurisdictions in which Parkland operates;
- environmental impact;
- ability to meet our sustainability goals and execute on our sustainability strategies and commitments;
- pending or future litigation;
- cyber-attacks and data breaches; and
- availability of capital and operating funds.

The foregoing factors are not exhaustive. Additional information on these and other factors that could affect the Corporation's operations or financial results is discussed in this Annual Information Form, including the Annual MD&A, which is incorporated by reference in this Annual Information Form and available under the Corporation's SEDAR profile at www.sedar.com.

Many factors could cause the Corporation's or any particular business segment's actual results, performance or achievements to vary from the forward-looking information in this Annual Information Form. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this Annual Information Form as intended, planned, anticipated, believed, sought, proposed, estimated or expected. As such, readers are urged to consider the factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements speak only as of the date of this Annual Information Form and the Corporation does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this Annual Information Form are expressly qualified by these cautionary statements.

CORPORATE STRUCTURE

Parkland Corporation

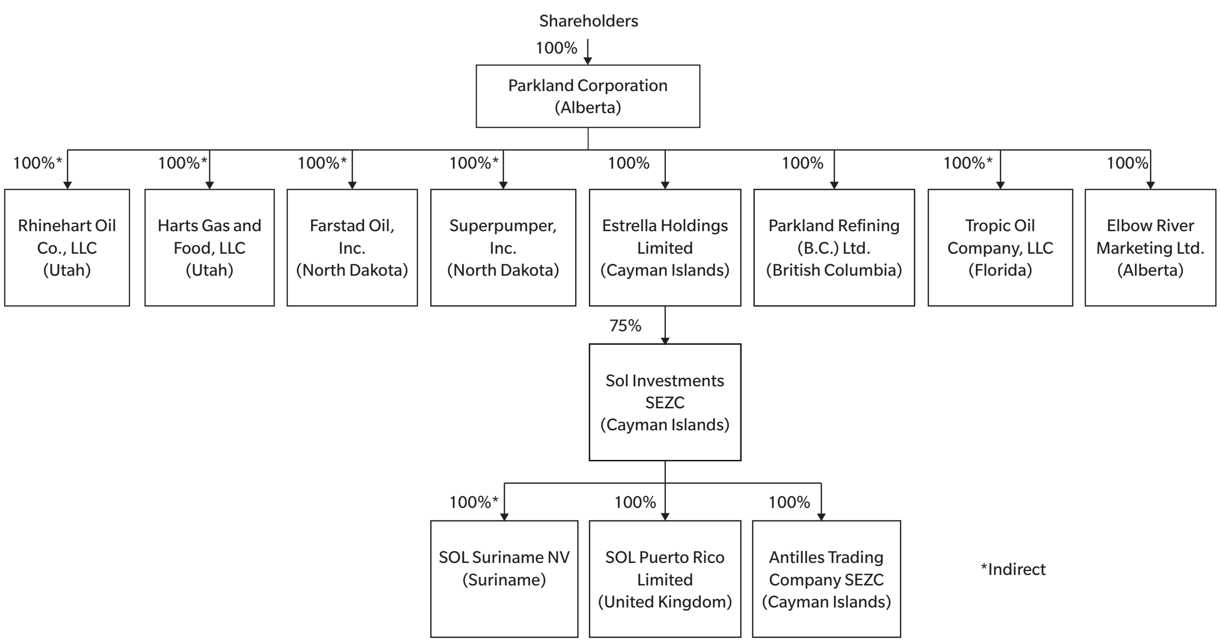
Parkland was incorporated on March 9, 2010 under the Business Corporations Act as part of a corporate reorganization, implemented effective December 31, 2010 under Section 193 of the Business Corporations Act, pursuant to which Parkland's predecessor public entity reorganized from an income fund into a corporate structure. The Common Shares are listed on the TSX under the symbol "PKI" and began trading on the TSX on January 7, 2011.

Effective January 1, 2017, Parkland completed a reorganization of its corporate structure pursuant to which, among other things, Parkland Fuel Corporation and its wholly-owned subsidiary, Parkland Industries Ltd., effected a vertical short form amalgamation pursuant to Section 184(1) of the Business Corporations Act, with the amalgamated entity retaining the name of Parkland Fuel Corporation and becoming both the public entity and principal operating entity in Canada. Effective May 15, 2020, Parkland Fuel Corporation amended its articles to change its name to "Parkland Corporation" pursuant to Section 173(1)(a) of the Business Corporations Act and adopted "Corporation Parkland" as its French name. Effective January 2, 2021, Parkland completed a reorganization of its corporate structure, pursuant to which, among other things, Parkland Corporation and its wholly-owned subsidiary, 2303041 Alberta Ltd., effected a vertical short form amalgamation pursuant to Section 184(1) of the Business Corporations Act, with the amalgamated entity retaining the name of Parkland Corporation.

The registered office and head office of the Corporation is located at 1800, 240 4th Avenue SW, Calgary, Alberta T2P 4H4.

Subsidiaries of the Corporation

The following organization chart presents intercorporate relationship among Parkland and its material subsidiaries as at December 31, 2021.



The subsidiaries of Parkland that were not included in the organization chart above: (i) each individually accounted for less than 10% of the consolidated assets of Parkland as at December 31, 2021; (ii) each individually accounted for less than 10% of the consolidated revenues of Parkland for the fiscal year ended December 31, 2021; and (iii) in aggregate, accounted for less than 20% of Parkland's consolidated assets as at December 31, 2021, and less than 20% of Parkland's consolidated revenues for the fiscal year ended December 31, 2021.

GENERAL DEVELOPMENT OF THE BUSINESS

Recent Developments

2022 Updates

On February 1, 2022, Parkland completed the acquisition Pétroles Crevier Inc., a well-established retail and wholesale business based in Montreal, Canada (the "**Crevier Acquisition**"). The Crevier Acquisition includes a portfolio of 173 retail locations across Quebec and a wholesale business and significant unbranded volume that will enhance Parkland's supply advantage and import optionality. The Crevier Acquisition is expected to add annual fuel and petroleum product volume of approximately 700 million liters, of which 70% is attributable to wholesale, prior to additional growth and synergy upside. Of the consideration payable under the Crevier Acquisition, approximately 75% was funded from the Credit Facilities and the remaining 25% from the issuance of Common Shares from treasury. See "Risk Factors – Acquisition and Integration" for additional information.

On February 18, 2022, Parkland completed the acquisition of M&M Food Market, a premium, restaurant-quality frozen food retailer who brings high-quality, convenient food choices to Canadians (the "**M&M Acquisition**"). The M&M Acquisition includes more than 300 standalone franchise and corporate owned stores, more than 2,000 M&M Express locations and a rewards program with approximately two million active members. The total consideration for the M&M Acquisition was approximately $322 million, which was funded out of existing credit facility capacity. The M&M Acquisition represents a valuation metric of less than 8.5x estimated 2021 Adjusted EBITDA. Parkland entered into the agreement in connection with the M&M Acquisition on January 18, 2022. See "Risk Factors – Acquisition and Integration".

2021

On January 22, 2021, Parkland, through its subsidiary Elbow River Marketing USA Ltd., completed the acquisition of two LPG terminals in Hankinson, North Dakota and Owen, Wisconsin. These assets include over 1 million gallons of above ground storage, 105 million gallons of annual throughput capacity as well as rail offloading and truck loading infrastructure at each terminal. See "Risk Factors – Acquisition and Integration".

On February 1, 2021, Parkland, through its U.S. subsidiaries, completed the acquisition of the assets of Story Distributing Company and its affiliates, a retail and commercial fuel business headquartered in Bozeman, Montana (the "**Story Acquisition**"). The Story Acquisition adds scale and density to Parkland's existing Northern Tier ROC and expands Parkland's presence in the high-growth Montana and Idaho markets. See "Risk Factors – Acquisition and Integration".

On February 26, 2021, Parkland terminated its amended and restated intermediation International Swaps and Derivatives Association (ISDA) 2002 agreement, dated as of December 14, 2019, between the Corporation, Parkland Refining and a financial institution, which was used to fund a portion of the working capital requirements of the Burnaby Refinery operations.

On March 25, 2021, Parkland closed its private placement of the 2029 4.375% Senior Notes, which bear interest at a rate of 4.375% per annum and were priced at par. Parkland used the net proceeds of this offering, together with amounts borrowed under the Credit Facilities, to (i) redeem all of its outstanding $300 million aggregate principal amount of 5.75% senior notes with a final maturity date of September 16, 2024, on April 9, 2021 and (ii) redeem $300 million of its outstanding $500 million aggregate principal amount of 5.625% senior notes with a final maturity date of May 9, 2025, on May 10, 2021. See "Description of Capital Structure – Indebtedness – Senior Notes".

On March 25, 2021, Parkland established an at-the-market equity program (the "**ATM program**") that allows Parkland to issue up to $250 million of Common Shares from treasury to the public at the prevailing market prices. Parkland's use of the ATM program is evaluated relative to the cost of other funding options and in consideration of leverage levels. The volume and timing of sales under the ATM program are determined by Parkland, subject to regulatory requirements.

On March 25, 2021, Parkland amended its existing Credit Facility to, among other things, expand the available facility and extend the maturity date until 2026. See "Description of Capital Structure – Indebtedness – Credit Agreement" for additional details.

On April 7, 2021, Parkland, through its U.S. subsidiaries, completed the acquisition of Conrad & Bischoff Inc. and its related companies, a retail, commercial, wholesale and lubricants business with annual fuel and petroleum product volume of approximately 700 million liters and operations concentrated in Idaho and western Wyoming and additional distribution capability into Utah, Nevada, Montana and other U.S. states (the "**C&B Acquisition**"). Through the C&B Acquisition, Parkland established its fourth U.S. ROC, Pacific Northwest. The C&B Acquisition strengthens Parkland's supply advantage and adds a high-quality retail network to Parkland's portfolio. The C&B Acquisition includes 19 company-owned retail sites with proprietary branded backcourts and 39 retail dealer sites, as well as terminal operations with combined tank storage of 30 million liters and capacity for 88 rail cars, adding significant supply optionality in the Rocky Mountains Petroleum Administration for Defense District (PADD) IV. See "Risk Factors – Acquisition and Integration".

On April 13, 2021, Parkland closed its private placement of the 2029 4.500% US Senior Notes, which bear interest at a rate of 4.500% per annum and were priced at par. Parkland used the net proceeds of this offering to (i) redeem all of its outstanding U.S.$500 million aggregate principal amount of 6.000% senior notes with a final maturity date of April 1, 2026, on April 14, 2021, (ii) redeem the remaining $200 million of its $500 million aggregate principal amount of 5.625% senior notes with a final maturity date of May 9, 2025, on May 10, 2021 and (iii) repay certain amounts outstanding under the revolving Credit Facilities. See "Description of Capital Structure – Indebtedness – Senior Notes".

On June 14, 2021, SIL completed the acquisition of an aviation business and associated infrastructure operating in Puerto Rico (the "**Puerto Rico Acquisition**"). The Puerto Rico Acquisition includes operations at two international airports in Puerto Rico, including the Luis Munoz Marin International Airport, which is the busiest in the Caribbean region. See "Risk Factors – Acquisition and Integration".

On June 16, 2021, Parkland closed its private placement of the 2026 3.875% Senior Notes, which bear interest at a rate of 3.875% per annum and were priced at par. Parkland used the net proceeds of this offering to repay certain outstanding amounts borrowed under its revolving Credit Facilities and for general corporate purposes. See "Description of Capital Structure – Indebtedness – Senior Notes".

On June 21, 2021, Parkland announced its plan to launch the largest network (by site count) of EV ultra-fast chargers in British Columbia, Canada, consisting of approximately 25 high-quality, strategically located, Parkland retail sites that will stretch from Vancouver Island to Calgary. The network is expected to open to customers in 2022.

On July 1, 2021, SIL became a 50% indirect partner in Isla Dominicana de Petroleo Corp. ("**Isla**"), a retailer then operating approximately 160 locations in Dominican Republic, through contributing Parkland's existing business in the Dominican Republic and cash (the "**Dominican Republic Transaction**"). As a result of the Dominican Republic Transaction, Isla has a combined network of approximately 240 retail locations, being the largest retail network in the Dominican Republic, and an integrated commercial and aviation business. Pursuant to the Dominican Republic Transaction, Isla operates the joint onshore marketing operations and Parkland is the principal fuel supplier to the combined network. See "Risk Factors – Acquisition and Integration".

On July 6, 2021, Parkland entered into a share purchase agreement in connection with the Crevier Acquisition. See "2022 Updates" above for additional information with respect to the Crevier Acquisition.

On July 17, 2021, SIL completed the acquisition of all of the issued and outstanding equity interests of Gulfstream Petroleum SXM B.V., an integrated fuel marketing business with operations in St. Maarten (the "**St. Maarten Acquisition**"). The St. Maarten Acquisition includes retail, commercial, marine, LPG distribution operations and an aviation business. The St. Maarten Acquisition strengthens Parkland's activities at the Princess Juliana International Airport, a hub for surrounding islands and major North American and European markets and adds a complementary retail network. As a result of the St. Maarten Acquisition, Parkland will become the leading fuel marketer in the Dutch side of St. Maarten and is well positioned to drive operational synergies. See "Risk Factors – Acquisition and Integration".

On August 5, 2021, the Board of Directors appointed Angela John and Richard Hookway as directors of Parkland. See "Directors and Officers – Directors" for additional details.

On August 31, 2021, Parkland, through its U.S. subsidiaries, completed the acquisitions of the assets of (i) Colorado-based Master Petroleum, expanding Parkland's commercial business in the Rockies ROC (the "**Master Petroleum Acquisition**"), and (ii) North Dakota-based Red Carpet Carwash, adding 12 retail sites with large format convenience stores and a premium car wash business to Parkland's Northern Tier ROC (the "**Red Carpet Carwash Acquisition**"). See "Risk Factors – Acquisition and Integration".

September 10, 2021, Parkland, through its U.S. subsidiary, completed the acquisition of Florida-based Bradenton Fuel Oil, Inc., expanding Parkland's commercial business in the Southeast ROC (the "**Bradenton Acquisition**"). See "Risk Factors – Acquisition and Integration".

On November 22, 2021, Parkland announced that it had initiated steps to pause refinery processing operations at the Burnaby Refinery due to the shutdown of the TMPL on November 14, 2021 because of heavy rainfall and extreme weather conditions. The TMPL is the primary source of crude oil feedstock to the Burnaby Refinery. Parkland resumed its processing operations on December 11, 2021, following the restart of the TMPL on December 5, 2021.

On November 16, 2021, Parkland published the Sustainability Report, titled 'Drive to Zero', which reflects Parkland's goal to achieve zero safety incidents, zero spills, zero tolerance for racism and discrimination, zero tolerance for corruption, bribery, and unethical behaviour and to help our governments achieve their goal of net-zero emissions by 2050. The Sustainability Report is grounded in meaningful and measurable targets and formalizes Parkland's enterprise-wide sustainability strategy. See "Supplementary Operational Information – Environmental, Social and Governance Committee" for further details.

On November 23, 2021, Parkland closed its private placement of the 2030 4.625% U.S. Senior Notes, which bear interest at a rate of 4.625% per annum and were priced at par. Parkland used the net proceeds of this offering (i) to redeem all of its outstanding $300 million aggregate principal amount of 6.500% senior notes with a final maturity date of January 21, 2027, on December 8, 2021, (ii) to repay the drawings under its revolving Credit Facilities and (iii) for general corporate purposes. See "Description of Capital Structure – Indebtedness – Senior Notes".

On November 29, 2021, Parkland announced that the TSX accepted its notice of intention to implement a normal course issuer bid during the 12-month period, commencing December 1, 2021 and ending November 30, 2022 (the "**NCIB**"). Under the NCIB, Parkland may, at its sole discretion, repurchaseup to 15,091,885 Common Shares during the 12-month period and up to 94,920 Common Shares daily (other than pursuant to a block purchase exemption). Any Common Shares purchases will be through the facilities of the TSX and/or alternative trading systems in Canada at the prevailing market price at the time of purchase. All common shares purchased under the NCIB, if any, will be cancelled. As at December 31, 2021, no Common Shares had been repurchased for cancellation under the NCIB.

On November 30, 2021, Parkland entered into an agreement to acquire approximately 156 retail locations from Cenovus Energy Inc., the majority of which are Husky-branded (the "**Husky Acquisition**"). The Husky Acquisition bolsters Parkland's existing Canadian convenience retail network by adding high-quality retail locations in Greater Vancouver, Vancouver Island, Calgary, and the Greater Toronto area. The Husky Acquisition includes 109 company owned sites and 47 dealer locations and is expected to add annual fuel volumes of approximately 400 million litres to our network. The total cash consideration for the Husky Acquisition is approximately $156 million. The Husky Acquisition is expected to close in mid-2022, subject to approval under the Competition Act and other customary closing conditions. See "Risk Factors – Acquisition and Integration".

On December 10, 2021, Parkland, through its U.S. subsidiaries, completed the acquisition of substantially all of the assets of Urbieta Oil Co. and certain of its affiliates, a well-established retail, convenience, and fuel distribution business with 2020 annual fuel sales of approximately 465 million liters and operations concentrated in the Miami market (the "**Urbieta Acquisition**"). The Urbieta Acquisition includes 94 retail locations, 54 of which are strategic sites where Parkland also acquired the real estate. The gross profit from the acquired assets is approximately derived from 85% retail and 15% commercial and wholesale operations. The Urbieta Acquisition complements Parkland's existing Florida commercial business by establishing a large retail and convenience growth platform with high quality real estate in Miami. Of the total consideration payable under the Urbieta Acquisition, 90% was funded from the Credit Facilities and the remaining 10% from the issuance of Common Shares from treasury, which are subject to escrow. See "Risk Factors – Acquisition and Integration".

On December 15, 2021, Parkland, through its U.S. subsidiaries, completed the acquisition of substantially all of the assets of Lynch Oil and certain of its affiliates, with operations concentrated in southern and central Idaho (the "**Lynch Acquisition**"). The Lynch Acquisition adds annual fuel sales of over 180 million liters and includes five large-format convenience stores and forecourts, two travel centers, two stand-alone car washes, and a rail storage terminal. The gross profit from the acquired assets is approximately derived from 60% retail, convenience, carwash and non-fuel operations and 40% commercial and wholesale operations. The Lynch Acquisition strengthens Parkland's growth platform across the Pacific Northwest ROC and complements Parkland's existing retail, commercial and wholesale businesses in Idaho. Of the total consideration payable under the Lynch Acquisition, 90% was funded from the Credit Facilities and the remaining 10% from the issuance of Common Shares from treasury, which are subject to escrow. See "Risk Factors – Acquisition and Integration" and "Escrowed Securities" for additional information.

2020

On February 14, 2020, Parkland, through its U.S. subsidiaries, completed the acquisition of Kellerstrass Enterprises, LLC and the assets and equity interest of its affiliates, a regional retail dealer and commercial fuel business based in Salt Lake City with branches in Utah, Idaho and Wyoming (the "**Kellerstrass Acquisition**"). The Kellerstrass Acquisition strengthened Parkland's existing Rockies ROC, bringing highly efficient trucking, routing and distribution practices, and added nine distribution facilities, five cardlocks, 84 dealer retail sites and a 17-car strategic rail spur.

On March 30, 2020, in response to the uncertain economic impact of COVID-19, Parkland announced a reduction in its 2020 Capital Expenditure program and the withdrawal of its 2020 Adjusted EBITDA guidance, reiterated its financial strength and provided other corporate updates.

On April 27, 2020, Parkland announced that it completed the turnaround of the Burnaby Refinery and had begun the startup sequence for the facility.

On May 13, 2020, Parkland, through its U.S. subsidiaries, completed the acquisition of seven Conoco-branded forecourt retail sites located in and around Billings, Montana, expanding Parkland's existing Northern Tier ROC.

On June 23, 2020, Parkland closed its private placement of the 2028 6.00% Senior Notes, which bear an interest rate of 6.00% per annum and were issued at par. Parkland used the net proceeds from this offering, along with available cash, to (i) redeem all of the outstanding $200 million aggregate principal amount of 5.50% senior notes with a final maturity date of May 28, 2021 and (ii) redeem all of the outstanding $200 million aggregate principal amount of 6.00% senior notes with a final maturity date of November 21, 2022, each on July 21, 2020. See "Description of Capital Structure – Indebtedness – Senior Notes".

On July 22, 2020, Parkland announced its collaboration with Amazon Web Services ("**AWS**") to further strengthen its customer value proposition and loyalty initiatives and accelerate its digital transformation. AWS as its strategic digital provider has enabled Parkland to tap into leading expertise in machine learning and analytics to improve its logistics and enable frictionless commerce.

On September 10, 2020, Parkland announced its acquisition of a license for the exclusive use of the On the Run trademark in the majority of U.S. states and an option to purchase the On the Run U.S. trademark together with the license owner's On the Run franchise business. The acquisition has positioned Parkland to expand On the Run across the U.S. to create a unified, North American convenience store brand.

On September 30, 2020, Parkland published its inaugural sustainability report, which outlined Parkland's established environmental, social and governance practices and set the stage for the development of an enterprise-wide sustainability strategy.

On December 7, 2020, Parkland, through its U.S. subsidiaries, completed the acquisition of all of the assets of Sevier Valley Oil Company, Inc. and its related companies, a well-established retail and commercial fuel business based in Richfield, Utah, with annual fuel and petroleum product volume of approximately 350 million liters, that operates primarily in southwestern Utah and has a presence in northern Utah and Colorado (the "**SVO Acquisition**"). The SVO Acquisition includes seven company-owned retail locations and more than 20 retail dealers, as well as robust diesel and lubricant distribution capabilities.

On December 31, 2020 Parkland, through its U.S. subsidiaries, completed the acquisition of certain assets of Carter Oil Company Inc. and its affiliates, a wholesale and commercial fuel distributor based in Flagstaff, Arizona (the "**Carter Acquisition**"). The Carter Acquisition complemented Parkland's existing operations in Utah and Arizona, within its Rockies ROC, and expanded Parkland's presence in the northern Arizona region.

2019

On January 8, 2019, Parkland completed the indirect acquisition of 75% of the issued and outstanding shares in the capital of SIL pursuant to the business combination agreement entered into between Estrella Holdings Limited, a wholly-owned subsidiary of Parkland, and Sol Limited on October 9, 2018 (the "**Sol Transaction**") The purchase price for the Sol Transaction totaled $1,380 million, consisting of (i) cash consideration of $960 million (net of estimated cash assumed, working capital adjustments and gain on a U.S. dollar currency hedge) and (ii) fair value of share consideration of $423 million (representing 12.2 million Common Shares calculated using the trading price of $34.56 per Common Share). Upon completing the Sol Transaction, Simpson Oil Limited (formerly Sol Limited) held 9.9% of the then issued and outstanding Common Shares and the remaining 25% of the issued and outstanding shares of SIL.

The assets and infrastructure acquired by Parkland as part of Sol Transaction consisted of: (i) Sol's retail businesses, which included 526 retail stations (266 company owned or company leased sites and 260 dealer owned and operated sites); (ii) Sol's supply and distribution businesses, which included owned or leased infrastructure assets including 32 import terminals, seven pipelines, three marine berths and ten charter ships; (iii) Sol's commercial and industrial businesses, which supply gasoline, diesel, fuel oil, propane and lubricants; and (iv) Sol's aviation businesses, which operated in 13 countries.

The Sol Transaction extends Parkland's supply reach globally and builds on Parkland's supply advantage strategy and provides Parkland a significant South American and Caribbean growth platform for strategic initiatives and access to key markets in 23 countries and comprehensive supply infrastructure in the Caribbean and northern coast of South America. The Sol Transaction was a significant acquisition under National Instrument 51-102, therefore, a business acquisition report was filed on March 25, 2019, which is available under the Corporation's SEDAR profile at www.sedar.com.

In connection with the Sol Transaction, Estrella Holdings Limited, Parkland's wholly-owned subsidiary, and Sol Limited entered into a shareholder agreement in respect of SIL (the "**Sol Shareholder Agreement**"). The Sol Shareholder Agreement includes a put right for Sol Limited to sell and a call right for Estrella Holdings Limited to acquire the remaining interest in Sol at a proportionate purchase price based on Sol's trailing-twelve-month adjusted earnings before interest, taxes, depreciation and amortization, multiplied by 8.5 and other adjustments calculated pursuant to the Sol Shareholder Agreement. Estrella Holdings Limited has the right to refuse the exercise by Sol Limited of its put right on up to two occasions.

On June 1, 2019, Parkland, through its U.S. subsidiaries, completed the acquisition of substantially all of the assets of Ken Bettridge Distributing Inc., a bulk fuel and lubricants distributor and operator of fleet fueling, convenience stores and cardlock services in southwest Utah and southeast Nevada (the "**KB Oil Acquisition**"). The KB Oil Acquisition expanded Parkland's existing Rockies ROC.

On July 10, 2019, Parkland closed its private placement of the 2027 5.875% U.S. Senior Notes, which bear interest at a rate of 5.875% per annum and were priced at par. Parkland used net proceeds from this offering to repay in full the U.S. Term Loan Facility due 2021 and to repay certain amounts outstanding under its revolving Credit Facilities. See "Description of Capital Structure – Indebtedness – Senior Notes".

On October 1, 2019, Parkland, through its U.S. subsidiaries, completed the acquisition of Tropic Oil Company, LLC and the equity interests and assets of its certain affiliates, a transporter, distributor and marketer of fuels and lubricants in the central and south Florida region (the "**Tropic Acquisition**"). Through the Tropic Acquisition, Parkland added its third U.S. ROC, Southeast, headquartered in Miami Dade, Florida, and expanded Parkland's presence in the southeastern part of the U.S.

On October 17, 2019, Parkland announced the launch of JOURNIE™ Rewards with Canadian Imperial Bank of Commerce as its strategic banking partner. The launch of JOURNIE™ Rewards brings Parkland's national network of fuel retail sites and On the Run convenience stores under a single proprietary rewards program with compelling fuel and merchandise offers, Canada-wide.

On December 17, 2019, Parkland, through its U.S. subsidiaries, completed the acquisition of the assets of Mort Distributing Inc. and its affiliates, a marketer and distributor of fuels and lubricants serving retail, commercial and wholesale customers across Montana (the "**Mort Acquisition**"). The Mort Acquisition complemented and strengthened Parkland's existing Northern Tier ROC and allows Parkland to further capture distribution efficiencies and enhance customer services across the Northern Tier ROC.

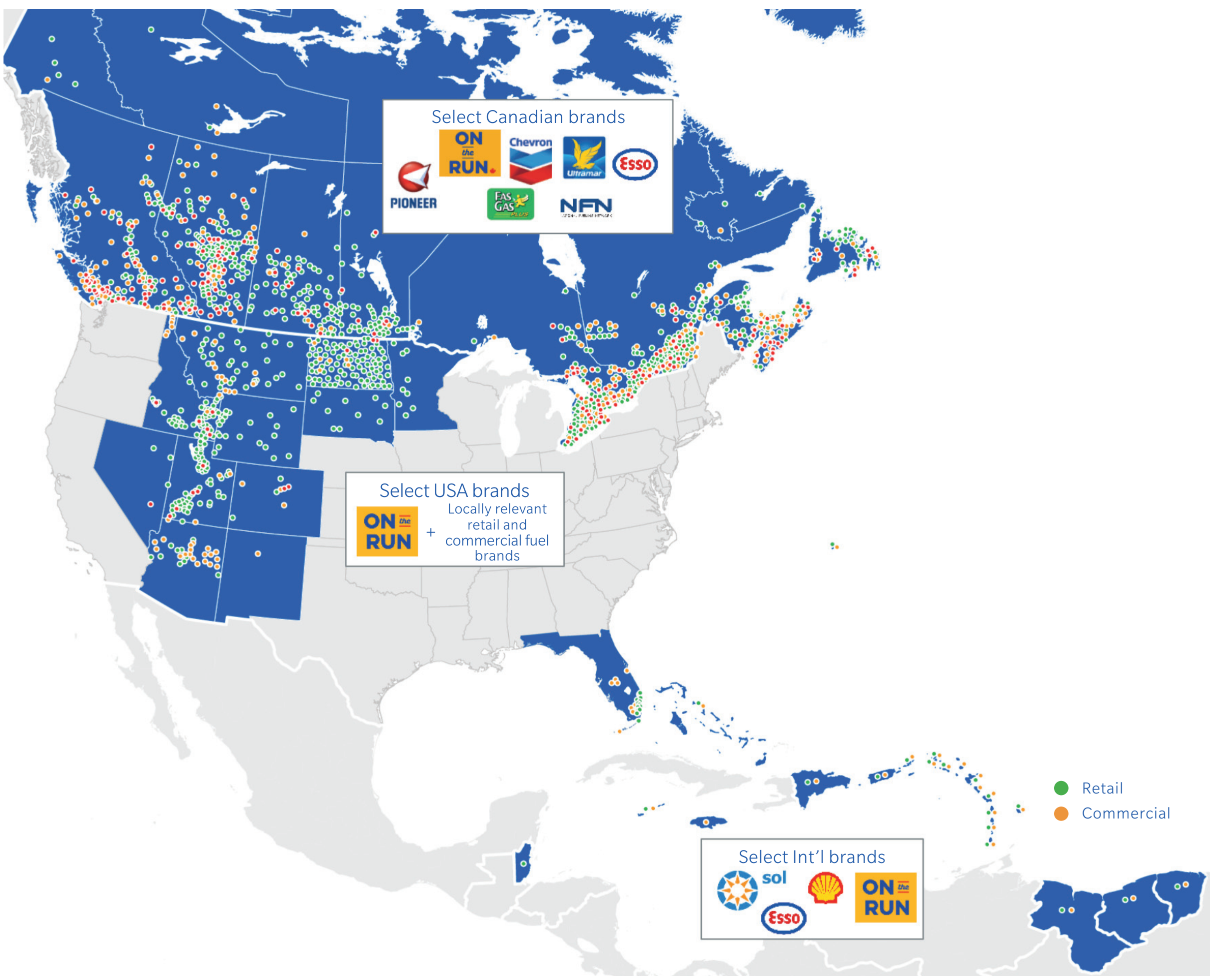
DESCRIPTION OF THE BUSINESS OF THE CORPORATION

Who We Are

Parkland is a leading food and convenience store operator, an independent supplier and marketer of fuel and petroleum products and a leader in renewable energy. Parkland's purpose is to power journeys and energize communities. Through our portfolio of trusted and locally relevant food, convenience, retail, commercial and wholesale brands, we serve over one million customers per day across Canada, the United States, the Caribbean region and Central and South America. In addition to leveraging our supply and storage capabilities to provide the essential fuels that our diverse customers rely on, we are a leader in renewable energy and are building an EV charging network to serve growing demand for convenient charging from EV drivers in select markets and decarbonizing through renewable fuels manufacturing, compliance and carbon offsets marketing and trading.

Parkland's proven strategy is centered around growing organically, realizing a supply advantage, acquiring prudently, and integrating successfully. We are positioned to lead through the energy transition and are focused on developing our existing business in resilient markets, further diversifying our retail business into food, convenience and renewable energy solutions (including EV charging), and helping our commercial customers decarbonize their operations. Our strategy is enabled and underpinned by our people, as well as our values of safety, integrity, community, and respect, which are deeply embedded across our organization.

Parkland has a diverse geographic and product platform across 25 countries.

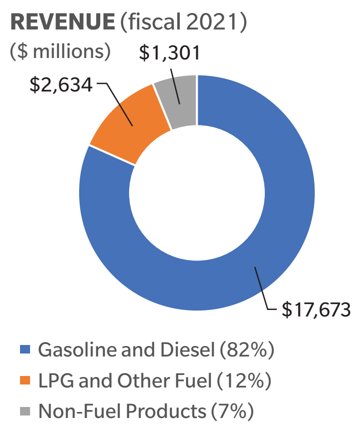


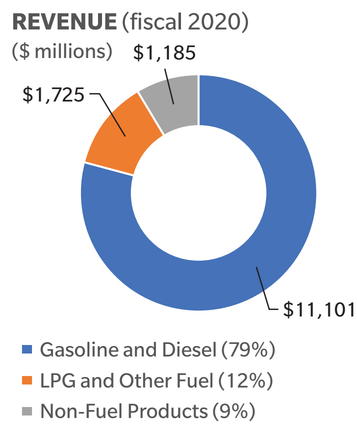
The below table sets out Parkland's operating profile across its geographic locations as at December 31, 2021.

Operating Profile	Canada	USA	International	Total
Retail Company & Dealer sites	1,812 (1)	632	657 (2)	3,099 (1)(2)
Cardlock sites	162	49	-	211
Net refining interest (mmbls/d)	55	-	5	60
Terminals and bulk plants	39	66	42	147
Marine / aviation services	✓	✓	✓	✓

Notes:
(1) This data is reported as at December 31, 2021, and therefore, does not include the 173 retail sites in Quebec that were acquired by Parkland in connection with the Crevier Acquisition that closed on February 1, 2022.
(2) Parkland, through its 75% ownership in SIL, has a 50% joint venture interest in 236 of these sites. See "Operating Segments – International" for more information.

Parkland has three main sources of revenue: (i) gas and diesel; (ii) LPG and other fuel and petroleum products; and (iii) non-fuel products, including convenience store, lubricants and other items. The following graphs show Parkland's revenue for each main revenue source for the fiscal years 2020 and 2021.





Core Capabilities

While Parkland's reach extends across the Americas, its service and value propositions are local. Parkland's core capabilities include:

- leading food and convenience store brands tailored to local markets and fuel marketing capability to provide local services through retail and commercial networks;
- broad supply and distribution infrastructure with a reach and scope that allows it to identify opportunities between markets in which other independents may not be able to capitalize;
- a diverse portfolio of regional markets, brands and products that help mitigate the risk of market, economic, operational and environmental disruptions in any one market;
- supply security through the Burnaby Refinery and supply relationships and agreements with all major refiners supplying in the markets where Parkland operates; and
- distribution channels that provide Parkland a supply advantage and a balanced sales portfolio of gasoline, diesel, jet and propane and that give our customers a broad product offering.

These core capabilities are achieved by Parkland's strategic plan, which consists of the following pillars:

Grow Organically

Parkland drives organic growth by leveraging its portfolio of products and services, industry leading brands, expansive network and operational excellence to create meaningful and differentiated customer value and loyalty propositions. The Company has invested capital into growth opportunities that strengthen its entire business, optimizes its supply chain to lower product costs, and leverages technology, proprietary data and its brands to continuously enhance its customer value and loyalty propositions. Parkland continuously advances and evolves these capabilities to position itself to provide a differentiated and high customer value proposition in each of its markets. Organic growth opportunities by operating segment include the following:

Canada

- NTI retail sites;
- On the Run rebrands and retrofits;
- continued expansion of JOURNIE™ Rewards;
- private label products, including food offerings under the 59th Street Food Co.™ brand and other merchandise under the Cargo™ brand;
- expansion of high-quality food offerings and capabilities, including M&M Food Markets and Triple O's branded franchise restaurants;
- expansion of EV charging stations; and
- expansion of Parkland's bulk propane business.

USA

- growing commercial and national accounts business;
- NTI retail sites; and
- On the Run rebrands and retrofits.

International

- NTI retail sites;
- expansion of LPG and aviation services business;
- growth in servicing the natural resources economies, in particular in Guyana and Suriname;
- optimization of supply and trading operations and logistics; and
- development of roof-top solar across company-owned retail network.

Supply

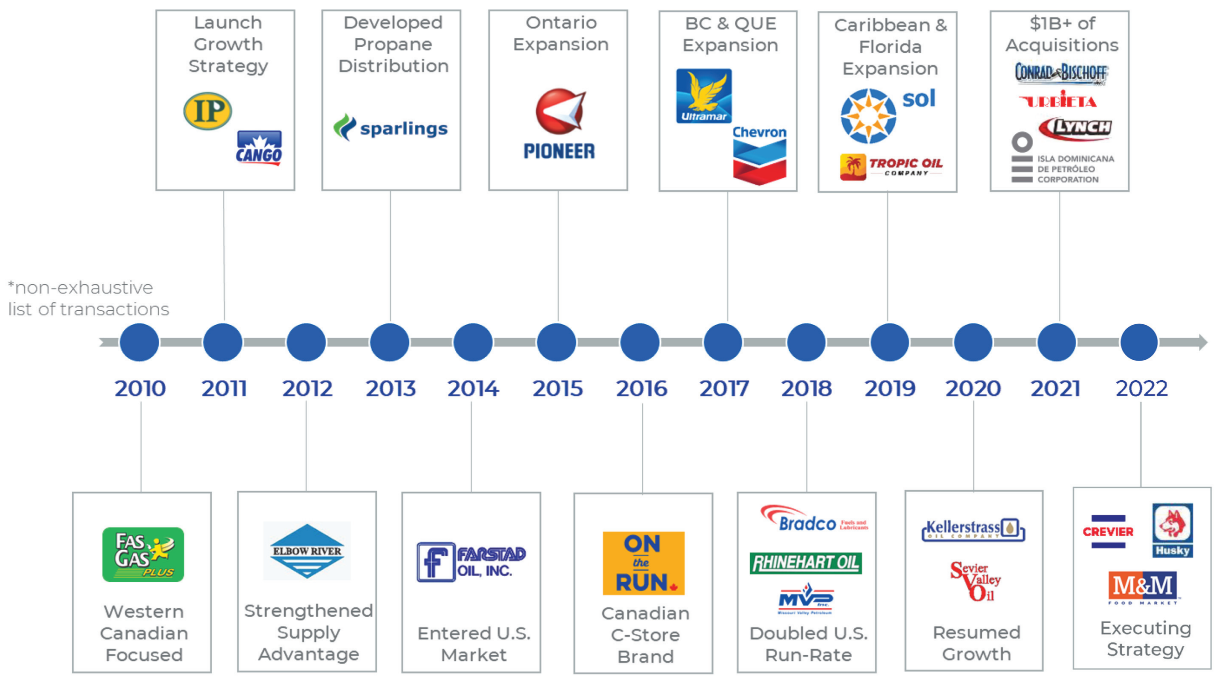
- marine and rail import opportunities in eastern Canada;
- further low carbon fuel development through co-processing at the Burnaby Refinery;
- growing renewables business, including compliance and carbon offsets marketing and trading business, product sourcing and transportation business and commercial solar power; and
- capital-light infrastructure opportunities, such as transloading facilities.

Supply Advantage

Parkland has built a strong supply advantage across its entire business that is underpinned by a strong asset portfolio, supply flexibility and logistics and trading capabilities. The Company strives to enhance margins by leveraging its scale and product diversity, and sources the most economic products by leveraging its transportation and storage capacity. Parkland's supply advantage is supported by the safe and reliable operation of the Burnaby Refinery, coupled with purchasing a full suite of products from third party refiners and suppliers. The Company safely, efficiently and reliably supplies its own retail, commercial and wholesale sales network and drives incremental value through third-party sales.

Acquire Prudently and Integrate

The Company has a proven track record of identifying, acquiring and integrating leading regional operators that complement, strengthen and expand its business. Parkland is skilled at effectively integrating acquired companies, including driving operational efficiencies, capturing synergies and creating value with support from its supply advantage and marketing platform. The combination of its supply advantage, integration and renewable energy capabilities, strong brands and experience across all fuel marketing channels positions Parkland to be a regional consolidator of the often-fragmented fuel distribution market. Parkland's disciplined acquisition approach has allowed it to excel at acquiring complex target portfolios in supply inefficient markets. The below timeline highlights some representative transactions Parkland has completed over the past 10 plus years.



Enable Our Teams to Succeed

Parkland's employees are at the heart of its strategy. We are committed to enabling our teams to succeed by recruiting and developing high-calibre team members, fostering engagement, building an industry-leading organizational culture and investing in technology that supports efficiency and productivity. We champion the Parkland BOLD behaviours by empowering our employees to Build, Own, Lead and Deliver on their mandates. Our employees also embrace our Parkland values of safety, integrity, community and respect, which are at the core of everything we do. At Parkland, our employees are our most important resource and by investing in our people, we are directly contributing to the success of our organization.

Energy Transition

While Parkland's conventional convenience store and fuels marketing business will have a strong future, these operations also provide an important foundation for us to build and develop our energy transition businesses. We continue to see opportunities to grow our existing business in markets with resilient fuel demand and are leveraging our existing business to capitalize on growth opportunities that enable a lower carbon economy. We are expanding our convenience and food operations and capabilities, building an EV charging network to serve growing demand for convenient charging from EV drivers, and co-processing bio-feedstocks to produce lower-carbon refined products. We are positioned to lead through the energy transition to meet the evolving needs of our customers and are focused on the following:

- **Developing** our existing business, organically and through acquisitions, in resilient markets with strong and long-term conventional fuel demand. We believe conventional fuels have a long and profitable runway and that there is significant consolidation potential, in which our leading supply advantage gives us a competitive edge. A strong conventional customer base and an existing asset base are critical to enabling our energy transition.
- **Diversifying** our retail business into food, convenience, and EV charging, creating a frictionless customer experience that is tied to a digital platform through our trusted JOURNIETM loyalty program. By growing proprietary brands, improving site productivity, expanding On the Run / Marché Express and EV charging in select markets, significantly enhancing our food offers across our business and accelerating the digital experience, we will continue to help customers make the most of every stop for many decades to come.
- **Decarbonizing** the operations of our commercial customers through manufacturing renewable fuels, marketing compliance and carbon offsets, sourcing and transporting renewable products, and installing solar power at commercial customer facilities. Our bio-feedstock co-processing capabilities at the Burnaby Refinery are world class. These operations are highly capital efficient and are lower cost compared to alternative compliance pathways in the market. We believe regulators will continue to advance clean fuel standards that support our growing renewable blending, infrastructure and marketing businesses.

Operating Segments

For the year ended December 31, 2021, Parkland's business comprised four operating segments: Canada, USA, Supply and International. Parkland's business also includes a non-operating Corporate segment.

Canada

Canada owns, operates, supports and distributes a coast-to-coast network of retail convenience, food and fuel sites, commercial cardlocks and bulk fuel facilities, and also provides propane, heating oil, lubricants and other related services to commercial, industrial and residential customers. Canada operates under five key retail fuel brands: Ultramar, Esso, Fas Gas Plus, Chevron and Pioneer. In addition, Canada operates a leading convenience store brand, On the Run, providing locally relevant convenience merchandise and food offerings, as well as other convenience store brands that will be migrated over time to the On the Run brand where appropriate. In addition, Canada serves its commercial customer base through a family of brands including Ultramar, Bluewave Energy, Pipeline Commercial, Chevron, Columbia Fuels and Sparlings Propane. Canada's key marketing locations as of December 31, 2021 are set out in the table below and serviced through Parkland's distribution and terminal capabilities:

Operating Profile	Canada
Company retail sites	659
Dealer retail sites	1,153
Total retail service stations	**1,812** (1)
Commercial cardlock sites	162

Note:

(1) This data is reported as at December 31, 2021, and therefore, does not include the 173 retail sites (30 Company and 143 Dealer) in Quebec that were acquired by Parkland in connection with the Crevier Acquisition that closed on February 1, 2022.

Parkland employs a multi-brand strategy in its Canada retail business. The following brands provide a robust offering to satisfy many retail fuel and convenience store market segments:

- **On the Run convenience store brand** – On the Run is Parkland's flagship convenience store brand in Canada. On the Run is a well-recognized and reputable convenience store brand that is growing and enhancing our convenience store offering in company-owned and franchise locations. As of December 31, 2021, Parkland had a total of 372 company-owned and franchised locations in Canada.
- **Ultramar** – Ultramar is one of the most recognized retail fuel brands in Quebec, Ontario and Atlantic Canada. Parkland has exclusive rights to use the Ultramar brand, with the exception of sites retained by Alimentation Couche-Tard Inc. as part of Parkland's acquisition of the majority of the Canadian business and assets of CST Brands, Inc. from Alimentation Couche-Tard Inc. in 2017.
- **Chevron** – Chevron is a premium brand based principally in the Greater Vancouver area with locations across British Columbia and Alberta. Other offers include Town Pantry, On the Run branded convenience stores and Triple O's branded franchise restaurants. Parkland is an exclusive distributor of Chevron-branded fuels in western Canada.
- **Pioneer** – Pioneer is an Ontario-based brand with high customer value, largely located in suburban/commuter markets that offers a market-leading competitive fuel price, and convenient locations.
- **Fas Gas Plus** – Fas Gas Plus is a community-focused brand with knowledgeable and friendly retailer operators and dealers.
- **Esso** – Parkland's Esso-branded wholesaler agreement provides Parkland with the opportunity to offer Esso's nationally-recognized premium brand to Parkland's own network and to independent dealers.

In Canada's retail business, strategic marketing initiatives continue to progress with programs designed to drive convenience store traffic, build basket size and enhance enterprise gross margin. As part of creating a convenience destination for customers, Parkland offers extensive food options at its On the Run locations. As at December 31, 2021, such food offerings included: (i) Parkland's private label food brand, 59th Street Food Co.™, and non-food brand, Cargo™, which offer a range of quality convenience goods with over 71 products in market; (ii) M&M Express Frozen Foods, providing customers with high-quality frozen food options at 138 On the Run locations; and (iii) Triple O's, bringing fresh, high-quality food options to On the Run locations across British Columbia, Alberta and Ontario. In addition, Parkland offers third-party delivery services at various sites, including SkipTheDishes at 275 locations, Door Dash at 260 locations, Uber Eats at 93 locations and Amazon Hub Locker pick-up at 71 locations. The M&M Acquisition was completed on February 18, 2022, expanding Parkland's food offerings to include more than 300 standalone franchise and corporate owned stores and more than 2,000 M&M Express locations. Parkland's JOURNIE™ Rewards loyalty program, which is active at more than 1,200 our Parkland's Canadian fuel retail sites, continues to deliver value for our customers and reached approximately 2.8 million members by the end of 2021. As part of Parkland's retail diversification strategy, Parkland plans to continue to enhance and expand JOURNIE™ Rewards, which allows Parkland to better understand our customers and provide offers to serve them.

Canada operates its retail business under two main business models:

- **Company** – The Company business model includes sites that are owned or leased by Parkland and are operated and managed by either Parkland or independent retailers on its behalf. Parkland owns the fuel inventory and maintains control of the retail selling price at the fuel pumps. Convenience store inventory may be owned by the retailer or Parkland. If the site is operated by a retailer, Parkland pays the retailer a commission and collects from the retailer percentage fees on the convenience store sales or gross margin. Sites operating under industry models such as company-owned, retailer operated (CORO) and COCO are included under the Company business model.
- **Dealer** – The Dealer business model includes sites owned or leased by an independent dealer or Parkland and are operated and managed by the independent dealer. Parkland secures long-term fuel supply contracts with the dealer, usually between 5 and 20 years in length, and supplies fuel to the dealer based on independently published rack prices. The dealer owns the fuel inventory and maintains control of the retail price selling at the fuel pumps, unless the inventory was supplied to the dealer by Parkland on consignment, in which case Parkland owns the fuel

inventory and determines the retail price selling at the fuel pumps. Convenience store inventory is owned by the dealer. Sites operating under industry models such DODO, CODO or consignment dealer-operated fall under the Dealer business model.

The following table provides a summary of Parkland's site count by brand and business model within Canada's retail business as of December 31, 2021, which does not include the 173 retail sites (30 Company and 143 Dealer) that were acquired by Parkland in connection with the Crevier Acquisition that closed on February 1, 2022:

	Ultramar	Esso	Fas Gas Plus	Chevron	Pioneer	Other	Total
Company sites	175	76	88	179	129	12	659
Dealer sites	422	496	86	30	53	66	1,153
Site count, as at December 31, 2021	**597**	**572**	**174**	**209**	**182**	**78**	**1,812**
Company sites	171	73	89	174	131	12	650
Dealer sites	444	505	92	24	50	67	1,182
Site count, as at December 31, 2020	**615**	**578**	**181**	**198**	**181**	**79**	**1,832**
Net change in site count	**(18)**	**(6)**	**(7)**	**11**	**1**	**(1)**	**(20)**

The change in site count is attributable to network plan optimization and routine site count fluctuations as a result of new site builds (NTI sites), new dealers, site conversions, site sales, site closures, or site rebranding. In the year ended December 31, 2021, the number of Company sites increased by nine, from 650 to 659, with the addition of 15 new sites and the closing of six sites. In the year ended December 31, 2021, the number of Dealer sites decreased by 29, from 1,182 to 1,153, with the addition of 27 NTI and the closure of 56 sites. The number of cardlock sites remained the same, at 162, in the year ended December 31, 2021.

Canada's commercial business delivers bulk fuel, bulk and cylinder exchange propane, heating oil, lubricants and other related products and services to commercial, industrial, wholesale and residential customers across Canada through an extensive delivery network. The commercial business also has an extensive cardlock network that includes commercial truck fueling stations and marine fuel facilities. Parkland uses a variety of regionally relevant trade names, service marks and trademarks in the businesses that are considered by Parkland to be important and valuable in marketing its products. Our commercial customer base is diverse, supplying a broad cross-section of industries across Canada including oil and gas, construction, mining, forestry, fishing and transportation. Parkland also sells propane and heating oil to residential and commercial customers across Canada.

The family of brands in the commercial business in Canada include Ultramar, Bluewave Energy (rebranded to Ultramar in eastern Canada in 2019), Pipeline Commercial, Chevron, Columbia Fuels, Sparlings Propane and Island Petroleum. The commercial segment goes to market through five ROCs, which enables us to meet local market needs effectively and maintain a high level of customer service.

International

The International segment is represented by Parkland's indirect interest in 75% of the issued and outstanding shares of SIL, which was acquired in the Sol Transaction. See "General Development of the Business – Recent Developments – 2019" for additional information regarding the Sol Transaction. With sales and operations in 23 countries, Sol is the largest independent fuel marketer in the Caribbean, with its retail channel serving customers under the Sol, Esso, and Shell brands, and its commercial and wholesale channel delivering gasoline, diesel, fuel oil, propane, lubricants and jet fuel to customers in various geographies and sectors. International has an integrated supply chain backed by an extensive distribution network, a premier brand portfolio and an exceptional team. International's businesses and assets are predominantly located in the Caribbean and north eastern coast of South America and consist of: (i) retail businesses, which, as at December 31, 2021, included 225 company-owned or company-leased sites and 196 dealer-owned and dealer-operated sites under the Esso, Shell and Sol brands, and a 50% joint venture interest in the largest retail network in the Dominican Republic consisting of 236 retail sites, including 67 COCO sites, 38 CODO sites, 108 DODO sites and 23 dealer-owned, Isla-operated sites, in connection with the Dominican Republic Transaction; (ii) supply and distribution operations, comprised of owned or leased infrastructure assets, including import terminals, storage facilities, pipelines, marine berths and charter ships; (iii) commercial and industrial businesses, which supply gasoline, diesel, fuel oil, propane and lubricants; (iv) aviation fuel operations at 14 airports in the region; and (v) Sol Ecolution, International's renewable energy business, which provides commercial solar and other renewable energy solutions. In addition, the business owns a 29% non-operating financial stake in the entity that owns and operates the Société Anonyme de la Raffinerie des Antilles ("**SARA Refinery**") located in Fort-De-France, Martinique which has a nameplate capacity of 16,000 barrels per day and supplies refined products to Guadeloupe, French Guiana and Martinique. International extends Parkland's supply reach internationally and builds on Parkland's supply advantage strategy, providing Parkland with a strategic growth platform and access to key markets and comprehensive supply infrastructure in the Caribbean and north eastern coast of South America. In 2021, Parkland, through its 75% ownership in SIL, completed the Puerto Rico Acquisition, the Dominican Republic Transaction and the St. Maarten Acquisition, which strengthen the International segment and extend its portfolio of growth opportunities. For additional information regarding these transactions, see "General Development of the Business – Recent Developments – 2021".

Sol's business operates through the following channels:

- **Commercial and Wholesale** - International's commercial and wholesale business delivers and supplies gasoline, diesel, fuel oil, propane and lubricants to customers in various geographies and sectors, including wholesale customers, power, oil and gas, mining companies and hospitality. In addition, International's aviation business operates at 14 airports in the region, supplying aviation fuel and services to airlines. In 2021, International's commercial and wholesale business sold approximately 4.0 billion liters of fuel.
- **Retail** – International's retail business operates under the Esso, Shell and Sol brands. International is also the owner of the Sol Shop convenience store brand. The new Sol convenience stores take advantage of the newest technology to minimize the time from order to serve and have proprietary food and drink offers, including made-to-order hot food, bakery, cold food, as well as hot and chilled beverages. Sol's retail business operates in 21 countries. In 2021, Sol's retail business sold approximately 1.6 billion liters of fuel. International's retail business operates under one of the two main business models:
  - **Company-owned or company-leased sites** – Sites are owned or leased by International and operated by a dealer or employees of the International segment. Sites operating under industry models such as CODO, company-leased, dealer-operated ("**CLDO**") and COCO are included in this model. In CODO and CLDO sites, the dealer owns the convenience store and fuel inventory. In COCO sites, International owns the convenience store and fuel inventory.
  - **Dealer-owned and dealer-operated sites** – These DODO sites are owned, managed and operated by the dealer. International secures long-term fuel supply contracts with the dealer and supplies fuel to the dealer. The dealer owns the fuel inventory. Convenience store inventory is usually owned by the dealer. Other operating model variants where the site is not owned or leased by International are also included in this category.

International has sales and operations in 23 countries in the Caribbean. International also maintains offices in 21 countries, which are organized into five ROCs as follows:

Eastern Caribbean	Western Caribbean	Spanish Caribbean	French Caribbean	South America
Anguilla	Bahamas	Belize	French Guiana	Guyana
Barbados	Bermuda	Dominican Republic	Guadeloupe	Suriname
British Virgin Islands	Cayman Islands	Puerto Rico	Martinique	
Dominica	Jamaica			
Grenada				
St. Kitts & Nevis				
St. Lucia				
St. Maarten				
St. Vincent & Grenadines				

International's results are influenced by a variety of inherent business factors such as tourism high/low seasons, volume of activity in the oil and gas, and mining industries, performance of local economies, regional variations, fluctuations in quantity and timing of volumes related to third-party supply contracts for spot sales as well as the crude supply to the SARA Refinery and other wholesale customers.

USA

USA, Parkland's fastest growing segment, delivers fuel, lubricants and other related products and services to customers, and operates a network of retail fuel and convenience stores and cardlocks under various brands throughout the United States. USA operates a wide variety of terminals, storage facilities and trucks, and contracts with pipeline, storage facilities and third-party carriers to support its network. Through its acquisition and consolidation strategy, USA is a platform for growth in the United States and provides Parkland with export opportunities for products from western Canada as well as synergies with the International segment.

USA operates and generates profits from the following two main channels:

- **Commercial and Wholesale** – USA's commercial business delivers gasoline, diesel, marine fuel oil, propane, lubricants, and ancillary products to customers in various geographies and sectors, including commercial, industrial, retail, agricultural, construction, mining, and marine customers. Fuel is primarily delivered to customers by truck. USA is a supplier of ExxonMobil lubricants and a supplier of Ridgeline, Parkland's private label offering for lubricants and other ancillary products. USA's commercial business also operates a network of cardlocks across the country that are compatible with major fueling networks. USA's commercial business trades under various brands including, without limitation, Rhinehart Oil, Farstad Oil, Conrad & Bischoff, Tropic Oil and NFN National Fuel Network. USA's wholesale business supplies gasoline, diesel and other fuels to wholesale customers across the United States. Fuel is primarily delivered to customers by truck, railcar, pipeline or third-party rack facilities. USA's wholesale business primarily trades under Parkland (U.S.) Supply Corp., a wholly-owned U.S. subsidiary of Parkland. Further, USA's commercial business supplies independent retail sites under the Dealer model, which include multi-site dealer chains and branded and unbranded relationships. Refer to the "Canada" heading above for a description of the Dealer model.
- **Retail** – USA's retail fuel business consists of Company retail sites that operate under various brands including, without limitation, On the Run, Arco, Cenex, Chevron, Conoco, Exxon, Marathon, Mobil, Mr. Gas, Texaco, Phillips 66, Shell, U-Gas and 76. USA's convenience store business operates under various brands including, without

limitation, On the Run, KJ's, Hart's, KB Express, Casey's Corner, Mr. Gas and U Shop. USA offers a diverse product mix at its convenience stores, including food and drink offers. Refer to the "Canada" heading above for a description of the Company model.

USA's operating profile as at December 31, 2021 is set out in the table below:

Operating Profile	USA
Company retail sites	212
Dealer retail sites	420
Total retail service stations	**632**
Commercial cardlock sites	49

USA business is organized into four ROCs, which mainly operate in the following U.S. states:

Rockies ROC	Northern Tier ROC	Pacific Northwest ROC	Southeast ROC
Utah	North Dakota	Idaho	Florida
Colorado	Wyoming		
Arizona	Minnesota		
Nevada	Montana		
New Mexico			

USA also has an office in Houston, Texas that performs wholesale activities to customers across the United States.

In 2021, Parkland capitalized on the consolidation opportunities in the United States, completing the Story Acquisition, the C&B Acquisition, the Master Petroleum Acquisition, the Red Carpet Carwash Acquisition, the Bradenton Acquisition, the Urbieta Acquisition and the Lynch Acquisition. See "General Development of the Business – Recent Developments – 2021" for details on these acquisitions. Collectively, these acquisitions establish or expand Parkland's geographic presence in the respective markets of each acquisition, strengthen our supply advantage, and provide growth opportunities.

Supply

Overview

Supply serves the Canada and USA segments as well as external customers. Supply consists of logistics, marketing, supply and the Burnaby Refinery. This segment supports Parkland's strategic objectives by manufacturing transportation fuels, procuring feedstocks and fuels from third parties, and transporting (via ship, rail, truck and pipeline), storing and marketing fuel, crude oil and LPGs to serve a wide range of customers across North America and the Caribbean. Supply also manufactures and sells aviation fuel to airlines operating out of the Vancouver International Airport. Major sales categories are:

- gasoline and diesel;
- LPG, which includes propane and butane; and
- other fuel and petroleum products, which include crude oil, aviation fuel, asphalt, fuel oils, gas oils, ethanol and biodiesel.

Contracts – Supply maintains fuel supply contracts with multiple oil refiners and wholesale and trading suppliers. This diversity of supply contracts, combined with strategic storage and logistics infrastructure, allows Parkland to obtain fuel at competitive prices and enhances fuel supply security for Parkland owned sites and for all Parkland customers.

Purchases – Supply sources fuel from third party suppliers and sells, at an arm's length transfer price, to Parkland's Canada and USA segments. Parkland uses its leased rail car fleet and leverages its network of North American relationships with a view to match purchase and sales contracts and execute on a strategy of geographic and seasonal arbitrage.

Transportation, Storage and Terminalling – Supply transports fuel across North America, the Caribbean and the northern part of South America by truck, rail and ship, using its trucking fleet, 1,798 leased rail cars and 11 charter vessels. The Supply storage network includes access to owned fuel storage terminals in Burnaby, Port Hardy and Hatch Point, British Columbia and Bowden, Alberta, as well as leased tanks in Montréal, Quebec. The Supply network in Canada also oversees the Milton, Ontario and Hamilton, Ontario rail transloads which receive rail shipments from various supply locations and transfer fuel directly into trucks for delivery to various locations. The rail transload located in Milton, Ontario closed on December 31, 2021. Parkland's USA supply network has access to fuel storage terminals, tanks, rail transloader, marine terminals and pipelines throughout the U.S.

Refinery Operations

The Burnaby Refinery is a valuable asset with a track record of highly reliable operations since 1935 and is ideally located to serve the British Columbia market as the largest of only two refineries in the province, and the only refinery in the Vancouver supply area. Additionally, it is highly integrated with Parkland's retail, commercial, and wholesale businesses, with approximately 85% of the refined product output being sold to Parkland's retail and commercial network.

The Burnaby Refinery includes two crude units, including a 25,000 barrel per day crude unit and a 30,000 barrel per day splitter, that are designed to process Canadian light and medium crudes. Substantially all of the crude oil sourced by the Burnaby Refinery is delivered from Alberta by the TMPL and comprises primarily light sweet crude, with some portion of Canadian synthetic crudes. This pipeline is the most efficient and reliable source to access crude oil. TMPL is a common carrier pipeline with a throughput capacity of approximately 300,000 barrels per day and transports crude oil and refined petroleum products from Edmonton, Alberta to refineries and terminals in British Columbia and Washington state. Line space on the TMPL will be apportioned based on nomination verification procedures based on the pipeline's historical deliveries to each facility connected to the pipeline at a land destination as defined on the tariff approved by the NEB. Based on the Burnaby Refinery's historical usage Parkland's capacity on the pipeline varies with market conditions. To manage month to month variability, Parkland has established systems, processes and resources to make the most economic supply decisions within the logistical and operational constraints. Parkland also sources crude oil or other feedstocks by vessel, rail and truck when economically viable. Other feedstocks used by the Burnaby Refinery include vacuum gas oil, butane, isooctane, sources for biofuels (including tallow and canola) and naphtha.

Since 2017, Parkland's Burnaby Refinery has been processing renewable feedstocks alongside conventional crude oil. This method is called co-processing and it produces renewable gasoline, diesel and jet fuel which produce fewer GHGs than conventional liquid fuel. Co-processed fuels can be safely used in existing vehicles without modification. To date, the Burnaby Refinery has co-processed canola oil and tallow, and is exploring the use of forest residuals, wastewater biomass and carbon capture liquids as feedstocks. Parkland is proud to be the first refinery in Canada to successfully co-process using existing refinery infrastructure and expertise. Parkland's co-processed fuels have approximately 1/8 of the carbon intensity of conventional fuels. The Burnaby Refinery co-processed over 86 million litres of Canadian bio-feedstock during 2021, which is the equivalent of taking over 70,000 passenger vehicles off the road in 2021.

Refineries undergo periodic turnarounds to upgrade operating units and perform scheduled maintenance from time to time. In October 2021, the Burnaby Refinery began its turnaround with a full refinery outage to support a catalyst change in the diesel hydrotreater ("**DHT**") and some complimentary maintenance in the naphtha hydrotreater ("**NHT**"). The Burnaby Refinery restarted at the end of the month once the DHT / NHT work was completed. The Alkylation and Merox units were shut down for turnaround in October 2021 and came back on line in November 2021. There are turnaround events planned at the Burnaby Refinery for 2022. On November 22, 2021, Parkland announced that it had initiated steps to pause refinery processing operations at the Burnaby Refinery due to the shutdown of the TMPL on November 14, 2021 because of heavy rainfall and extreme weather conditions. Parkland resumed its processing operations on December 11, 2021, following the restart of the TMPL on December 5, 2021. See "Risk Factors – Operational Risks – Risks Relating to Refinery Operations".

Corporate

The Corporate segment includes centralized administrative services and expenses incurred to support operations. Due to the nature of these activities, these costs are not specifically allocated to Parkland's operating segments. Parkland's objective is to manage corporate expenses tightly so that they increase at a slower pace than Parkland's adjusted gross margin.

Supplemental Operational Information

Employees

As at December 31, 2021, Parkland had approximately 5,946 active full- and part-time employees.

Environment, Social and Governance

Parkland's ESG practices are deeply embedded across our business. In 2019, the Board established Parkland's Environmental, Social and Governance Committee (the "**Environmental, Social and Governance Committee**"). The Environmental, Social and Governance Committee is appointed by the Board to assist the Board in carrying out its governance and oversight responsibilities in relation to the Corporation's management of the following matters including, but not limited to:

- health and safety, including with respect to oversight of the implementation of the Parkland Operational Excellence Management System ("**POEMS**");
- environment and sustainability, including with respect to low carbon and climate change impacts, GHG emissions, air quality and ecological impacts;
- business ethics, including with respect to supply chain management, political contributions and anti-corruption; and
- social capital, including with respect to community engagement, social investment, Indigenous engagement, human rights and customer privacy.

Parkland's Sustainability Task Force (the "**Task Force**"), also established in 2019, is comprised of cross-functional senior leaders that represent each of its business streams. The Task Force is responsible for helping to develop Parkland's sustainability strategy, policy and disclosure. The Task Force also seeks and evaluates innovative sustainable business practices that enable Parkland to continue providing value to its customers, shareholders and communities.

The Task Force made it a priority to review key learnings, including feedback from internal and external stakeholders to inform the development of Parkland's second annual Sustainability Report, titled 'Drive to Zero', which reflects Parkland's ultimate goal to achieve zero safety incidents, zero spills, zero tolerance for racism and discrimination, zero tolerance for corruption, bribery and unethical behaviour and to help our governments achieve their goal of net-zero emissions by 2050. The Sustainability Report is grounded in meaningful and measurable targets and formalizes Parkland's enterprise-wide sustainability strategy, which builds on the foundation of our key strategic ESG issues and provides meaningful and measurable targets under our pillars of: People, Environment, Partners and Responsible Growth.

The Sustainability Report sets forth Parkland's five key strategic ESG issues, which include: (i) Climate Change; (ii) Safety & Emergency Preparedness; (iii) Product Transportation & Storage; (iv) Diversity & Inclusion; and (v) Governance & Ethics.

In recognition for our commitment to sustainability, Parkland is proud to have received an AA ESG Rating from Morgan Stanley Capital International ("**MSCI**"), representing the top 17% of the index constituents. An MSCI ESG Rating is designed to measure a company's resilience to long-term, industry-material ESG risks. MSCI ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).

1. Climate Change

Climate change continues to be an urgent issue in need of substantive collective action. From businesses and governments to individuals, we all have a responsibility to make changes that support a sustainable future. Parkland supports governments' goal to achieve net-zero emissions by 2050, which aligns with the Paris Agreement, an international treaty on climate change adopted in 2015. We continue to provide our customers with lower carbon offerings and have established a target to reduce our customers' GHG emissions by up to 1MT a year by 2026. Parkland is committed to reducing our Scope 1 and Scope 2 GHG emissions intensity in our marketing and refining business by 15% and 40%, respectively, by 2030, relative to the 2019 emissions baseline, which was established through consultations with business units across the enterprise and in-depth data gathering and analysis with third-party experts.

In 2021, Parkland co-processed record volumes of over 86 million litres of Canadian bio-feedstock, which is the equivalent of taking over 70,000 passenger vehicles off the road. This was a milestone achievement given the significant supply chain disruptions that occurred in late 2021 as a result of extreme weather and flooding in British Columbia. Since 2019, Parkland has more than doubled its production of co-processed fuel year over year. Bio-feedstocks, such as tallow and canola, produce lower-carbon refined products. See "Description of the Business of the Corporation – Operating Segments – Supply – Refinery Operations" for additional information.

2. Safety & Emergency Preparedness

Safety continues to be the foundation of who we are as a company. Our Drive to Zero ambition is to achieve zero injuries and fatalities. POEMS has been launched in all our operating jurisdictions and is underpinned by our Drive to Zero ambition, the Stop. Think. Act. risk assessment tool, and our 8 Life Saving Rules risk mitigation standards. See "Description of the Business of the Corporation – Health, Safety and Environment" below for additional information. Parkland continues to practice and implement our robust emergency response processes and procedures across the enterprise.

3. Product Transportation & Storage

Moving and storing our products safely and reliably is critical to ensuring that our customers' needs are met and that our communities and local environments remain protected. Parkland's target is to reduce our spill volume per litre sold by 50% by 2025, while continuing to Drive to Zero. In 2021, Parkland's health, safety and environmental ("**HSE**") team worked diligently to implement our new HSE software system, Cority, which was successfully launched across our operations. In complement to the POEMS framework, this new software system allows all teams to access a centralized HSE data system.

4. Diversity & Inclusion

As part of our Drive to Zero ambition, we have zero tolerance for racism and discrimination and continue to embed our BOLD (Build, Own, Lead, Deliver) diversity and inclusion ("**D&I**") pillars at all levels of our organization. We have refined our D&I strategy to enable a BOLD approach to fostering systemic and cultural inclusion.

In 2020, we conducted a D&I survey which provided us with critical data and insights that helped us identify who we are, where we are at and what we care about. These insights were foundational to the development of our strategy. Parkland also stood up a Black Action Committee to guide our D&I Council in providing ongoing support for our Black team members, as well as a Women's Network to provide input on policy and process changes and advocate for D&I initiatives stretching into 2022 and beyond.

As part of Parkland's commitment to D&I, Parkland has set goals of having at least 30% of Board seats occupied by women in 2023 and 30% of Parkland's executive officer positions occupied by women by 2025, and as well maintaining a target representation of at least 10% of Black, Indigenous and People of Colour (BIPOC) and Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ+) people on its Board and in executive officer positions.

5. Governance & Ethics

At Parkland, we take great pride in being a company that does the right thing. Our Drive to Zero ambition underscores our zero-tolerance policy for corruption, bribery and all unethical behaviour. Throughout 2020 and 2021, we provided enhanced ethics training to several teams across the enterprise and, in 2021, to further enhance our ethics and integrity program, we also conducted a risk assessment to identify any gaps that may exist.

Parkland recognizes the importance of sound governance throughout the supply chain, and as such has set a goal of developing sustainable supply chain standards for its suppliers by 2022 and integrating these standards into all new, and a majority of our existing (significant spend) suppliers by 2023.

Parkland is committed to establishing meaningful, lasting, and mutually beneficial relationships with Indigenous communities in Canada. In 2021, Parkland launched its Canadian Indigenous relations strategy, which provides the framework for how Parkland approaches relationships with Indigenous communities. Parkland has committed to enhance its existing community and Indigenous engagement by implementing best practices, including Progressive Aboriginal Relations (PAR) certification through the Canadian Council for Aboriginal Business (CCAB) and targeting support for local and remote communities.

Parkland has instituted diversity targets for the Board and executive officers' positions. See "Diversity & Inclusion" above.

Parkland has committed to conducting responsible mergers and acquisitions by conducting a sustainability assessment as part of our due diligence review for all acquisitions starting in 2022 and applying Parkland's sustainability policies, goals and metrics to all newly acquired companies within an average of 12 months of acquisition date starting in 2023.

Health, Safety and Environment

Safety is a deeply embedded core value at Parkland. The Company is committed to ensuring safe and environmentally responsible operations, protecting our employees, contractors, customers, communities and the environment, and ensuring compliance with all applicable HSE regulatory requirements for the communities in which we operate. At Parkland, our HSE mission is underpinned by POEMS. POEMS is designed to simplify how Parkland lives our values and BOLD behaviours to ultimately:

- protect our people and the communities in which we operate;
- drive strong performance and provide for the long-term integrity of our company assets; and
- sustainably deliver safe, consistent and reliable operations for our customers.

Parkland delivered a consistent safety performance in 2021, with a total recordable injury frequency, or TRIF, of 1.14.

At Parkland, we operate safely by constantly monitoring feedback from our daily operations and draw on the expertise within our workforce to continuously improve and build capacity within our systems.

We have several initiatives to achieve top tier performance everywhere we operate, including:

- **Drive to Zero**: Drive to Zero is our shared goal to have a workplace free of at-risk behaviours, ultimately reducing incidents.
- **8 Life Saving Rules**: The Life Saving Rules are a set of company fundamentals and requirements that help to improve safety performance and mitigate risks to all our employees. They help strengthen our safety culture and consistently communicate that we do it safely or not at all.
- **Stop. Think. Act.**: Stop. Think. Act. is the first step in Parkland's hazard assessment approach intended to encourage all of our employees, whether in the field or in the office, to identify hazards and protect themselves, their coworkers, and the communities we operate in while going about their day to day work. Employees must: **Stop** before starting any task or job; **Think** about how to do the job safely; and **Act** to always work safely.

Driving a culture of operational excellence requires all Parkland employees to consistently demonstrate our values and BOLD behaviours, enabling us to make decisions that are mindful of potential impacts, mitigate risks, and support the communities where we live and operate.

Parkland strives for operational excellence through continually improving our HSE performance in our operations through engaged and accountable leadership, actively involving of our workforce in Parkland's HSE goals, actively identifying and mitigating risks, and continually improving our systems, work processes and tools. Operational excellence at Parkland includes comprehensive HSE training programs to ensure our employees have the knowledge and skills necessary to understand HSE requirements, to implement and adhere to Parkland's HSE programs and to promote a safe working environment. In addition, our efforts to continuously improve POEMS and our drive to operational excellence is supported by Parkland's Management Action Plan ("**MAP**"). MAP is a systematic approach to the identification of gaps between our current performance and our intended objectives. This leads to the development and implementation of plans to address the identified gaps, a review of the implementation and performance of the plans.

POEMS is comprised of the following 8 elements, each with governing principles:

1. Visible Leadership

Engagement. Policy. Accountability. Roles & Responsibilities.

The proactive engagement of leaders is the cornerstone of our culture of care and is instituted throughout each element of POEMS and throughout all parts of our company. Leaders demonstrate commitment to the health and safety of our workforce and the communities we serve. They consistently exhibit behaviours which protect the environment and our company assets. Visible leadership, premised upon Parkland values, enable us to be BOLD in support of our strategic imperatives.

2. Health & Safety

Safe Operations. Occupational Health & Hygiene. Incident Management. Hazard Identification & Risk Assessment. Contractor Management. Meetings & Communications.

Consistent behaviours and relevant systems are necessary components to ensure a safe and healthy working environment. Parkland is committed to providing a safe and healthy workplace for employees, contractors, customers, and the public across all areas of the business through the identification and management of risk and hazards in our day-to-day work.

To protect all those involved in Parkland's operations, incident and investigation procedures are established to determine root causes of incidents so that actions can be identified and implemented to prevent recurrence. Based on industry practice, we create and distribute communications in the form of a "lessons learned" document to our workforce to communicate why an incident occurred and positive learnings and outcomes from our health and safety programs, such as how an incident was prevented, or a critical hazard was identified. Communication between all stakeholders is key to sharing best practices and maintaining safe operations.

Parkland has a robust occupational health and hygiene program to assess and provide a healthy working environment, assist in managing employee health challenges, manage injuries and return to work programs and liaise with provincial workers' compensation board agencies.

Parkland has implemented a contractor pre-qualification process to categorize contractors based on risk and pre-screen each contractor based on a set of criteria including insurance, HSE, legal and financial performance. Existing contractors are also subject to ongoing assessments and performance management to ensure their programs remain sufficient to manage applicable risks.

3. Environment

Environmental Practices. Asset Management. Business Development & Integration.

Protecting the environment happens by actively involving our employees to improve our prevention efforts. Parkland is committed to clearly setting expectations for the foundational work necessary to be a good environmental steward.

POEMS includes procedures and standards to support compliance with applicable environmental regulations, to identify and mitigate environmental risks and to manage environmental liabilities.

Environmental practices include property stewardship procedures and work instructions to manage environmental aspects at Parkland owned and leased facilities. Parkland retains professional environmental services to conduct environmental assessments before operating a new facility, while operating a facility, if required, and at the end of life of a facility. Remediation work contracts are managed by Parkland's environmental advisors. Environmental liabilities arising from legal and constructive obligations are estimated by environmental professionals and recorded per accounting policy.

Environmental incidents such as liquid fuel spills, are managed according to POEMS response/recovery procedures and prevention standards. Employees who handle and transport dangerous goods are trained to recognize and respond to incidents safely and effectively such that impacts are minimized. Prevention initiatives include various awareness tactics used across the enterprise. Spill management also includes tracking and reporting key performance metrics. Spills are recorded in Parkland's incident management system, for further investigation and corrective actions, if required. Additionally, Parkland maintains appropriate insurance for environmental incidents that occur on third party properties.

4. Emergency Management

Prevent. Prepare. Respond. Recover.

To sustain our business, we must be prepared to respond to any emergency or business interruption. Parkland follows the principles of the four pillars of emergency management: Prevent, Prepare, Respond, and Recover for emergency response, business continuity and security management. Parkland will respond quickly and effectively to help reduce impacts to people, environment, assets and reputation.

Parkland's emergency management program serves to ensure safe, timely, and effective emergency preparedness and response activities across all of Parkland's operations.

Emergency response plans are in place at all Parkland facilities. Our emergency management program involves coordinating with operations to evaluate risks due to hazards and vulnerabilities, to secure emergency supplies and equipment and to ensure scheduling and completion of drills and training exercises. Our overall goals of this program are to ensure that Parkland facilities and personnel are prepared and trained to address emergency situations and maintain compliance with all applicable regulatory requirements.

Parkland maintains a pre-qualified list of emergency consultants and contractors for immediate and comprehensive land and water-based responses in compliance with all applicable regulations. Parkland continually strives to reduce risk relating to product shipment by ensuring all carriers have adequate emergency preparedness and response programs.

Parkland's business continuity plans provide the corporate procedure for establishing, implementing and maintaining capabilities for continuing operations during a business interruption.

5. Process Safety, Reliability & Integrity

Codes & Standards. Management of Change. Asset Integrity. Maintenance. Operational Readiness. Process Hazard Analysis.

Consistent, safe and reliable operations will only be achieved by having robust processes in place. We design, build, operate and maintain facilities and protect Parkland from undesired events affecting our people, the environment, company assets and our reputation.

Parkland has implemented a unified risk matrix to quantify risk severity and frequency as a means to consistently identify, prioritize and mitigate risk. This process is used for HSE risks as well as other forms of risk in the business. Parkland uses several risk assessment processes (job hazard analyses, formal risk assessments, field level hazard assessments, etc.) to highlight and appropriately manage HSE risks in the business.

Parkland has a comprehensive incident management program in place to ensure all incidents are reported and that quality investigations are conducted driving to root cause. Parkland uses the following 7-step process to manage HSE incidents: (i) reporting; (ii) classification; (iii) investigation; (iv) root cause determination; (v) corrective actions; (vi) quality assurance;

and (vii) analytics and stewardship reporting. These processes include defined timelines and a quality review by leadership and HSE personnel prior to incident close out.

For example, Parkland's refining operations have well defined process safety management programs in place. Mature processes developed under the previous owner, Chevron, such as Risk Management, Management of Change and Managing Safe Work are being stewarded and third party audited. The processes are incorporated into our POEMS framework. Parkland is developing a fit for purpose process safety management program for all its critical assets. This program has included the development of an asset inventory as well as initiation of a testing and preventative maintenance program, in partnership with a third-party service provider, for tanks, process lines, valves, and other critical infrastructure.

In 2021, across the U.S. and Canadian businesses, Parkland addressed gaps previously identified by the POEMS Gap Assessment conducted through late 2020 and into 2021. In addition, the Supply segment revised and updated its marine terminal response planning and overall response plan and continued the support of emergency response plans and drills in respect of its rail facilities and transload operations

6. Governance & Assurance

Assurance Verification. Regulatory Compliance. Performance Management. Reporting. Management Action Plan. Data & Information Management.

Responsibly managing our business involves solid assurance activities that validate and help prioritize where we place our efforts. We want to drive continuous improvement while meeting or exceeding applicable regulatory requirements and ensuring no business pursuit will be at the expense of safety or the environment.

Parkland tracks emerging legislation and has implemented several management processes and tools to ensure compliance with current legislation. All non-compliance events are treated as incidents and investigated accordingly, resulting in corrective actions to prevent reoccurrence.

Each year, Parkland develops an HSE action plan to reduce risk, improve performance, and enhance awareness of HSE in all of Parkland's operations. Some of the key initiatives completed in 2021 include:

- finalizing the roll out of POEMS across our entire organization, including our corporate teams;
- completing the launch of our new HSE software system, Cority, across our operations;
- developing a simplified hazard assessment tool, SMART cards, based on Parkland's Stop. Think. Act;
- implementing a "5-Why" cause analysis tool across our operations for identifying incident root causes and developing a training module for the use of such tool;
- developing and implementing occupational health initiatives, including a tele-medicine program, employee learning modules for injury management and ongoing physical demands analyses for high-risk roles;
- installing and piloting vehicle camera programs across our U.S. and Canadian fleets; and
- ongoing development and implementation of HSE leading and lagging indicators based on industry specific models to measure performance and identify existing gaps; and
- implementing Sol audit programs for select markets with a combination of virtual and self-assessment tools.

7. Community

Stakeholder Engagement. Information Requests. Sustainability.

Community is one of Parkland's core values. Effectively engaging with the communities in which we operate is paramount to our success. Communities hold Parkland's social license to operate and, therefore, we must establish awareness, understanding and transparent communication about our operations with key stakeholders in these communities to maintain and enhance our relationships.

Parkland leaders are tasked with developing and maintaining engagement strategies for the communities where we operate. This includes providing appropriate and timely responses to information requests received from our stakeholders and other external sources, as well as regularly reporting on sustainability benchmarks in the form of annually published sustainability reports. See "Environment, Social and Governance" above for additional information with respect to the Sustainability Report.

8. Transportation

Operator Safety Standards. Equipment. Maintenance. Regulatory Compliance. Product Stewardship.

All modes of transportation are high risk and critical to the success of our business. Safely receiving and delivering quality products to our customers within our transportation networks in a consistent and reliable manner requires the use of industry standards and best practices.

At Parkland, we maintain operator safety standards to manage risk and implement controls to protect people, the environment, our assets and brands. We carefully select equipment and robust maintenance programs for all transportation modes and auxiliary equipment to safely receive and deliver the highest quality products to our customers. We meet and exceed compliance requirements with regulatory and company standards without compromising the quality of the product and services we offer to our customers.

Throughout the COVID-19 pandemic, Parkland's priority has been focused on the health and safety of our employees, while continuing to provide essential services to the communities in which we operate. During this time, Parkland has remained committed to protecting the safety of our team members, customers and partners, and we have implemented a number of precautionary measures, including those listed below.

- Team members who could work from home did and continue to do so, and, depending on applicable local regulations, we are undertaking a measured, phased and voluntary approach to returning to the workplace, based on public health guidance.
- In commercial offices and retail sites that were required to remain open, we implemented enhanced operating procedures and protocols in line with recommendations from local health authorities including 24/7 medical support and assistance for employees, pre-shift health checks, installation of plexiglass barriers, deep cleaning, regular employee communications, floor guidance stickers and increased safety signage.
- To ensure even higher levels of sanitization and cleanliness across the entire network, we increased the frequency of disinfecting required, made hand sanitizer and disinfecting products readily available, utilized electrostatic cleaning services, and made 24/7 additional support available to all our employees and affected parties.

Social Policies

Community is one of our core values and we have a track record supporting the communities in which we live and operate. In April 2021, we relaunched our annual employee giving program, Parkland Pledge, after pausing it for a year to support members of our communities who needed help through the pandemic. For the year, we had very strong participation rates across our regions, with 100% of our international region partaking in the program. In total, over $1.25 million was donated to 1,600 organizations across Canada, the USA and the Caribbean.

Parkland Pledge, launched in 2013, is an employee driven program which enables our staff to support to the communities in which they live and work and the causes they are passionate about. Each year, based on length of service, Parkland gives each eligible employee between $250 to $500 to donate to non-profit institutions and charitable organizations. Our employees can earn additional funds based on their volunteering hours.

During 2021, we also supported causes that impacted specific areas of our business. This included donations of $150,000 to the Royal Alexandra Hospital Foundation's Indigenous Cultural Partnership at the Lois Hole Hospital for Women, $100,000 to support the devastating flooding in British Columbia, $25,000 to support the British Columbia Wildfires, $25,000 to La petite Madison in Quebec, $10,000 to the Orange Shirt Society, matching the donation of $10,000 made earlier in June to the Residential School Survivors Society.

Cybersecurity

Parkland's business and its continued competitive advantage are dependent on its information technology systems, including hardware, software, processes and its service providers. Parkland continues to invest in technologies to protect and enhance its business. Parkland uses best practices in its IT operations to consistently and securely support its stakeholders and is continuously improving its methodologies to integrate people, processes, and technologies across our enterprise. Parkland has specific processes, reporting structures and programs to maintain security over its information technology systems, ensure reporting compliance and adherence to regulatory guidelines. Parkland maintains controls to ensure the privacy of customer and payment information and operates redundant data centers to ensure business continuity in case of unforeseen events.

Parkland has procedures in place to identify and mitigate cyber security threats, including preventive, detective, and responsive controls. Parkland has adopted the NIST Cyber Security Framework to ensure strong governance and consistent processes. In 2021, we implemented additional technical controls to supplement our pre-existing controls, including email security, network detection and remediation, endpoint security, 24x7 managed detection and response service, strong access control with multi factor authentication and zero trust internet security and remote access. Parkland maintains an incident retainer to ensure swift response in case of an incident. In addition, Parkland conducts mandatory continuous security awareness training for its current and new employees in areas such as phishing, social engineering and data security, and in 2021, Parkland conducted a number of phishing simulations to train its employees to exercise caution in real-life phishing scenarios.

Parkland's Audit Committee (the "**Audit Committee**") is responsible for overseeing information technology security at Parkland, with the Chief Information Officer of Parkland reporting into the Audit Committee on a quarterly basis. The Audit Committee briefs the Board of Directors on information security matters as deemed necessary by the Audit Committee. The Audit Committee currently consists of five members, all of whom are independent in accordance with the definitions in National Instrument 52-110 *Audit Committees*. See under the heading "Audit Committee Information" and Appendix 1 of this Annual Information Form for additional information.

In 2020, Parkland experienced a cyber-attack on a subset of our systems. While some operations required a temporary switch to manual systems and some information was taken, our safeguards, preparations and response helped avoid a serious impact on the Company and its operations. Although we have fortified our systems since this cyber-attack and we are not aware of any significant vulnerabilities, there is a risk that Parkland could be targeted by malicious actors in the future and that our systems could be vulnerable to such an attack. The Company maintains first and third-party cybersecurity insurance to mitigate such risks. See "Risk Factors – Information Technology" for additional information.

Digital

Parkland is creating digital capability through investments in talent, technology and partnerships for leveraging modern data practices, analytics technologies and industry innovation. Parkland's objective is to optimize core business operations and enhance and further differentiate its customer proposition. The application areas include leveraging automation and analytics in many of Parkland's daily customer interactions and its supply and distribution network and provide operational visibility into high value and complex assets. The JOURNIE™ Rewards and the systems that support it provide a valuable way to connect with our customers and deliver rewards that are customized to their preferences. See "Risk Factors – Information Technology" for additional information.

Competitive Conditions

The industries and geographic regions in which Parkland operates are highly competitive. For further information on the competitive conditions affecting Parkland, see "Risk Factors – Competition".

RISK FACTORS

An investment in the Common Shares is subject to various risks, including those risks inherent to the industry in which we operate. Current and prospective investors should carefully consider the following risk factors, as well as the other information contained in documents filed by Parkland pursuant to applicable securities laws, including our Annual MD&A and quarterly management's discussion and analysis. If any event arising from these risks occurs, Parkland's business, prospects, financial condition, results of operations, cash flows or reputation, the value and trading price of the Common Shares and our ability to pay dividends could be materially adversely affected. The following is a non-exhaustive list of risk factors. Additional risks and uncertainties not currently known to Parkland or that it currently views as immaterial may also materially and adversely affect its business, financial condition and results of operations. Readers should consult their own advisors and experts where necessary before making any investment decision.

Balance Sheet Resiliency

Parkland has incurred additional borrowings in connection with its ongoing growth and acquisition strategy, which involves significant interest expense and debt service obligations, and may have a negative effect on our results of operations. We have implemented enhanced cash and covenant management processes to manage the risk. Parkland's leverage could have other important consequences for purchasers, including the following:

- it may limit Parkland's ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes;
- it may limit Parkland's ability to declare dividends on the Common Shares;
- certain of Parkland's borrowings are at variable rates of interest and expose Parkland to the risk of increased interest rates;
- it may limit Parkland's ability to adjust to changing market conditions and place Parkland at a competitive disadvantage compared to competitors that have less leverage;
- Parkland may be vulnerable in a downturn in general economic conditions; and
- Parkland may be unable to make capital expenditures that are important to its growth and strategies.

Economic Conditions and Geopolitical Instability

Changes in economic and political conditions generally and specifically in the regions in which Parkland operates may adversely affect consumer patterns and recreational and industrial activity in certain markets of the Corporation, impacting demand for Parkland's products and services. These conditions include recessionary economic cycles, downturns, geopolitical instability and changes in Parkland's business and the industries in which our customers conduct business.

Industry Specific Economic Conditions

Parkland services a number of different industries and its business, financial condition and results of operations are directly and indirectly affected by the economic conditions that affect such sectors. In particular, certain sectors, such as oil and gas exploration, forestry, mining, farming and aviation are subject to such factors as changes in commodity prices, general economic conditions, access to capital and natural disasters. These can impact the demand for Parkland's products by customers operating within these sectors, which can consequently impact Parkland's business, financial conditions and the results of operations.

Jurisdictional Risk

Certain of the businesses operated by Parkland are subject to the risks normally associated with any conduct of business in emerging markets including political or social unrest, changes in laws and regulations, changes in the tax regimes, currency fluctuations, inflation and hyperinflation, uncertainty regarding the enforceability of contractual, property and other legal rights in local courts, unpredictable government actions, and delays in obtaining or the inability to obtain necessary governmental permits or the reimbursement of refundable tax from fiscal authorities. These risks may negatively impact operations and revenues of Parkland.

The economic and political systems of certain jurisdictions in which Parkland operates are less predictable than those in Canada and the United States. Weak government balance sheets may cause certain jurisdictions to assess additional taxes, duties and fees or to devalue currencies which could cause inflation or hyperinflation. Elections may have an outsized disruptive impact on the day-to-day business of the government. Each of these result in an increased risk of sudden and unforeseen regulatory changes or governmental or administrative action which could have a material and adverse effect on Parkland's future cash flows, earnings, results of operations or financial condition.

Moreover, some of these jurisdictions present an increased risk of incidents of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions, and may require additional compliance procedures with applicable anti-corruption legislation including the *Foreign Corrupt Practices Act* (United States), the *Corruption of Foreign Public Officials Act* (Canada), the *UK Bribery Act* and the *Sapin II Law* (France). Parkland's failure to identify, manage and mitigate instances of fraud, corruption, violations of its code of conduct or applicable legislative and regulatory requirements increase the risk that Parkland may be implicated in such incidents and require Parkland to incur costs compliance with any sanctions thereunder.

Collectively, these risks could result in a disruption of Parkland's operations, increase costs incurred by Parkland or have a material adverse effect on Parkland's business, financial condition and results of operations.

Impact of the COVID-19 Pandemic

The Company's business, financial condition and results of operation could be materially and adversely affected by the outbreak of epidemics, pandemics and other health crises in geographic regions in which the Company has operations, suppliers, customers or employees, including the outbreak of COVID-19. The COVID-19 pandemic, and actions that have been, or may be, taken by governmental authorities in response thereto, have resulted in, and may continue to result in, among other things: increased volatility in financial markets, commodity prices and foreign currency exchange rates; disruptions to global supply chains; labour shortages; reductions in trade volumes; operational restrictions, quarantine orders, business closures and travel bans and restrictions imposed or recommended by governmental authorities; overall slowdown in the global economy; political and economic instability; and civil unrest. The COVID-19 pandemic, and responses thereto by governmental authorities, have affected, and may continue to affect, the industries in which the Company operates. Such effects include but are not limited to: reductions in demand from our commercial customers, including the cruise ship and aviation industries; temporary and permanent site closures; reduced operational hours; human resource challenges, including labour disruptions; supply chain constraints and disruptions; restrictions and delays relating to construction, licensing, permitting and authorization processes; and increased cybersecurity risks associated with working remotely.

The COVID-19 pandemic continues to evolve and the extent to which it may impact Parkland's business, financial condition and results of operation, as well as the macroeconomic conditions in general, depend on future developments, including: the geographic spread of COVID-19; the duration and extent of the pandemic; variations or mutations of COVID-19; actions taken by governmental authorities in response thereto; and the effectiveness of actions taken to contain and treat COVID-19.

Russia-Ukraine Conflict

On February 24, 2022, Russian military forces launched a full-scale military invasion of Ukraine. In response, Ukrainian military personal and civilians are actively resisting the invasion. Many countries throughout the world have provided aid to the Ukraine in the form of financial aid and in some cases military equipment and weapons to assist in their resistance to the Russian invasion. The North Atlantic Treaty Organization ("NATO") has also mobilized forces to NATO member countries that are close to the conflict as deterrence to further Russian aggression in the region. The outcome of the conflict is uncertain and is likely to have wide ranging consequences on the peace and stability of the region and the world economy. Certain countries including Canada and the United States, have imposed strict financial and trade sanctions against Russia and such sanctions may have far reaching effects on the global economy. In addition, the German government paused the certification process for the 1,200 km Nord Stream 2 natural gas pipeline that was built to carry natural gas from Russia to Germany. As Russia is a major exporter of oil and natural gas, the disruption of supplies of oil and natural gas from Russia could cause a significant worldwide supply shortage of oil and natural gas and significantly impact pricing of oil and gas worldwide. A lack of supply and high prices of oil and natural gas could have a significant adverse impact on the world economy. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain.

Sustainability and Climate Change

Climate Change and Extreme Weather

The Corporation's sales volume and profitability can experience increased volatility due to abnormal weather patterns, particularly winter temperatures, forest fires and flooding in Canada and the northern United States and severe tropical storms, hurricanes, earthquakes and volcanoes in the Caribbean and southern United States, which may cause pipeline closures, downed telephone lines, flooded facilities, power outages, fuel shortages, damaged or destroyed property and equipment and work interruptions. Any of the foregoing may damage the Corporation's assets, disrupt its supply channels, interrupt the Corporation's ability to deliver goods and services and decrease demand for its products. It is possible that any of these events could occur and have a material adverse effect on the Corporation's business, financial condition, ability to realize the anticipated growth opportunities and synergies and future prospects. Climate change may increase the frequency or severity of severe weather conditions.

The Corporation's heating oil and propane sales are greatest in the winter months but can decline if winter temperatures are warmer year over year. The Corporation has propane and heating oil operations in Atlantic Canada, Ontario, Quebec, Alberta, British Columbia and the Yukon Territory, which all experience different weather patterns that can mitigate the impacts of regional winter temperature differences. Additionally, winter conditions can affect the efficiency of the Corporation's product deliveries.

Furthermore, oil prices, wholesale motor fuel costs, motor fuel sales volumes, motor fuel gross profits and merchandise sales can be subject to seasonal fluctuations. For example, consumer demand for motor fuel typically increases during the summer driving season and decreases during the winter months. Travel, recreation and construction are typically higher in these months in the geographic areas in which Parkland operates, increasing the demand for motor fuel and merchandise that Parkland sells. Therefore, the Corporation's motor fuel volumes are typically higher in the second and third quarters of our fiscal year. A significant change in any of these factors, including a significant decrease in consumer demand (other than typical seasonal variations), could materially affect Parkland's motor fuel volumes and merchandise sales, motor fuel gross profit and overall customer traffic, which in turn could have a material adverse effect on Parkland's business, financial condition, results of operations and cash flows.

ESG Focus and Targets

Parkland's ESG targets depend significantly on our ability to execute our business strategy, related milestones and schedules, each of which can be impacted by the numerous risks and uncertainties associated with the business and industry in which we operate. We recognize that our ability to adapt to and succeed in a lower-carbon economy will be compared against our peers. Investors and stakeholders increasingly compare companies based on ESG-related performance, including climate-related performance. Failure to achieve our ESG targets, or a perception among key stakeholders that our ESG targets are insufficient, could adversely affect our reputation and our ability to attract capital.

There is also a risk that some or all of the expected benefits and opportunities of achieving the various ESG targets may fail to materialize, may cost more to achieve or may not occur within the expected time periods. In addition, there are risks that actions taken by Parkland in implementing targets and ambitions relating to ESG focus areas may have a negative impact on our existing business and operations and increase capital expenditures, which could have a negative impact on our future operating and financial results.

Information Technology, Security Breach and Privacy

IT Continuity

At the operational level, Parkland relies on electronic systems for recording of sales and accumulation of financial data and analytical information. A major failure of computer systems would disrupt the flow of information and could cause loss of data records or corruption of data, which could impact the accuracy of financial reporting and management information and Parkland's ability to operate its business. These systems are vulnerable to, among other things, damage and interruption from power loss or natural disasters, computer system and network failures, loss of telecommunications services, physical and electronic loss of data, security breaches and computer viruses, which could result in a loss of sensitive business information, systems interruption or the disruption of Parkland's business operations.

Technological Developments and Digital Transformation

There is significant change, disruption and growth in technology in the current environment. In such an environment, Parkland may not be able to, among other things: clearly define and prioritize technology requirements and infrastructure design; effectively implement new technologies; effectively operate and maintain existing infrastructure; innovate new digital solutions and scalable data infrastructure for digital offering at the same pace as the larger market solutions based on digital design and advanced analytics; or establish organic growth platforms to better understand, target and engage our customers. Failure to do so could materially adversely affect Parkland's operations and its ability to compete in the market.

IT Cyber Security

In the normal course of business, Parkland obtains large amounts of data, including personal data such as financial information from our customers. This data is stored on both internal and external systems. Parkland continues to monitor and maintain protection of our IT systems and security controls over individually identifiable customer, employee and vendor data provided to us, a breakdown or a breach in our systems that results in the unauthorized release of individually identifiable customer or other sensitive data could nonetheless occur. With respect to data stored externally, Parkland may not fully control the response and recovery plans maintained by the third-party provider.

Cyber-attacks are rapidly evolving and becoming increasingly sophisticated. Parkland may not be able to rapidly recover backup files to appropriately capture and retain data in the event of a cyber-attack, resulting in a material loss of data or inability to operate. A successful cyber-attack resulting in the loss of sensitive customer, employee or vendor data could adversely affect our reputation, results of operations, financial condition and liquidity, and could result in litigation against us or the imposition of penalties. Parkland may be under increased risk of a cyber-attacks and data breaches because of its increased size, prominence and financial strength, as well as its expansion of consumer data obtained through the JOURNIE™ Rewards program, all of which increases Parkland's profile for more serious cyber criminals. In 2020, Parkland experienced an IT security incident, which has informed additional security and controls to further fortify our systems. There is a risk that the incident could give the impression that our IT systems are vulnerable to attack and Parkland could once again be targeted by malicious actors in the future. See "Description of the Business of the Corporation – Digital and Cybersecurity" for additional information.

Regulatory Compliance

Cost of Compliance with Laws and Regulations

Parkland's business and operations are subject to numerous federal, provincial, state, territorial and local laws and regulations. Parkland has incurred and expects to continue to incur significant expenses to comply with these laws and regulations. Parkland has established reserves for the future cost of known compliance obligations, such as remediation of identified environmental impacts. However, these reserves may prove inadequate to meet its actual liability. Moreover, future amendments and new requirements, more stringent interpretation of existing requirements or the discovery of currently unknown compliance issues may require Parkland to incur material expenditures or subject it to liabilities that it currently does not anticipate.

Cost of Failing to Comply with Laws and Regulations

Parkland operates in several jurisdictions in highly regulated industries. Failure to appropriately operate within each regulatory jurisdiction could lead to fines, penalties and unfavourable tax assessments, which could adversely affect Parkland's business and operating results. Furthermore, transportation fuel sales are taxed by the federal, provincial, state and, in some cases, municipal governments. Material increases in taxes or changes in tax legislation could have a material effect on the profitability of the Corporation. In addition, various federal, provincial, state, territorial and local agencies have the authority to prescribe product quality specifications to the sale of commodities. Changes in product quality specifications, such as reduced sulfur content in refined petroleum products, or other more stringent requirements for fuels, could affect Parkland's ability to procure product, reduce its sales volume, require Parkland to incur additional handling costs or expend capital. If Parkland is unable to procure product or recover these costs through increased sales, its ability to meet its financial obligations could be adversely affected. Failure to comply with these regulations could result in substantial penalties. Any changes in the laws or regulations that are adverse to us or our properties could affect our operating and financial performance.

Environmental Laws and Regulations

Parkland's business and properties are subject to extensive local, provincial, territorial, state and federal laws and regulations across Canada, the United States and numerous Caribbean and South American jurisdictions, including, but not limited to, those relating to emissions to the air, discharges into water, releases of hazardous and toxic substances and remediation of contaminated sites (collectively, "**Applicable Environmental Laws**"). Applicable Environmental Laws require that Parkland's operations, and certain properties associated with Parkland's retail and storage operations, be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such Applicable Environmental Laws may require significant expenditures by Parkland, including capital costs to maintain and upgrade equipment and facilities and expenditures to ensure compliance with new Applicable Environmental Laws. Failure to comply with such Applicable Environmental Laws may result in penalties and costs that could adversely affect our business and our operating results. Any changes to the Applicable Environmental Laws that are adverse to Parkland or our properties could affect our operating and financial performance. In addition, new regulations and laws are proposed from time to time which, if adopted, could have a material adverse effect on our operating results and financial condition.

Climate Change Laws and Regulations

Federal, provincial, state and territorial legislation, regulations and initiatives designed to reduce GHG emissions may adversely affect Parkland's operations and financial positions, in particular with respect to the Burnaby Refinery. Parkland operates in several jurisdictions that regulate or have proposed to regulate air pollutants, including GHG emissions. Some of these regulations are in effect, while others remain in various phases of review, discussion or implementation. Uncertainties exist relating to the timing and effects of these emerging regulations, other contemplated legislation, including how they may be harmonized, making it difficult to accurately determine the cost impacts and effects on Parkland. Additional changes to climate change legislation may adversely affect Parkland's business, financial condition, results of operations and cash flows.

The ultimate effect of climate change legislation, regulations and initiatives on Parkland's operations and the timing of these effects, will depend on several factors. Such factors include, among others, the GHG emission reductions required for industrial sectors, the extent to which Parkland can adapt its fuel offerings or take advantage of incentive programs, including purchasing compliance instruments on the open market or through auctions, the price and availability of credits, and the extent to which Parkland is able to recover the costs incurred through the pricing of Parkland's products in the competitive marketplace. Additionally, government efforts to steer the public toward non-petroleum-based fuel dependent modes of transportation may foster a negative perception toward motor fuel or increase costs for our product, thus affecting the public's attitude toward petroleum-based fuel and affect our ability to market and sell such product. Any changes to climate change laws, regulations and initiatives could materially and adversely affect Parkland's business, prospects, results of operations or financial condition.

Existing and proposed environmental legislation and regulations that do, or will, require lower-carbon-intensity fuels have and will result in increased compliance costs to Parkland. These regulations may negatively affect the marketing of refined petroleum products and may require us to alter our products or adapt operations to allow us to sell in such jurisdictions. The cost of such credits may not be able to be passed along to consumers, resulting in lower gross margin to Parkland on the sale of its products.

Competition Laws and Regulations

Parkland is increasingly subject to scrutiny from government authorities as a result of ongoing acquisitions and its growing size. As Parkland grows and acquires businesses, it becomes increasingly challenging and complex to monitor compliance with the Competition Act (Canada), U.S. antitrust legislation and competition legislation in the jurisdictions in the Caribbean and the northern coast of South America (collectively, "**Competition Legislation**"). This includes monitoring the dissemination of competitively sensitive information and managing channel conflict within Parkland. Furthermore, failure to comply with Competition Legislation could result in the imposition of significant fines or penalties, require Parkland to divest certain Parkland assets or result in Parkland being subject to other remedies, such as margin controls in certain markets. Such remedies could have a material adverse effect on our operating results and financial condition.

In Canada, under the Competition Act, all mergers and proposed mergers are subject to examination by the Commissioner of Competition (the "**Commissioner**") to determine whether they have resulted, or will likely result, in a substantial lessening or prevention of competition in a definable market. In the event the Commissioner determines that a merger is likely to adversely affect competition, the Commissioner may apply to the Competition Tribunal for an order to prevent, dissolve or alter the merger.

The antitrust laws in the United States are generally forward-looking and are designed to prevent anticompetitive mergers or acquisitions. In the United Stated, under the *Hart-Scott-Rodino Act*, parties to certain large mergers and acquisitions must file premerger notification with the Federal Trade Commission and the Department of Justice for review, after which the agency may allow the merger or acquisition to proceed, enter into settlement with the companies involved or commence legal action to block a deal that would substantially lessen competition.

Technological Developments, Changes in Consumer Preferences and Reputation

The increase in focus on the timing and pace of the transition to a lower-carbon economy and resulting trends will likely affect global energy demand and usage, including the composition of the types of energy generally used by industry and individual consumers. New technologies that increase fuel efficiency or offer reliable and affordable alternative vehicle power sources have and will reduce consumption of and demand for petroleum-based motor fuels. These technological developments could potentially have a material adverse effect on the Corporation's business, financial condition and results of operations if the Corporation does not successfully identify changing consumer demands and develop and execute on its strategies in response thereto. The growing international concern regarding climate change may create negative sentiment towards fuel products, and in turn, cause consumers to reduce consumption of and a demand for Parkland's fuel and convenience products. In addition, Parkland's success in part depends on its ability to anticipate and respond in a timely manner to changing consumer demands and preferences while continuing to sell products and services that remain relevant to the consumer.

Reputational risk is inherent in every business decision and there is the potential that a decision or negative impact could result in the deterioration of the Corporation's reputation with key customers and suppliers. Public attitude towards Parkland may be negatively affected by new policies and emerging technologies that have the effect of steering the public away from petroleum-based fuels or non-fuel dependent means of transportation. In addition, certain hazards inherent to operating a petroleum-based business, including environmental hazards and sustainability concerns, could lead to a deterioration of Parkland's reputation with the public. Negative changes to Parkland's reputation could have a material adverse effect on the Corporation's business, financial condition and future prospects.

Acquisition and Integration

Acquisition Strategy

Parkland's growth and diversification strategy will continue to depend, in part, on acquiring other fuel distributors or complementary food or retail businesses. The success of this acquisition strategy will depend, in part, on Parkland's ability to:

- identify suitable acquisition targets that are in line with Parkland's strategies and its customers' evolving needs;
- negotiate the purchase of those businesses (or investment in the businesses) on acceptable terms;
- complete the transactions within the expected time frame;

- fund the transactions;
- obtain necessary approvals and consents from governmental agencies and other third parties within the expected time frame;
- improve the results of operations of the businesses that Parkland acquires and successfully integrate the operations, financial reporting and personnel of the acquired business with Parkland;
- achieve the anticipated synergies in the acquired business or strategic investments;
- retain key employees, customers or suppliers of the acquired business; and
- effectively identify and address any regulatory requirements in connection with such acquisitions.

Parkland may fail to properly complete all or any of these steps and may also experience other impediments to its strategy. Parkland may not be able to find appropriate acquisition targets or, if appropriate targets are found, Parkland may not be able to close such transactions or integrate the acquired businesses effectively or profitably.

Other companies may also be seeking to acquire similar businesses, including companies that may have greater financial resources than Parkland. Increased competition may reduce the number of successful acquisitions or may lead to unfavourable terms, including higher purchase prices. If acquisition targets are unavailable or too costly, Parkland may need to change its business strategy as it relates to acquisitions.

If Parkland is unsuccessful in implementing its acquisition strategy, its financial condition and results of operations could be materially adversely affected. Even if Parkland is able to make acquisitions on advantageous terms and is able to integrate the acquired business successfully, some acquisitions may not fulfill Parkland's strategy in a given market due to factors that Parkland cannot control, such as market position or customer base. As a result, potential benefits or synergies associated with any acquisition could be negatively impacted.

Significant Acquisitions and Related Costs

Parkland has incurred, and expects to incur in the future, a number of costs associated with completing transactions and integrating acquired businesses into Parkland's business. The majority of such costs will be non-recurring expenses resulting from the acquisitions and will consist of transaction costs, facilities and systems consolidation costs and employment-related costs. In addition, Parkland may incur substantial transaction costs in relation to transactions that are not completed. Additional unanticipated costs may be incurred in the integration of the assets, operations and businesses, which may negatively impact Parkland's transaction economics and results of operations.

Failure to Realize the Anticipated Benefits of Acquisitions

Achieving the full benefits of any acquisition includes, but is not limited to, the timely and efficient consolidation of functions, the integration of operations, procedures and personnel and the ability to realize the anticipated growth opportunities, operating expense reductions and other synergies.

The integration of newly acquired assets is supported by the dedication of substantial management effort, time and resources, which may divert management's focus and resources from other strategic opportunities and other operational matters. Notwithstanding Parkland's commitment to providing the labour and resources required to support the integration of newly acquired assets, there is a risk that the anticipated benefits of any given acquisition may not be fully realized if Parkland is unable to fully address and mitigate the risks of the integration process, including the loss of key employees and the disruption of ongoing business, supplier, customer and employee relationships.

Potential Undisclosed Liabilities Associated with Acquisitions

In pursuing acquisitions, Parkland conducts due diligence on the business or assets being acquired and seeks detailed representations and warranties respecting the business or assets being acquired. Despite such efforts, there can be no assurance that Parkland will not become subject to undisclosed liabilities or litigation as a result of acquisitions, including but not limited to, undisclosed and unknown liabilities related to any or all of Parkland's past transactions. In addition, liabilities may exist which were not discovered during the due diligence process prior to completing such acquisitions. This failure to discover potential liabilities may be due to various factors, such as Parkland's failure to accurately assess all of the pre-existing liabilities of the operations acquired or vendors failing to comply with applicable laws or disclose such information. If this occurs, Parkland may be responsible for such liabilities, which could materially and adversely affect Parkland's business, prospects, results of operations or financial condition.

IT Integration

Parkland's large-scale acquisitions require integrating one or more systems into Parkland's overall IT platform. Integrating different IT systems is a technical process that requires coordinating specialized employees, time and resources, often across multiple jurisdictions. Unanticipated costs, delays and unforeseen technical issues and limitations may arise in connection with Parkland integrating its IT systems and could disrupt the flow of information, cause loss of data records or delay Parkland's ability to realize the anticipated benefits of an acquisition. As Parkland's IT systems become increasingly integrated, there is an increased risk that a failure in one system could affect another system in the infrastructure.

Operating in New Jurisdictions and Markets

Parkland purchases assets and businesses that operate in jurisdictions and markets that are new to Parkland. Parkland must familiarize itself with the relevant legislation and regulations of new jurisdictions, including with respect to the environment and labour, and the local customer base and their needs. While Parkland may benefit from the experience and expertise of the management and employees associated with such acquisitions, learning to operate in new jurisdictions and new markets may be an expensive and resource-intensive process. In addition, as Parkland broadens the scope of its acquisitions, both geographically and through retail diversification, it may be exposed to additional risks with respect to the integration process, achieving synergies and realizing its expected benefits and complying with changing and new industry regulations.

Competition

Parkland competes with major national and international integrated oil companies, independent marketers, branded and unbranded independent wholesalers, independent retail stations, dealers who purchase fuel from Parkland, other commercial fuel and propane marketers, convenience store chains, independent convenience stores, large and small food retailers. Parkland also competes with several non-traditional retailers that have entered the retail fuel business in recent years, including major grocery chains, supermarkets, club stores and mass merchants, which have obtained a significant share of the motor fuel market and are significant retail competitors. Further, the petroleum industry also competes with other industries in supplying energy, fuel, and other related products to industrial, commercial, and retail consumers. In some of Parkland's markets, competitors have been in existence longer and have greater financial, marketing and other resources than Parkland. Parkland may not be able to compete successfully against current and future competitors, and competitive pressures faced by Parkland could materially and adversely affect Parkland's business, prospects, results of operations or financial condition.

Debt Matters

Debt Service

Parkland will require sufficient cash flow in the future to service and repay its indebtedness. Parkland's ability to generate sufficient cash flow to meet these obligations depends on Parkland's financial condition which is, to a certain extent, subject to global economic, financial, competitive and other factors that may be beyond Parkland's control. If Parkland is unable to obtain future borrowings or generate cash flow from operations in an amount sufficient to service and repay its indebtedness, Parkland will need to refinance or default under the agreements governing its indebtedness and could have to reduce or delay investments and capital expenditures or dispose of material assets. Such refinancing or alternative measures may not be available on favourable terms or on any basis. Due to volatile economic conditions, Parkland may from time to time have restricted access to capital and increased borrowing costs. Parkland's inability to service, repay or refinance its indebtedness could have a material adverse effect on its business, financial condition, results of operations and cash flows. Furthermore, amounts paid in respect of interest on long-term debt will reduce Parkland's net income. Variations in interest rates and scheduled principal repayments could result in significant changes in the amount required to be applied to debt service. Additionally, a significant portion of Parkland's external debt is denominated in U.S. dollars, therefore, fluctuations in the Canadian dollar/U.S. dollar exchange rate could change Parkland's debt service obligations.

Debt Agreements

The Credit Agreement and the Senior Note Indentures limit, among other things, Parkland and certain of its subsidiaries', ability to:

- incur or guarantee additional debt or other obligations or issue certain equity securities other than in limited circumstances;
- in certain circumstances, pay dividends on shares or repurchase shares, redeem subordinated debt or make other restricted payments;
- in certain circumstances, hold cash in excess of set amounts;
- issue equity securities of subsidiaries;
- grant certain guarantees or other forms of financial assistance;
- change the nature of their business or operations in any material respect;
- make certain investments or acquisitions over a certain limit;
- create liens on their assets;
- change their fiscal year;
- enter into transactions with affiliates;
- liquidate, dissolve or wind up;
- consolidate, merge or transfer all or substantially all of their assets; and
- transfer or sell assets, including shares of subsidiaries.

The Credit Agreement and Senior Note Indentures also require Parkland to maintain specified financial ratios and satisfy specified financial tests. Parkland's ability to meet these financial ratios and tests can be affected by events beyond Parkland's control. As a result of certain covenants in the Credit Agreement and Senior Note Indentures, Parkland's ability to respond to changes in business and economic conditions and to obtain additional financing, if needed, may be significantly restricted, and Parkland may be unable to engage in transactions that might otherwise be beneficial. The breach of any of these covenants could result in an event of default under the Credit Agreement, the Senior Note Indentures or any future credit agreements.

A failure to comply with the obligations in the Credit Agreement, including financial ratios and specified financial tests, could result in a default which, if not cured or waived, would permit the lenders to declare all amounts outstanding under the Credit Agreement immediately due and payable and terminate all of their commitments to extend further credit. Similarly, upon the occurrence of an event of default under the Senior Note Indentures, the outstanding principal and accrued interest on the Senior Notes may become immediately due and payable. The acceleration of Parkland's indebtedness under one agreement may trigger the acceleration of indebtedness under other agreements that contain cross-default or cross-acceleration provisions. Therefore, if the lenders were to accelerate the repayment of borrowings, Parkland may not have sufficient cash to repay balances owing under the Credit Agreement as well as its unsecured indebtedness, including the Senior Notes. If Parkland's indebtedness is accelerated and Parkland is not able to repay or borrow sufficient funds to refinance its indebtedness, the lenders under the Credit Agreement could proceed to realize upon the collateral granted to them to secure that indebtedness, which could have a material adverse effect on Parkland's business and financial results. Even if Parkland is able to obtain new financing, it may not be on commercially reasonable terms or on terms that are acceptable to Parkland or may impose financial restrictions and other covenants that may be more restrictive than under the Credit Agreement or Senior Note Indentures. Additionally, if amounts outstanding under the Credit Agreement and the Senior Note Indentures were to be accelerated, or if Parkland were not able to borrow under the Credit Agreement, it could become insolvent or be forced into bankruptcy or insolvency proceedings or receivership. Notwithstanding an event of default, there is also no assurance that Parkland will be able to refinance any or all of the amounts under the Credit Agreement and Senior Notes at their maturity dates on acceptable terms, or on any basis.

See "Description of Capital Structure – Indebtedness – Credit Agreement" and "Indebtedness – Senior Notes" for additional information regarding the Credit Agreement and the Senior Note Indentures, respectively.

Credit Markets

Future uncertainty in the global economy and in local markets, including a deterioration of global economic conditions, lack of market liquidity or increased volatility in the credit markets may increase costs associated with debt instruments due to increased spreads over relevant interest rate benchmarks and affect Parkland's ability, or the ability of third parties it seeks to do business with, to access those markets. In addition, should there be volatility or uncertainty in the capital markets in the future, access to financing may be uncertain or more costly, which may have an adverse effect on the industry in which Parkland operates and its business operations, including future operating results. Although management believes the availability under the Credit Agreement will be sufficient to meet Parkland's immediate requirements, there can be no assurance that the amount will be adequate to satisfy future financial obligations or that additional funds will be able to be obtained.

Future Capital Needs

Parkland may find it necessary in the future to obtain additional debt or equity financing to support Parkland's ongoing operations, undertake capital expenditures, finance expansion, develop new services, respond to competitive pressures, acquire businesses, repay existing or future indebtedness or take advantage of unanticipated opportunities. There can be no assurance that such additional funding, if needed, will be available on terms acceptable to Parkland, or at all, and any volatility or uncertainty in the credit markets in the future may increase costs associated with issuing debt. In addition, capital markets are adjusting to the risks that climate change poses and as a result, Parkland's ability to access capital may also be adversely affected if institutional investors, credit rating agencies or lenders adopt more restrictive decarbonization policies.

If adequate funds are not available on acceptable terms, Parkland may be unable to develop or enhance its business, take advantage of future opportunities, respond to competitive pressures, declare and pay dividends or increase Parkland's vulnerability in a downturn in general economic conditions, any of which could have a material adverse effect on its business, financial conditions and operating results. In addition, in the event that Parkland's activities are financed partially or wholly with debt, such debt levels may exceed industry standards and the level of Parkland's indebtedness from time to time could impair Parkland's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Credit Ratings

Credit ratings affect Parkland's financing costs, liquidity and operations over the long term and are intended as an independent measure of the credit quality of Parkland's long-term debt. Credit ratings affect Parkland's ability to obtain short and long-term financing and the cost of financing, and correspondingly, may impact Parkland's ability to engage in certain business activities cost-effectively. See "Future Capital Needs" above.

Credit ratings may not reflect all risks associated with an investment in any of Parkland's securities. The credit ratings applied to the Senior Notes are an assessment by the relevant ratings agency of Parkland's ability to pay its obligations as of the respective dates the ratings are assigned. The credit ratings may not reflect the potential impact of risks related to structure, market or other factors discussed herein on the value of the Senior Notes. Credit ratings are intended to provide investors with an independent measure of the credit quality of an issue of securities. The credit ratings assigned to the Senior Notes are not a recommendation to purchase, hold or sell any of the Senior Notes, because ratings agencies do not comment as to market price or suitability for a particular investor. There cannot be any assurance that any credit rating assigned to any of the Senior Notes will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. A lowering or withdrawal of such rating may have an adverse effect on the market value of the Senior Notes. In addition, real or anticipated changes in credit ratings can affect the cost at which Parkland can access public or private debt markets.

See "Description of Share Capital – Indebtedness – Credit Ratings" for additional information with respect to credit ratings.

Operational Risks

Refinery Operations

There are risks inherent to the operations and activities of a refinery, including risks related to incidents, availability of crude oil and other feedstocks, including bio feedstocks, used at the Burnaby Refinery, failure to adequately contract with third parties for offtake of products from the Burnaby Refinery or interruptions in offtake, labour and material shortages, direct and indirect risks related to legislative and regulatory requirements, including without limitation, the discharges to air, the discharge and management of storm water and processed water, and risks related to local opposition. A major or catastrophic accident could cause significant damage and result in operational interruptions. Parkland does not have full control over the supply of power, natural gas or water to the Burnaby Refinery and, as such, a key operational risk for the Burnaby Refinery is the availability of sufficient power, natural gas, and water supplies to support refinery operations. Large amounts of power, heat by way of natural gas and large volumes of water are used to refine crude oil, and even a temporary interruption of power, natural gas or water could adversely affect operations.

The Burnaby Refinery consists of several processing units, each of which undergoes scheduled maintenance from time to time. One or more of the units may require additional unscheduled downtime for unanticipated maintenance or repairs. Scheduled and unscheduled maintenance reduces Parkland's revenues and increases its operating expenses during the period of time that the processing units are not operating and, among other things, could reduce Parkland's ability to make distributions or payments of debt obligations. Furthermore, material unanticipated costs and delays may be incurred in scheduled and unscheduled maintenance which may negatively impact Parkland's results of operations.

Fuel Storage and Distribution

Operating fuel storage and distribution terminals and transporting fuel products involve inherent risks, including:

- oil spills and other environmental incidents;
- fires, collisions and other catastrophic disasters;
- injuries and loss of life;
- severe damage to and destruction of property and equipment; and
- loss of product and business interruption.

Damage arising from such occurrences may result in fines and material third-party claims. We generally maintain insurance to mitigate these types of loss, but there can be no assurance that our insurance would be sufficient to cover the liabilities we might suffer from the occurrence of one or more of the risks described above.

A significant environmental incident involving a release of crude oil, liquid petroleum products, chemicals or other hazardous substances into marine or other environments could result in losses in excess of the insurance coverage currently maintained by Parkland and could have a material adverse impact on Parkland's business, financial condition, reputation and results of operations.

Contractors

Parkland relies on contractors to conduct certain activities and is exposed to risks related to their activities and engagement, including without limitation:

- negotiating agreements with contractors on acceptable terms;
- reduced control over those activities that are the responsibility of contractors;
- failure of contractors to perform the requirements and obligations under their agreements, including complying with safety systems and standards as well as applicable legal and regulatory requirements;
- failure of contractors in connection with management of their workforce, labour unrest or other employment issues; and
- Parkland being held liable to third parties as a result of the actions or inactions of its contracts.

The occurrence of one or more of these risks could adversely affect Parkland's results of operations and financial position.

Calamitous Events

Calamitous events, such as terrorist attacks, technological attacks, pandemics, escalation of military activity and domestic and global trade disruption, may have significant effects on general economic conditions, consumer confidence, consumer spending, travel and tourism. These events, including the COVID-19 pandemic, may disproportionately impact various customers of the Corporation, such as cruise ships and airlines. All these could have a material adverse effect on the Corporation. Strategic targets, such as energy-related assets, may be at greater risk of possible future attacks than other targets within the geographic area that the Corporation operates.

Transportation

Parkland's products and the feedstock are transported and supplied using a variety of methods, including by pipeline, truck, rail and ship. Parkland may be subject to interruptions or restrictions which may limit Parkland's ability to deliver Parkland's products and could have a material adverse effect on the Corporation's business, results of operations or prospects. In addition, the delivery of Parkland's products by railcar may be impacted by service delays, inclement weather or technical malfunctions.

Parkland's products delivered by railcars may be involved in a derailment or incident, which may expose Parkland to the risk of legal liability and reputational harm. Further, the introduction of new laws or regulations related to the transportation of products by rail may also adversely affect Parkland's ability to deliver its products by rail or the economics associated with rail transportation.

In addition, Parkland's operations in the Caribbean, northern South America and the southeast United States involve transportation of petroleum products by marine vessels. The reliability of marine transportation may be affected by inclement weather, including hurricanes. Additionally, an incident involving the release of petroleum products into a marine environment may expose Parkland to the risk of legal liability and reputational harm.

Any such interruptions, restrictions, delays, adverse weather, derailment, incident, regulatory changes affecting any of the methods of transportation used by Parkland could adversely affect Parkland's ability to deliver its products, the economics associated with certain methods of transportation (including by rail) or materially and adversely affect Parkland's business, prospects, results of operations or financial condition.

Human Resources

Dependence on Key Personnel

The Corporation's success significantly depends on the ability, expertise, judgment, discretion, integrity and continued service of senior management. The loss of the services of one or more members of senior management could adversely affect the Corporation's operating results. In addition, the Corporation's continued growth depends on the ability of the Corporation to attract and retain skilled operating managers and employees and the ability of its key personnel to manage the Corporation's growth and to consolidate and integrate its operations. There can be no assurance that the Corporation will be successful in attracting and retaining such managers, employees and other personnel.

Retention of Skilled Workers

Parkland competes with companies to attract and retain employees and third-party contractors with appropriate technical skills necessary to continue operations. Hiring and retaining skilled personnel may be challenging if the employment market is strong and there is intense competition for skilled employees and contractors. There can be no assurance that Parkland will be able to attract and retain skilled and experienced employees and contractors, should Parkland fail to attract qualified personnel for its operations, Parkland's business may be harmed and its results of operations and its financial condition could be adversely affected. In addition, future federal or provincial labour legislation could result in labour shortages and higher costs, especially during critical maintenance periods.

Labour

Some of Parkland's employees are represented by labour unions (including a significant number of employees at the Burnaby Refinery and our terminal in Burnaby). There is no assurance that collective bargaining agreements will be reached without a strike, work stoppage or other labour action. Any prolonged strike, work stoppage, or other labour action, particularly at the Burnaby Refinery, would have an adverse effect on our financial condition and results of operations.

Indigenous Rights Claims

Indigenous groups have claimed indigenous treaty, title and rights to broad portions of western Canada, including virtually all of British Columbia. Such claims may affect many businesses operating in western Canada, including Parkland, as the claims are litigated or settled with the federal and provincial governments through negotiation.

While the claims are outstanding, the federal and provincial governments have a duty to consult with Indigenous people on actions and decisions that may affect the asserted Indigenous or treaty rights and, in certain cases, accommodate their concerns. The government's duty to consult may be triggered if Parkland applies to obtain or renew significant permits, leases, licenses and other approvals for its operations in areas that are subject to outstanding Indigenous rights claims. The fulfilment of the duty to consult associated with a permit application can add time, effort and risk to the review and its outcome.

Parkland has numerous direct relations with indigenous groups relating to our operations on treaty or traditional lands. Parkland's failure to effectively manage these relationships could adversely affect our business and damage our reputation. Opposition by Indigenous groups to industrial development or activity may also negatively affect Parkland operations.

On June 21, 2021, the *United Nations Declaration on the Rights of Indigenous Peoples Act* (Canada) received royal assent and came into force (the "**UNDRIP Act**"), affirming the United Nation's Declaration on the Rights of Indigenous Peoples (the "**Declaration**") as a universal international human rights instrument with application in Canadian law and to provide a framework for the government of Canada to implement the Declaration. The principles and objectives of UNDRIP have also been endorsed by the Government of Alberta and, in November 2019, the Government of British Columbia passed the *Declaration on the Rights of Indigenous Peoples Act* ("**DRIPA**"), which establishes the Declaration as the Province's framework for reconciliation. The implications of the UNDRIP Act, DRIPA and endorsements of the Declaration by governmental bodies are uncertain, but may include an increase in consultation obligations and processes associated with project development, posing risks and creating uncertainty for regulatory approval timelines and requirements.

Health, Safety and Environment

Parkland is subject to hazards and risks inherent in its operations and the industries that we service. Such risks include, but are not limited to, equipment failures, vehicle accidents, human error, accidental release of harmful substances including through transportation of petroleum products by road, rail, barge or other marine vessels and pipeline, proximity to marine environments, explosions, fires and natural disasters. Commodity storage, refining and transportation activities involve numerous risks that may result in environmental damage or otherwise adversely affect the operations of Parkland's business. Environmental risks inherent in the storage, refining and transportation of crude oil and other petroleum products include, but are not limited to, accidental spills or releases of crude oil, liquid petroleum products, chemicals or other hazardous substances, including without limitation, storm water and processed water. The Burnaby Refinery is subject to hazards of transporting and processing hydrocarbons including, but not limited to: blowouts; fires; explosions; railcar incidents including, without limitation, derailment; marine vessel incidents including, without limitation, sinking; gaseous leaks; migration of harmful substances; oil spills; corrosion; acts of vandalism and terrorism; and other accidents or hazards that may occur at or during transport to or from commercial or industrial sites. Any of these hazards can interrupt operations, impact Parkland's reputation, cause loss of life or personal injury, result in loss of or damage to equipment, property, IT systems, related data and control systems, and cause environmental damage that may include polluting water, land or air. These could expose Parkland to: potential liability for personal injury, loss of life or debilitating injury; business interruption;

property damage or destruction; curtailment of offshore shipping activity; modifications to or revocation of existing regulatory approvals; fines and other environmental damages under applicable federal, provincial, territorial, state and municipal safety and environmental laws and regulations.

The consequences of an accidental spill or release at or near any marine terminal used in connection with Parkland's operations could be significant, given the complexities of addressing releases occurring in marine environments or along populated coastlines. Although Parkland does not own or operate the vessels used to transport crude oil, liquid petroleum products, chemicals or other hazardous substances to and from such marine terminals, releases or other incidents involving such vessels could result in significant disruptions to offshore shipping activities and impede Parkland's ability to operate in any affected areas.

Parkland has obtained insurance in accordance with industry practice in an effort to address and mitigate such risks, established operational and emergency response procedures, and adopted safety and environmental programs to reduce potential loss exposure. Although Parkland has a comprehensive insurance program in effect, there can be no assurance that the potential liabilities will not exceed the applicable coverage limits under its insurance policies. Consistent with industry practice, not all hazards and risks are covered by insurance and no assurance can be given that insurance will be consistently available or will be consistently available on an economically feasible basis. Parkland maintains insurance coverage for most environmental risk areas, excluding underground tanks at service stations. Although not insured, these risks are managed through ongoing monitoring, inventory reconciliations and tank replacement programs. Liability for uninsured risks could significantly increase expenses and the occurrence of a significant event for which Parkland is not fully insured could materially and adversely affect Parkland's business, prospects, results of operations or financial condition.

Commodity Price, Pricing Pressure and Supply Disruption

Fuel and Petroleum Products Pricing

Parkland's fuel and petroleum product revenue are a significant component of its total revenue. Petroleum, crude oil and natural gas liquids ("**NGLs**") markets are volatile. Parkland is susceptible to interruptions in supply and changes in relative market pricing of crude oil and NGLs that drive customer demand. General economic and market conditions, political conditions and instability in oil producing regions, particularly in the Middle East, Africa and South America, and the value of the U.S. or Canadian dollars relative to other foreign currencies, particularly those of oil producing nations, could significantly and adversely affect crude oil supplies and wholesale production costs. Volatility in fuel and petroleum product supply and costs could result in significant changes in the retail price of petroleum products and lower fuel gross margin. Higher supply and product costs can also result in increased working capital and corresponding financing requirements. In addition, increases and volatility in wholesale motor fuel costs could result in an increase in the retail price of petroleum products, which could dampen consumer demand for motor fuel. These factors could materially influence Parkland's fuel and petroleum product volume and overall customer traffic which, in turn, could have a material adverse effect on the Corporation's operating results, adjusted gross profit and overall financial condition. Production at these refining facilities is subject to production interruptions which can periodically disrupt the availability and price of refined product in the region. The sales and volumes of the Supply segment are driven by the opportunity to market variations in pricing of crude oil and NGLs between geographical regions and markets. Changes in pricing and relative pricing of crude oil and NGLs impact the net earnings of the Supply segment. Pipeline availability in various markets will impact the ability of the Supply segment to profitably serve customers in those markets.

Refining Commodity Pricing

Parkland's operations at the Burnaby Refinery are subject to numerous risks. Refining gross margins are primarily driven by commodity prices and are a function of the difference between the costs of raw materials (primarily crude oil) and the market prices for the marketing of finished products (such as gasoline, diesel, jet fuel, fuel oil, fuel additives and asphalt). Prices for commodities are determined by global and regional marketplaces and are influenced by many factors including supply/demand balances, inventory levels, industry refinery operations, import/export balances, currency fluctuations, seasonal demand, political climate, disruptions at the refinery resulting from unplanned outages due to severe weather, fires or other operational events and plant capacity utilization. Sustained low refining margins may have a material adverse effect on Parkland's revenue, profitability and ability to service debt and pay dividends.

Parkland uses derivative financial and physical instruments related to the future price of crude oil and fuel products and their relationship with each other, with the intent of reducing volatility in our cash flows due to fluctuations in commodity prices and spreads. Such hedging activities may not be effective in reducing the volatility of our cash flows and may reduce our earnings, profitability and cash flows. Furthermore, Parkland may not be able to enter into derivative financial or physical instruments to reduce the volatility of the prices of special products it sells if there is no established derivative market for such products. In addition, a portion of Parkland's hedging activities are subject to the risks that a counterparty may not perform its obligations under the applicable derivative instrument, or if the terms of the derivative instruments are imperfect.

Hedging

Parkland uses hedging transactions to mitigate the risk associated with commodity price fluctuation. In many circumstances, purchase and sale contracts are not perfectly matched as they are entered into at different times and at different values. In all of Parkland's businesses, margins can vary significantly from period to period and volatility in the markets for these products may cause distortions in financial results from period to period that are not replicable. There is no guarantee that hedging and other efforts to manage the marketing and inventory risks will mitigate all such risks associated with these activities. As well, by Parkland hedging its commodity price exposure, it may forgo the benefits that may otherwise be experienced if commodity prices were to increase.

Refinery Supply

Parkland contracts with third parties for the supply of crude oil and other feedstocks to the Burnaby Refinery and for the offtake of refined products from the Burnaby Refinery. Adequate supply and offtake arrangements are key operational risks of the Burnaby Refinery. An inability to conclude contracts for supply of crude oil or other feedstocks or for the offtake of any stream of refined products from the Burnaby Refinery, or any scheduled or unscheduled interruption in contracted supply or offtake, could have a material adverse effect on Parkland's business, financial condition or results of operations.

Substantially all of the crude oil sourced by the Burnaby Refinery is delivered from Alberta by the TMPL, as regulated by the Canadian Energy Regulator ("**CER**") and operates under published tariff. Under various market conditions, the Burnaby Refinery could see variability in its crude deliveries from TMPL as the capacity on the pipeline fluctuates from time to time based on operating conditions and planned and/or unplanned maintenance. To manage month to month variability, Parkland has established systems, processes and resources to make the most economic supply decisions within the logistical and operational constraints. In addition to the TMPL line capacity, the Burnaby Refinery can also receive volumes of crude by rail, truck, and marine when economic. Further, extreme or unexpected weather events may affect the operation of the TMPL, such as the severe flooding in British Columbia in November and December 2021 that resulted in a temporary shutdown of the TMPL. As a result, Parkland temporarily ceased processing operations at the Burnaby Refinery. Similar and prolonged events in the future may materially and adversely affect Parkland's business, financial condition or results from operation.

Legal and regulatory matters, safety issues and COVID-19 have impacted and continue to impact the construction of the TMPL expansion projection and the timeline for completing the project remains uncertain. Delays on the construction of the TMPL expansion project may limit Parkland's ability to procure crude sourced from the TMPL.

In January 2019, the Government of Alberta enacted rules for the temporary curtailment of the production of crude oil and crude bitumen in Alberta (the "**Curtailment Rules**"). The Curtailment Rules were in effect from January 1, 2019 until December 31, 2021, however, no monthly production limits were in effect since December 2020. Any future curtailments imposed by the government may negatively affect Parkland's ability to supply feedstock for the Burnaby Refinery, which may in turn have a material adverse effect on Parkland's revenue, profitability and ability to service debt and pay dividends.

Petroleum Products

Parkland's business depends, to a large extent, on a small number of crude oil and other Burnaby Refinery feedstock suppliers, as well as refined fuel suppliers, a number of which are parties to long-term supply agreements with Parkland. An interruption or reduction in the supply of crude oil or petroleum products and services by such suppliers could adversely affect Parkland's financial condition. Furthermore, if any of the supply agreements are terminated or expire without being renewed, Parkland may experience disruptions in its ability to supply customers with products until a new source of supply can be secured. Such a disruption may have a material negative impact on Parkland's financial condition and its reputation. Additionally, Parkland cannot ensure that it will be able to renew such agreements or negotiate new agreements on similar terms that are favourable to Parkland.

Retail Pricing

Retail pricing for motor fuels is very competitive and influenced by a fragmented market consisting of major oil companies, international convenience operators, national grocery chains and independent fuel retailers. From time to time, factors such as intensified price competition, seasonal over supply or lack of response of retail pricing to changes in refined product costs may lead to margin pressure in Parkland's business. These pressures are normally restricted to relatively short, seasonal time periods and isolated market areas, but could occur more extensively across Parkland's network. Difficult market conditions may also adversely affect Parkland's major customers and create increased credit risk.

Common Shares

We cannot predict the prices at which our Common Shares may trade in the future. The market price of the Common Shares may fluctuate widely, depending upon many factors, some of which may be beyond our control, including:

- a shift in our investor base;
- our quarterly or annual earnings, or those of other companies in our industry;
- actual or anticipated fluctuations in our operating results;
- announcements by us or our competitors of significant acquisitions or dispositions;
- developments affecting Parkland's customers;
- national and international economic conditions;
- changes in earnings estimates by securities analysts or our ability to meet our earnings guidance;
- the operating and stock performance of other comparable companies; and
- overall market fluctuations and general economic conditions.

Stock markets in general have also experienced volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations could negatively affect the trading price of the Common Shares.

Additionally, Parkland may issue additional Common Shares in the future to finance certain capital expenditures, including acquisitions. Parkland is permitted to issue an unlimited number of Common Shares under its constating documents. Any issuance of Common Shares may have a dilutive effect on the Shareholders. Parkland may also issue preferred shares in one or more series for which the Board of Directors has the discretion to determine the number issued and the rights, privileges, restrictions and conditions attached to such shares. See "Description of Share Capital – Common Shares" and "Description of Share Capital – Preferred Shares" for additional information regarding the Common Shares and preferred shares of the Corporation, respectively.

Dividends

Parkland has historically paid regular cash dividends on the Common Shares. However, the frequency, timing, declaration, amount and payment of future dividends to Shareholders will fall within the discretion of the Board of Directors. There can be no assurance that we will continue to pay any dividends. See "Dividends" for additional information.

Effective Internal Controls

Effective internal controls are necessary for the Corporation to provide reliable financial reports, manage its risk exposure and help prevent fraud. Although the Corporation undertakes several procedures to help ensure the reliability of its financial reports, including those imposed by Canadian securities laws, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. If the Corporation or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Corporation and its financial statements and negatively impact the trading price of the Common Shares.

Foreign Exchange Risk

Parkland is exposed to foreign exchange risk through its production of refined products, which are customarily priced in U.S. dollars, and its investments in the United States including, but not limited to, its U.S. subsidiaries. Changes in the Canada/United States exchange rate could impact the earnings of Parkland, the value of Parkland's investments in the United States and the cash generated from Parkland's business. Parkland's net investment in its U.S. subsidiaries, which have a U.S. dollar functional currency, presents a foreign currency risk to the Corporation, which has a Canadian dollar functional currency. Additionally, following the Sol Transaction, Parkland's net investment in SIL, which has a U.S. dollar functional currency, increased the foreign currency risk to the Corporation. In addition, certain of Parkland's subsidiaries have functional currencies in various currencies in the Caribbean region. Certain of these currencies are less liquid than the U.S. dollar and Canadian dollar and therefore pose foreign exchange risk. Specifically, Parkland may accumulate significant amounts of local currencies through sales in local markets and be unable to readily convert such currencies into U.S. or Canadian dollars. Such currencies may experience devaluation or hyperinflation against the U.S. dollar or Canadian dollar, resulting in a loss to Parkland. Given the volatility of exchange rates, Parkland may not be able to manage its currency risks effectively or at all, which could have a material adverse effect on its financial condition or results of operations.

Pending and Future Legal Proceedings

Alleged failure by Parkland to comply with laws and regulations may lead to governmental authorities imposing fines or penalties or denying, revoking or delaying the renewal of permits or licenses. In addition, governmental authorities as well as third parties may claim that Parkland is liable for loss or damage, such as environmental damage. Parkland may be the subject of litigation by customers, suppliers and other third parties. A significant judgment against Parkland, the loss of a significant permit or other approval, the imposition of a significant fine or penalty, or other unfavourable results, may, in certain circumstances, result in an event of default under certain of our agreements (including debt agreements) and, in any case, may materially and adversely affect Parkland's business, prospects, results of operations or financial condition. Unfavourable results, government investigations or settlements may also encourage other parties to commence additional legal proceedings, and may cause negative publicity and reputational damage to Parkland. Legal proceedings are expensive, time consuming and may divert management's attention away from the operation of Parkland's business.

Credit Risk

Credit risk is the risk that Parkland's counterparties will not meet their obligations under a financial or physical instrument or customer contract, causing a financial loss to Parkland. Difficult market conditions may adversely affect Parkland's major customers and create increased credit risk. A substantial portion of Parkland's trade accounts receivable and long-term receivables are with customers in the oil and gas, mining and forestry industries, which are subject to normal industry credit risks. The maximum exposure of credit risk of the accounts receivable account is its carrying value.

AUDIT COMMITTEE INFORMATION

Audit Committee Mandate

The revised mandate of the Audit Committee (the "Audit Committee Mandate") of the Corporation, which was adopted and approved by the Board on March 3, 2022, is set forth in Appendix 1 of this Annual Information Form.

Composition of the Audit Committee

The Audit Committee is a standing committee appointed by the Board of Directors to assist the Board of Directors in fulfilling its oversight responsibilities with respect to financial reporting by the Corporation. The Audit Committee currently consists of five members, all of whom are independent and financially literate in accordance with the definitions in National Instrument 52-110 *Audit Committees*. Mr. Hogarth and Mr. Hookway were appointed to the Audit Committee on May 3, 2021 and November 1, 2021, respectively. The relevant education and experience of each Audit Committee member is outlined below.

Deborah Stein, FCPA, FCA

Ms. Stein has held a number of senior finance leadership roles, including as Senior Vice President Finance and Chief Financial Officer of AltaGas Ltd. from 2008 to 2015, and Chief Financial Officer and Corporate Secretary of AltaGas Utilities Group Inc. from 2005 to 2006. Ms. Stein has also held senior leadership roles at Wendy's Restaurants of Canada, Paramount Canada's Wonderland and TransCanada Corporation. Ms. Stein currently sits on the boards of directors of several private and public companies, including NuVista Energy Ltd., where she chairs the Audit Committee and serves on the Environment, Social and Governance Committee, Trican Well Services Ltd., where she serves on the Audit Committee and chairs both the Corporate Governance Committee and Human Resources and Compensation Committee, and Aecon Group Inc., where she chairs the Audit Committee. Ms. Stein has also chaired the National Board of Financial Executives International, Canada and was a trustee of the Calgary Zoo. Ms. Stein received certification with the Institute of Corporate Directors and is a Fellow of Chartered Professional Accountants (FCPA, FCA). Ms. Stein holds a Bachelor of Arts degree in Economics (Hons.) from York University. In addition to serving on the Audit Committee, Ms. Stein is also a member of the Strategic Initiatives and Corporate Development Committee.

Domenic Pilla

Mr. Pilla has over 30 years of leadership experience in the health care and retail sectors. Mr. Pilla served as Chief Executive Officer of McKesson Canada from 2017 until his retirement in 2020. Mr. Pilla served as President of Shoppers Drug Mart Corporation, a subsidiary of Loblaw Companies Limited, and sat on the Board of Directors of Loblaws Companies Limited, from April 1, 2014 until January 9, 2015. Mr. Pilla served as Chief Executive Officer and sat on the Board of Directors of Shoppers Drug Mart Corporation from November 1, 2011 until March 31, 2014, when Shoppers Drug Mart Corporation was purchased by Loblaw Companies Limited. Mr. Pilla also served on the board of directors of Domtar Corporation and its Human Resources and Compensation Committee from October 2014 until January 2017. From January 2001 to October 2011, Mr. Pilla led McKesson Canada in various senior leadership roles. Mr. Pilla has also served as President of Canadian Operations of RNG Group Inc., a privately-owned Toronto-based company. During his 18-year tenure with Petro-Canada, Mr. Pilla held a number of senior positions in distribution, sales and retail, including Vice-President of the Central Region. In holding such varied senior leadership positions, Mr. Pilla gained substantial experience in, among other things, actively supervising persons engaged in preparing, auditing, analyzing and evaluating financial statements and has gained an understanding of the controls and procedures required for financial reporting. In addition to serving on the Audit Committee, Mr. Pilla chairs the Environment, Social and Governance Committee and serves on the Strategic Initiatives and Corporate Development Committee.

Richard Hookway

Mr. Hookway has over 35 years of executive and strategic leadership experience. From 2018 until July 2020, Mr. Hookway served as Chief Executive Officer of the global business division of Centrica plc and as an executive member of its board of directors. Prior thereto, Mr. Hookway spent 35 years with BP in a variety of global leadership roles, including serving as Chief Executive Officer of their natural gas liquids and commercial and industrial businesses, Chief Operations Officer of their global business services and procurement business and Chief Financial Officer of their downstream and petrochemical businesses. Mr. Hookway is currently a non-executive member of the Supervisory Board at Royal Vopak N.V. and of the UK Atomic Energy Authority. He has previously served on the board of directors of EDF Energy Nuclear Generation Group and sat on committees at the CBI (Confederation of British Industry), including the Energy and Climate Change Committee. Mr. Hookway has a Masters of Science in Management from Stanford University and a Bachelor of Science in Mathematics from the University of Manchester.

Steven Richardson, CPA CMA (Chair)

Mr. Richardson has more than 30 years of experience working in financial roles in retail, financial services and oil and gas sectors. Mr. Richardson served as Chief Financial Officer of the Hudson's Bay Company from 2006 until 2009 and, prior thereto, he held various senior financial positions within the company since 2003. Prior to joining the Hudson's Bay Company, Mr. Richardson held senior executive positions with financial services companies, including as Chief Financial Officer of Wells Fargo Financial Canada, Executive Vice President and Chief Financial Officer of Associates Financial Services of Canada, and Chief Financial Officer of Beneficial Canada. Mr. Richardson began his career at Imperial Oil Limited, with various positions in the corporate finance and controller departments. Mr. Richardson is a CPA CMA, holds a Bachelor of Arts in Economics and Commerce (Honours) from the University of Toronto, and completed the Senior Executive Leadership Program at Columbia University. He is also a graduate of the Rotman School of Management, Director's Education Program and holds the ICD.D designation. Mr. Richardson currently sits on the Board of Directors of SupremeX Inc., where he chairs the Audit Committee, and serves on the Pension Investment Committee. Mr. Richardson has previously sat on the board of directors of RONA and Easyhome Ltd., where he served on both audit committees. Mr. Richardson chairs the Audit Committee and is also a member of the Human Resources and Corporate Governance Committee.

Tim Hogarth

Mr. Hogarth has over 30 years of executive leadership experience in the petroleum industry and retail sectors. He is currently President and Chief Executive Officer of The Pioneer Group Inc., an investment holding company. Prior thereto, Mr. Hogarth served as Chairman and Chief Executive Officer of Pioneer Energy, until it was acquired by Parkland in 2015. Under Mr. Hogarth's leadership, Pioneer became Canada's largest private independent fuel marketer and a platinum member of Canada's 50 Best Managed Companies. Mr. Hogarth currently serves on the board of directors of Rockport Networks Inc., an Ottawa based technology company specializing in industry leading switchless networking architecture. As well, Mr. Hogarth serves on the board of the QSR Group, a large multi-unit licensee owner / operator of Tim Horton's and Wendy's restaurants. Mr. Hogarth gained substantial experience in, among other things, actively overseeing persons engaged in preparing, auditing, analyzing and evaluating financial statements and has gained an understanding of the controls and procedures required for financial reporting. Mr. Hogarth holds a Bachelor of Business Administration from Bishop's University and has completed the Program for Management Development at the Harvard Business School. In addition to serving on the Audit Committee, Mr. Hogarth serves on the Strategic Initiatives and Corporate Development Committee.

Pre-approval Policies and Procedures

Under the Audit Committee Mandate, the Audit Committee is required to approve the terms of the engagement and the compensation to be paid to the external auditor of the Corporation. In addition, the Audit Committee is required to review and pre-approve non-audit services provided by the external auditor as required by National Instrument 52-110 *Audit Committees*.

External Auditor Services Fees by Category

PricewaterhouseCoopers LLP, Chartered Professional Accountants ("**PwC**"), were first appointed as the auditors of a predecessor to the Corporation in 2004. The lead engagement partner from PwC responsible for Parkland's audit is changed every seven years. PwC has appointed a new engagement partner starting in 2022. The table below shows the fees paid or payable by Parkland to PwC for their services in the 2021 and 2020 fiscal years:

Description	2021	2020
Audit Fees (1)	$ 3,704,000	$ 3,666,110
Audit-Related Fees (2)	$ 740,000	$ 491,890
Tax Fees (3)	$ 272,000	$ 107,559
All Other Fees (4)	$ 337,100	$ 153,509
Total	**$5,053,100**	**$4,419,068**

Notes:

(1) "Audit Fees" include the aggregate fees paid or payable by Parkland to PwC, as well as other accounting firms, for their respective audit services. Of the amounts stated in the table above: (i) U.S.$1,589,000/C$1,996,073 (in 2021) and U.S.$1,540,000/C$1,934,520 (in 2020) were incurred in connection with the statutory or regulatory audits conducted by PwC for Parkland's subsidiaries operating in the Caribbean region; and (ii) U$280,000/C$350,000 (in 2021) and U.S.$322,000/C$430,000 (in 2020) were incurred by accounting firms other than PwC for their audit services for Parkland's subsidiaries operating in the Caribbean region.

(2) "Audit-Related Fees" include the aggregate fees paid or payable by Parkland for assurance and related services by PwC that were reasonably related to the performance of the audit or review of Parkland's financial statements and are not reported under note (1) above. In 2021 and 2020, such services included reviewing interim consolidated financial statements and purchase price allocations, system conversion and upgrade testing, performing procedures for the offering memorandum and prospectuses, and translating annual and quarterly financial statements and management's discussion and analyses.

(3) "Tax Fees" include the aggregate fees paid or payable by Parkland for professional services rendered by PwC for tax compliance, tax advice and tax planning. Of the amounts stated in the table above, U.S.$39,200/C$49,000 (in 2021) and U.S.$32,250/C$43,000 (in 2020) were incurred in connection with tax services conducted by PwC for Parkland's subsidiaries operating in the Caribbean region.

(4) "All Other Fees" include the aggregate fees paid or payable by Parkland for products and services provided by PwC, other than those reported under notes (1), (2) and (3), above. In 2021 and 2020, such services included testing National Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*, reviewing global mobility programs and various other advisory and consulting arrangements. Of the amounts stated in the table above:
(i) U.S.$130,460/C$163,075 (in 2021) and U.S.$26,500/C$35,400 (in 2020) were incurred in connection with services conducted by PwC; and
(ii) U.S.$5,100/C$6,375 (in 2021) and U.S.$0/C$0 (in 2020) were incurred in connection with the services conducted by the firms other than PwC for Parkland's subsidiaries operating in the Caribbean region.

DIVIDENDS

Dividends Paid by the Corporation and Dividend Policy

Parkland declared and paid the following Common Share dividends during the three most recently completed financial years:

- March 2018 through February 2019: declared and paid a monthly dividend of $0.0978 per Common Share equivalent to $1.1740 per Common Share annually during such period.
- March 2019 through February 2020: declared and paid a monthly dividend of $0.0995 per Common Share equivalent to $1.194 per Common Share annually during such period.
- March 2020, through February 2021: declared and paid a monthly dividend $0.1012 per Common Share, equivalent to $1.214 per Common Share annually during such period.
- March 2021, through February 2022: declared and paid a monthly dividend $0.1029 per Common Share, equivalent to $1.235 per Common Share annually during such period.

Parkland will increase its annualized Common Share dividend by 5.3% from $1.235 to $1.300, effective with the monthly dividend payable on April 15, 2022. In addition, starting in the second quarter of 2022, Parkland will pay any declared dividends on a quarterly basis, at the expected rate of $0.325 per Common Share. This will be Parkland's tenth consecutive annual increase.

The declaration of dividends is at the sole discretion of the Board of Directors and the amount of dividends declared by the Corporation and the frequency of payment thereof, if any, may vary from time to time as a consequence of a number of factors, including, without limitation, retail pricing and margins, availability and pricing of petroleum product supply, volatility of crude oil prices, capital expenditure requirements, operating costs and compliance with any restrictions on the declaration and payment of dividends contained in any agreement to which Parkland is a party from time to time (including, without limitation, the Credit Agreement and the Senior Note Indentures) and the satisfaction of the liquidity and solvency tests imposed by the Business Corporations Act for the declaration and payment of dividends.

Dividend Reinvestment Plan

The Corporation has a dividend reinvestment plan that allows the Shareholders to reinvest their cash dividends to purchase additional Common Shares from treasury at a 2% discount relative to the daily volume weighted average trading price on the applicable dividend payment date (the "**Dividend Reinvestment Plan**"). Effective November 2, 2021, the Dividend Reinvestment Plan was reduced from a 5% per Common Share discount to a 2% per Common Share discount. The Dividend Reinvestment Plan allows Parkland to retain amounts that would otherwise be paid to Shareholders as dividends in cash, thereby incrementally raising equity capital which may be used by Parkland to, among other things, fund its capital program and fund acquisitions, which help contribute to Parkland's growth and ability to execute on its strategy.

Shareholders interested in participating in the Dividend Reinvestment Plan can find out more at Parkland's website: www.parkland.ca. A copy of the enrolment form is available from Computershare through their website at www.computershare.com or by calling 1-800-564-6253, or from Parkland through its website at www.parkland.ca or by calling 403-357-6400.

DESCRIPTION OF CAPITAL STRUCTURE

Share Capital

The authorized capital of the Corporation consists of an unlimited number of Common Shares and preferred shares issuable in series. The following is a summary of the rights, privileges, restrictions and conditions attaching to the securities of the Corporation which comprise the share capital of the Corporation.

Common Shares

As at March 11, 2022, there were 155,226,017 Common Shares issued and outstanding.

Each Common Share entitles the holder to receive notice of and to attend all meetings of the Shareholders and to one vote at such meetings. The holders of Common Shares will be, at the discretion of the Board of Directors and subject to applicable legal restrictions, entitled to receive any dividends declared by the Board of Directors on the Common Shares. The holders of Common Shares will be entitled to share equally in any distribution of the assets of the Corporation upon the liquidation, dissolution, bankruptcy or winding-up of the Corporation or other distribution of its assets among its shareholders for the purpose of winding-up its affairs.

Parkland has a shareholder rights plan (the "**Plan**") that was adopted to ensure, to the extent possible, that all Shareholders are treated fairly in connection with any takeover bid for Parkland and to provide the Board of Directors and the Shareholders more time to fully consider any unsolicited takeover bid for Parkland without undue pressure, and allow the Board of Directors to pursue, if appropriate, other alternatives to maximize shareholder. The Plan creates a right attaching to each Common Share outstanding and to each Common Share subsequently issued. Until the Separation Time (as defined in the Plan), which typically occurs at the time of an unsolicited takeover bid, whereby a person acquires or attempts to acquire 20% or more of the Common Shares, the rights are not separable from the Common Shares, are not exercisable and no separate rights certificates are issued. Each right entitles the holder, other than the 20% acquiror, from and after the Separation Time and before certain expiration times, to acquire one Common Share at a substantial discount to the market price at the time of exercise. The Plan was reconfirmed at Parkland's 2020 annual meeting of Shareholders and must be reconfirmed at every third annual meeting thereafter. Accordingly, the Plan, with such amendments as the Board of Directors determines to be necessary or advisable, and as may otherwise be required by law, is expected to be placed before Shareholders for approval at Parkland's 2023 meeting of Shareholders. A copy of the agreement relating to the Plan is available on Parkland's SEDAR profile at www.sedar.com.

Preferred Shares

As of the date of this Annual Information Form, there were no preferred shares of the Corporation issued and outstanding.

The preferred shares of the Corporation are issuable in one or more series. The Board of Directors is empowered to fix the number of preferred shares and the rights, privileges, restrictions and conditions to be attached to the preferred shares of each series. As a result of Parkland's discussions with certain proxy advisory firms, Parkland agreed to limit the number of preferred shares that may be authorized for issuance at any given time to a maximum of 5,000,000.

Indebtedness

Senior Notes

General

The Senior Notes are direct senior unsecured obligations of the Corporation and rank *pari passu* in right of payment with all other existing and future senior indebtedness of the Corporation.

Subject to certain exceptions, the Senior Note Indentures governing the Senior Notes contains a number of covenants that, among other things, restrict the Corporation and certain of its subsidiaries ability to: create liens on its assets; liquidate, dissolve or wind up; transfer or sell assets; incur debt; pay dividends on shares, repurchase shares, repay debt or make other restricted payments; enter into hedges other than in certain circumstances; enter into transactions with affiliates; consolidate, merge or transfer all or substantially all of their assets; and make certain acquisitions over a certain limit.

Redemption

The Senior Notes are redeemable by the Corporation on the dates and at the prices included in the table below. The Senior Notes are also redeemable under certain other circumstances and prices, as set out in the Senior Note Indentures governing each of the Senior Notes each of which are available on the Corporation's SEDAR profile at www.sedar.com. For further information, please see note 13 of the Annual Financial Statements regarding the Senior Notes.

Senior Notes	Redemption Date (on and after)		Redemption Prices (percentage of face value)
2026 3.875% Senior Notes	June 16	2023	101.938%
		2024	100.969%
		2025 and thereafter	100.000%
2027 5.875% US Senior Notes	July 15	2022	104.406%
		2023	102.938%
		2024	101.469%
		2025 and thereafter	100.000%
2028 6.000% Senior Notes	June 23	2023	103.00%
		2024	101.50%
		2025 and thereafter	100.00%
2029 4.375% Senior Notes	March 26	2024	102.188%
		2025	101.094%
		2026 and thereafter	100.000%
2029 4.500% US Senior Notes	October 1	2024	102.250%
		2025	101.125%
		2026 and thereafter	100.000%
2030 4.625% US Senior Notes	May 1	2025	102.313%
		2026	101.156%
		2027 and thereafter	100.000%

Change of Control

Upon the occurrence of a Change of Control Triggering Event (as defined in each of the Senior Note Indentures), if the Senior Notes are not redeemed by Parkland, the holders of the Senior Notes may require the Corporation to repurchase such holder's Senior Notes, in whole or in part, at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but excluding) the date of purchase.

Credit Agreement

Parkland entered into the Credit Agreement on March 25, 2021, which was further amended on September 22, 2021. The following is a summary of the material terms of the Credit Agreement:

Amount and Term

The Credit Agreement provides for certain credit facilities to be made available to Parkland, Parkland Refining, Elbow River Marketing Ltd., Parkland (U.S.) Financing Corp., Parkland US LP and Parkland (U.S.) Supply Corp. (USSC) (collectively, the "**North American Borrowers**") and SIL and certain of its subsidiaries (collectively the "**Caribbean Borrowers**" and, together with the North American Borrowers, the "**Borrowers**"). Under these credit facilities, aggregate amounts of approximately (i) $1,651 million (or U.S. dollar equivalent) and U.S.$30 million are available to the North American Borrowers (collectively, the "**Global Facilities**") and (ii) U.S.$175 million is available to the Caribbean Borrowers (the "**Caribbean Facility**" and, collectively with the Global Facilities, the "**Credit Facilities**").

The Credit Facilities have a maturity date of March 25, 2026, with an option on the part of Parkland to request that the lenders extend, at their discretion, the facilities to a new maturity date for one or more years, provided that no such extension may be for more than five years from the date of the extension. There is no assurance the lenders will agree to extend the facilities. The Credit Facilities have an accordion feature allowing them to be increased by an aggregate amount not to exceed $500 million (or the U.S. dollar equivalent thereof).

Letters of Credit

Letters of credit in the aggregate amount of $300 million (or U.S. dollar equivalent thereof) are available to the North American Borrowers under the Global Facilities. In addition, certain North American Borrowers are able to access an additional U.S.$75 million in letters of credit pursuant to arrangements with Export Development Canada. An aggregate of $55 million of letters of credit are available to the Caribbean Borrowers under the Caribbean Facility.

Interest Rates and Fees

The interest rate on loans under the Credit Facilities that are (i) denominated in U.S. dollars will, at the option of the Borrowers, be either a margin over a U.S. base rate or a margin over LIBOR (ii) denominated in Canadian dollars will, at the option of the Borrowers, be either a margin over the Canadian prime rate or a margin over the bankers' acceptance rate and (iii) denominated in Euros will be based on a margin over EURIBOR; such margins will be based on the then applicable ratio of total funded debt to EBITDA (the "**Margin Ratio**"). The interest rates applicable to borrowings in other currencies under the Caribbean Facility will be determined pursuant to the terms of the applicable bi-lateral agreement.

The Credit Facilities also provide for (i) a standby fee for each lender calculated on the unused amount of its commitment at a percentage based on the applicable Margin Ratio; (ii) an issuance fee on the outstanding amount of the letters of credit equal to the margin applicable to LIBOR loans (subject to reduction in fees for non-financial letters of credit); and (iii) an acceptance fee to be paid upon the acceptance of a lender of a bankers' acceptance at a percentage based on the applicable Margin Ratio.

Repayment

The Credit Facilities will be required to be repaid on their respective maturity dates noted above.

Guarantees and Security

The Credit Facilities are fully secured by Parkland and certain of its subsidiaries by way of a security interest in substantially all of their respective assets, secured by a perfected first priority lien, subject to certain encumbrances and exceptions, as security for their obligations to the agent and the lenders under the Credit Facilities. In addition, Parkland and certain of its subsidiaries are required to guarantee the obligations of the Borrowers to the agent and lenders under the Credit Facilities.

Certain Covenants and Events of Default

Subject to certain exceptions, the Credit Agreement contains a number of covenants that, among other things, restrict the Borrowers (and, in certain cases, the Borrower's subsidiaries' and Parkland's material subsidiaries') ability to: change the nature of their business or operations in any material respect; create liens on their assets; liquidate, dissolve or wind up; transfer or sell assets, including shares of subsidiaries; incur or guarantee additional debt or other obligations, in certain circumstances, hold cash in excess of set amounts; make certain investments or acquisitions over a certain limit; grant certain guarantees or other forms of financial assistance; pay dividends on shares, repurchase shares, redeem subordinated debt or make other restricted payments; enter into hedges other than in limited circumstances; enter into non-arm's length transactions; amalgamate, merge or transfer all or substantially all of their assets; or change their fiscal year unless certain conditions are met; or repay the Senior Notes.

The Credit Agreement contains customary affirmative covenants and events of default.

The Credit Agreement also requires Parkland to maintain specified financial ratios and satisfy specified financial tests. See section 7 of the Annual MD&A for a description of the financial covenants under the Credit Agreement and Parkland's compliance with such covenants.

Unsecured Letter of Credit Facilities

As at December 31, 2021, Parkland had $43 million in undrawn letters of credit outstanding under three unsecured demand revolving letter of credit facilities (collectively, the "**LC Facilities**") provided by each of The Bank of Nova Scotia, Canadian Imperial Bank of Commerce and Royal Bank of Canada. Parkland's obligations under the LC Facilities are supported by guarantees from each borrower under the Credit Agreement, and performance security guarantees from Export Development Canada.

Credit Ratings

The Senior Notes are rated BB stable from Standard & Poor's Rating Services, a division of McGraw Hill Financial, Inc. ("**S&P**"), BB stable from DBRS Limited ("**DBRS**") and BB stable from Fitch Ratings ("**Fitch**"). In addition, the 2027 5.875% US Senior Notes, 2029 4.500% US Senior Notes and 2030 4.625% US Senior Notes have a rating of Ba3 from Moody's Investors Services ("**Moody's**").

S&P's credit ratings are on a long-term debt rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BB is the fifth highest of ten major categories. According to the S&P rating system, an obligor with debt securities rated BB is less vulnerable to nonpayment than other speculative issues, however, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. The addition of a plus (+) or minus (-) designation after a rating indicates the relative standing within a particular rating category.

DBRS rates long-term debt instruments by rating categories ranging from "AAA" to "D", which represents the range from highest to lowest quality of such securities rated. All rating categories other than "AAA" and "D" also contain subcategories "(high)" and "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. A rating of BB is characterized by DBRS to be speculative and non-investment grade credit quality, where the capacity for the payment of financial obligations is uncertain and vulnerable to future events. The BB category is the fifth highest of ten available rating categories.

Fitch's rates long-term debt instruments and financial strength by categories ranging from "AAA" to "D", which represents the range from highest to lowest quality of such securities rated. Fitch may use modifiers of "+" or "-" to denote relative status within major rating categories. A rating of BB is the fifth highest of ten major categories and is characterized by Fitch as indicating an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, the business or financial alternatives may be available to allow financial commitments to be met.

Moody's long-term debt ratings are on a scale from Aaa to C, which represents the range from highest to lowest quality of such securities rated. All rating categories other than Aaa, Ca, and C, also contain subcategories "1", "2", or "3". The subcategory designations indicate the relative standing within a particular rating category, with "1" indicating that the obligation ranks in the higher end of that generic rating category and "3" indicating that the obligation ranks in the lower end of that generic rating category. A Ba2 rating is characterized by Moody's as having speculative elements and subject to substantial credit risk and non-investment grade credit quality.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issuer of securities. The credit ratings accorded to the notes are not recommendations to purchase, hold or sell such securities inasmuch as such ratings are not a comment upon the market price of the securities or their suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant. A revision or withdrawal of a credit rating could have a material adverse effect on the pricing or liquidity of the notes in the secondary markets, should such markets develop. Parkland undertakes no obligation to maintain the ratings or to advise holders of the Senior Notes of any change in ratings. Each agency's rating should be evaluated independently of any other agency's rating. See "Risk Factors – Credit Ratings".

We have paid fees for rating services to S&P, DBRS, Moody's and Fitch, but have not paid fees for other rating agency services during the last two years.

MARKET FOR SECURITIES

The Common Shares are listed for trading on the TSX and trade under the symbol "**PKI**". The following table sets forth the price ranges and trading volumes for the Common Shares that traded on the TSX, as reported by Bloomberg Terminal, for the financial year ended December 31, 2021:

Month	High	Low	Volume Traded
January	$45.10	$38.21	7,441,791
February	$40.62	$36.39	8,514,836
March	$40.71	$37.25	9,612,627
April	$40.61	$36.72	7,331,587
May	$40.94	$38.78	8,985,255
June	$41.89	$37.30	8,523,826
July	$40.41	$38.06	6,334,377
August	$41.78	$35.88	8,816,453
September	$38.01	$33.84	7,842,581
October	$38.19	$35.15	6,957,982
November	$38.34	$32.78	12,000,943
December	$34.94	$32.96	8,491,341

For information in respect of options to purchase Common Shares, performance-based restricted share units and deferred share units that have been issued by Parkland during the most recently completed financial year, see note 17 of the Annual Financial Statements, which is incorporated by reference into this AIF and available on SEDAR at www.sedar.com.

ESCROWED SECURITIES

The table below set forth the number of Common Shares that are held, to Parkland's knowledge, in escrow and the percentage that number represents of the outstanding Common Shares for the most recently completed financial year:

Designation of class	Number of securities held in escrow	Percentage of class (as at December 31, 2021)
Common Shares	1,529,172[(1)]	0.992%

Note:

(1) The escrowed Common Shares (collectively, the "**Escrowed Shares**") were issued as part of the consideration under various acquisitions and are subject to customary escrow conditions for such transactions. Subject to the other escrow conditions being satisfied or waived, the Escrowed Shares will be released in the following amounts, on the applicable dates: (i) 128,235 on February 28, 2023; (ii) 968,710 on June 10, 2023; and (iii) 432,227 on June 15, 2023.

DIRECTORS AND OFFICERS

Directors

The following individuals are the directors of Parkland as at December 31, 2021. The term of each director will expire at the end of the next annual meeting of Shareholders or when a successor is duly elected or appointed.

Name and Jurisdiction of Residence	Principal Occupation During the Five Preceding Years	Director of Parkland Since
John F. Bechtold (1)(2)(3) Montreal, Quebec, Canada	Corporate Director.	August 10, 2006
Lisa Colnett (1)(3) Toronto, Ontario, Canada	Corporate Director.	May 8, 2014
Robert B. Espey Calgary, Alberta, Canada	President and Chief Executive Officer of Parkland since May 1, 2011.	May 12, 2011
Timothy Hogarth (2)(4) Toronto, Ontario, Canada	President and Chief Executive Officer of The Pioneer Group Inc. since June 2015.	June 25, 2015
Richard Hookway (4) London, United Kingdom	Corporate Director. Chief Executive Officer (Global Business Division) and Executive Director of Centrica Plc from 2018 to 2020. Prior thereto, Chief Operating Officer (IT, Global Business Services and Procurement) of BP (UK) since 2014.	August 5, 2021
Angela John (3) Houston, Texas, United States	Director, Business Development of New Energy Ventures of Williams since January 2021. Prior thereto, Director, Structured Products of BP since 2017.	August 5, 2021
James Pantelidis (2)(5) Toronto, Ontario, Canada	Corporate Director.	September 7, 1999
Domenic Pilla (2)(3)(4) Toronto, Ontario, Canada	Corporate Director. Chief Executive Officer of McKesson Canada from 2017 to 2020.	January 5, 2015
Steven Richardson (1)(4)(6) Toronto, Ontario, Canada	Corporate Director.	August 2, 2017
David A. Spencer (1)(2)(3) Calgary, Alberta, Canada	Director, Pine Hill Capital. Partner with Bennett Jones LLP from February 2005 until December 31, 2019.	April 30, 2002
Deborah Stein (2)(4) Calgary, Alberta, Canada	Corporate Director.	May 13, 2016

Notes:

(1) Member of the Human Resources and Corporate Governance Committee. Ms. Colnett is Chair of the Human Resources and Corporate Governance Committee. Mr. Spencer replaced Ms. Stein on the Human Resources Corporate Governance Committee on May 3, 2021.

(2) Member of the Strategic Initiatives and Corporate Development Committee. Mr. Pantelidis is Chair of the Strategic Initiatives and Corporate Development Committee. Ms. Stein was appointed to the Strategic Initiatives and Corporate Development Committee on May 3, 2021.

(3) Member of the Environment, Social and Governance Committee. Mr. Pilla is Chair of the Environment, Social and Governance Committee. Ms. John was appointed to the Environment, Social and Governance Committee on November 1, 2021.

(4) Member of the Audit Committee. Mr. Richardson is Chair of the Audit Committee. Mr. Hogarth and Mr. Hookway were appointed to the Audit Committee on May 3, 2021 and November 1, 2021, respectively. The members of the Audit Committee have been determined to be independent and financially literate and their relevant education and experience is detailed under the heading "Audit Committee Information".

(5) Mr. Pantelidis is Chairman of the Board of Directors.

(6) Mr. Richardson was a member of the board of directors of Sterling Shoes Inc. from June 2010 to January 2013. Pursuant to orders of the Supreme Court of British Columbia ("BCSC"), including an initial order dated October 21, 2011, Sterling Shoes Inc. and each of its subsidiaries obtained creditor protection under the *Companies' Creditors Arrangement Act* (Canada). On November 28, 2014, the BCSC granted an order authorizing, among other things, a final distribution to the creditors of Sterling Shoes GP Inc. and Sterling Shoes Limited Partnership holding individual claims in excess of $4,600. Furthermore, on September 9, 2013, the British Columbia Securities Commission issued a cease trade order relating to any trading in securities of Sterling Shoes Inc. as a result of Sterling Shoes Inc. not having filed its (i) annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the years ended December 31, 2011 and December 31, 2012 and (ii) interim unaudited financial statements, interim management's discussion and analysis and certification of interim filings for the interim periods ended March 31, 2012, June 30, 2012, September 30, 2012, March 31, 2013, June 30, 2013 and September 30, 2014, by the required deadlines. Related cease trade orders were also issued by securities regulatory authorities in Alberta on December 9, 2013, Ontario on September 16, 2013 (replaced by a permanent cease trade order as of September 27, 2013) and Quebec on September 12, 2013 (replaced by a permanent cease trade order as of September 27, 2013). The cease trade orders remain in effect.

Executive Officers

The following individuals are the executive officers of Parkland as at December 31, 2021.

Name and Jurisdiction of Residence	Principal Occupation During the Five Preceding Years
Robert B. Espey Calgary, Alberta, Canada	President and Chief Executive Officer since May 2011.
Christy Elliott Calgary, Alberta, Canada	Senior Vice President, General Counsel and Corporate Secretary since December 2020. Vice President, Senior General Counsel and Corporate Secretary of Parkland from January 2019 to December 2020. Vice President, General Counsel and Corporate Secretary of Parkland from May 2018 to January 2019. Vice President, Associate General Counsel & Corporate Secretary of Parkland from December 2017 to May 2018. Interim Vice President, General Counsel and Corporate Secretary of Parkland from July 2017 to December 2017. Legal Counsel of Parkland from April 2016 to December 2017.
Douglas Haugh Charleston, South Carolina, United States	President, USA (formerly Parkland USA) since November 2017. President and Chief Strategy Officer, Mansfield Energy Corp. from October 2016 to November 2017.
Ryan Krogmeier Calgary, Alberta, Canada	Senior Vice President, Supply, Trading and Refining since December 2018. Global Vice President, Joint Ventures & Affiliates, Chevron Corporation from June 2012 to November 2018.
Pierre P.G. Magnan Grand Cayman, Cayman Islands	President, International since October 2018. Vice President, Corporate Development of Parkland from December 2017 to November 2018. Interim Vice President, Supply, Trading & Refining of Parkland from December 2017 to October 2018. Vice President, General Counsel & Corporate Secretary of Parkland from December 2015 to December 2017.
Donna Sanker Calgary, Alberta, Canada	President, Parkland Canada since November 2019. Chief Operating Officer of BP (U.S.) from September 2017 to September 2019. Chief Marketing Officer of BP (U.S.) from December 2015 to August 2017.
Darren Smart Calgary, Alberta, Canada	Senior Vice President, Strategy & Corporate Development since January 2019, but served as Interim Chief Financial Officer of Parkland from November 2019 to November 2020. Vice President, Strategy & Integration of Parkland from January 2018 to December 2018. Vice President, Corporate Development of Parkland from September 2015 to December 2017.
Ian White Toronto, Ontario, Canada	Senior Vice President, Strategic Marketing & Innovation since January 2019. Vice President, Strategic Marketing of Parkland from February 2017 to December 2018. Director, Pioneer Energy from June 2014 to January 2017.
Marcel Teunissen Calgary, Alberta, Canada	Chief Financial Officer of Parkland since December 2020. Executive Vice President of Finance for Integrated Gas and New Energies at Royal Dutch Shell from November 2019 to November 2020. Vice President Finance Ventures from 2018 to 2019. Vice President Finance for Shell Canada Ltd. from 2015 to 2018.
Ferio Pugliese Mississauga, Ontario, Canada	Senior Vice President, People and Culture since December 2020. Senior Vice President, Regional Markets and Government Relations of Air Canada, from August 2018 to December 2020. Executive Vice President, Customer Care & Corporate affairs of Hydro One LTD. from September 2016 to August 2018.

As at December 31, 2021, the directors and executive officers of Parkland, as a group, beneficially owned, or controlled or directed, directly or indirectly, approximately 1,480,552 Common Shares, representing approximately 0.96% of the issued and outstanding Common Shares as at December 31, 2021.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, other than as set forth in the notes to the tables above under the headings "Directors" and "Executive Officers", no director or executive officer of the Corporation, is as at the date hereof or was, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that: (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation (an "**order**") that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of the Corporation, other than as set forth in the notes to the tables above under the headings "Directors" and "Executive Officers", no director, executive officer or controlling securityholder of the Corporation is, as of the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, no director, executive officer or controlling securityholder of the Corporation has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

To the knowledge of the Corporation, no director, executive officer or controlling securityholder of the Corporation has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the directors and officers of the Corporation are, and may continue to be, directors or officers of entities that are in competition with or are customers or suppliers of Parkland or certain entities in which Parkland holds an equity investment, or may be engaged in, and may continue to be engaged in, other activities in the industries in which the Corporation operates from time to time. As such, certain directors and officers of the Corporation may become subject to conflicts of interest in administration of their duties with respect to Parkland from time to time. The Business Corporations Act provides that in the event that an officer or director is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction, such officer or director shall disclose the nature and extent of his or her interest and shall refrain from voting to approve such contract or transaction, unless otherwise provided under the Business Corporations Act. To the extent that conflicts of interests arise, such conflicts will be resolved in accordance with the provisions of the Business Corporations Act.

As of the date hereof, the Corporation is not aware of any existing or potential material conflicts of interest between the Corporation and any director or officer of the Corporation.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts entered into by Parkland within the most recently completed financial year, or before the most recently completed financial year but which are still material and are still in effect, are the Credit Agreement, the Senior Note Indentures (see the section "Description of Capital Structure – Indebtedness") and the Sol Shareholder Agreement (see the section "General Development of the Business – Recent Developments – 2019").

INTERESTS OF EXPERTS

Our independent auditors are PricewaterhouseCoopers LLP, Chartered Professional Accountants, who have issued an independent auditor's report in respect of the Annual Financial Statements. PricewaterhouseCoopers, LLP has advised that they are independent to us within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta.

The Corporation is not aware of any material legal proceedings to which the Corporation or its affiliates is a party or to which their property is subject.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings in respect of which Parkland is or was a party, or in respect of which any of Parkland's property is or was the subject of during the year ended December 31, 2021, nor are there any such proceedings known by Parkland to be contemplated, that involve a claim for damages exceeding 10% of Parkland's current assets. In addition, there have not been (i) any penalties or sanctions imposed against Parkland by a court relating to securities legislation or by a securities regulatory authority during the year ended December 31, 2021, (ii) any other penalties or sanctions imposed by a court or regulatory body against Parkland that would likely be considered important to a reasonable investor in making an investment decision, or (iii) settlement agreements entered into by Parkland before a court relating to securities legislation or with a securities regulatory authority during the year ended December 31, 2021.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director or executive officer of Parkland, or any associate or affiliate of these persons has, or has had, any material interest, direct or indirect, in any transaction or any proposed transaction that has materially affected, or is reasonably expected to materially affect, Parkland within the three most recently completed financial years or during the current financial year.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, is contained in the information circular for Parkland's most recent annual meeting of Shareholders. Additional financial information is provided in the Annual Financial Statements and Annual MD&A, which are incorporated by reference in this Annual Information Form and available on SEDAR at www.sedar.com.

The Corporation's public disclosure documents can be found under its SEDAR profile, at www.sedar.com, and Parkland's website, at www.parkland.ca. The content of, or otherwise accessible through, Parkland's website does not form part of this Annual Information Form and is not incorporated into this Annual Information Form by reference.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare, located at 710, 530 – 8th Avenue SW, Calgary, Alberta T2P 3S8, Tel: 1-800-564-6253.

Appendix 1 Mandate of the Audit Committee

Overall Purpose / Objective

The audit committee (the “Audit Committee”) is appointed by the Board of Directors (the “Board”) of Parkland Corporation (the “Corporation”) to assist the Board in discharging its oversight responsibilities. The Audit Committee will oversee the financial reporting process with a goal of ensuring the balance, transparency and integrity of published financial information of the Corporation. The Audit Committee will also review: the effectiveness of the Corporation’s internal financial control and risk management system; the effectiveness of the internal audit function; the independent audit process including recommending the appointment and assessing the performance of the external auditor of the Corporation; and the Corporation’s process for monitoring compliance with laws and regulations affecting financial reporting.

The Corporation will comply with the policies and procedures overseen or reviewed by the Audit Committee and use their best efforts to ensure that these policies and procedures are implemented.

In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management and the external auditors. To perform his or her role effectively, each Audit Committee member will need to develop and maintain his or her skills and knowledge, including an understanding of the Audit Committee’s responsibilities and of the Corporation’s business operations and risks. The members of the Audit Committee will be financially literate and independent as defined by National Instrument 52-110—*Audit Committees* (“NI 52-110”).

Although the Audit Committee has the powers and responsibilities set forth in this mandate, the role of the Audit Committee is oversight. The members of the Audit Committee are not full-time employees of the Corporation and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity nor are they experts in performing other tasks they are called on to perform by this mandate. Consequently, it is not the duty of the Audit Committee to conduct audits or to determine that the Corporation’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles (“GAAP”) and applicable rules and regulations. These are the responsibilities of management and the external auditor.

Authority

The Board authorizes the Audit Committee, within the scope of its responsibilities, to:

a) Perform activities within the scope of this mandate;

b) Engage and compensate independent counsel and other advisers as it deems necessary to carry out its duties;

c) Ensure the attendance of officers at meetings as appropriate;

d) Request and gain access to members of management, employees and relevant information to perform this mandate;

e) Establish procedures for dealing with the confidential, anonymous submissions by employees of the Corporation regarding accounting, internal control or auditing matters;

f) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters;

g) Subject to applicable law and the rights of shareholders and the Board, be responsible for the appointment, compensation, retention and annual scope of work of the external auditor;

h) Approve all proposed engagement fees and terms as well as reviewing policies for the provision of audit and non-audit services by the external auditors and the pre-approval of such non-audit work as required by NI 52-110; and

i) Communicate directly with the internal and external auditors.

Organization

Membership

a) The Board will appoint the Audit Committee members (the “Members”) and the chair of the Audit Committee (the “Audit Committee Chair”).

b) The Audit Committee will comprise at least three Members and all Members will be independent within the meaning set forth in NI 52-110 as amended from time to time, non-executive directors of the Corporation.

c) A quorum for any meeting of the Audit Committee will be two Members.

d) Each Member should have skills and experience appropriate to the Corporation’s business.

e) Members will be appointed for a one-year term of office.

f) Each Member shall be financially literate within the meaning set forth under NI 52-110.

g) A Member shall ipso facto cease to be a member of the Audit Committee upon ceasing to be a director of the Corporation.

Meetings

a) Notice of the time and place of every meeting may be given orally, in writing, by facsimile or by other electronic means to each Member at least 48 hours prior to the time fixed for such meeting. A Member may in any manner waive notice of the meeting. Attendance of a Member at a meeting shall constitute waiver of notice.

b) Only Members are entitled to attend meetings. The Audit Committee may invite such other persons to its meetings as it deems necessary.

c) The external auditors will be invited to make presentations to the Audit Committee as appropriate.

d) Meetings will be held not less than four times a year and should correspond with the Corporation's financial reporting cycle.

e) Other meetings may be convened as required by the Audit Committee or the external auditors.

f) The Audit Committee shall appoint a secretary who need not be a director of the Corporation. In lieu of the appointment of a secretary, the corporate secretary of the Corporation shall act as the secretary of the Audit Committee.

g) The secretary of the Audit Committee will circulate the agenda and supporting documentation to the Members at a reasonable period in advance of each meeting.

h) The secretary of the Audit Committee will circulate the minutes of meetings to members of the Board, Members, and where appropriate to the external auditors.

i) At least one Member will attend the Board meeting at which the financial statements are approved.

j) Members should make every attempt to be available for every meeting of the Audit Committee in person or by conference call.

k) The Audit Committee may call a meeting with outside legal counsel if it is deemed necessary.

l) The Audit Committee will meet with the external auditor without management present at each meeting of the Audit Committee that the external auditor attends. Even if this meeting is only to determine that there are no issues that need to be discussed without management.

m) The Audit Committee shall meet with the external auditors at least quarterly and otherwise as it deems appropriate to consider any matter that the Audit Committee or the external auditors determine should be brought to the attention of the Board or shareholders.

Roles and Responsibilities

The Audit Committee will:

Internal Control

a) Have oversight responsibility for management reporting on internal controls;

b) Review with the external auditors of the Corporation the adequacy of internal control procedures and management information systems and make inquiries to management of the Corporation and the external auditors of the Corporation about significant risks and exposures to the Corporation that may have a material adverse impact on the Corporation's financial statements and about the efforts of the management of the Corporation to mitigate such risks and exposures;

c) Review confidential submissions by employees of the Corporation received via the Corporation's Whistleblower Hotline (which are sent directly to the Audit Committee Chair) and make appropriate recommendations to the Board regarding same;

d) Review the management of risks associated with the Corporation's information technology systems, including the effectiveness of the Corporation's cyber security practices;

e) Review recommendations made by the external auditors; and

f) Monitor policies and procedures relating to directors' and officers' expenses and the reimbursement thereof and relating to any perquisites paid to directors and officers.

Financial Reporting

a) Gain an understanding of the current areas of greatest financial and internal control risk and of how these are being managed;

b) Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on financial reports;

c) Oversee the periodic financial reporting process implemented by management and review the interim financial statements and management's discussion and analysis, annual financial statements and annual management's discussion and analysis, and relevant news releases or announcements and any other financial information related to the Corporation to be provided to shareholders prior to their release;

d) Recommend for approval to the Board the Corporation's audited annual and interim financial statements, related management's discussion and analysis and earnings news releases;

e) Meet with management and the external auditors to review the financial statements and the key accounting policies and judgments;

f) Review with the external auditors of the Corporation and/or management of the Corporation the results of the annual audit, and make appropriate recommendations to the Board having regard to, among other things:

   i. the financial statements;

   ii. management's discussion and analysis and related financial disclosure contained in continuous disclosure documents;

   iii. significant changes, if any, to the initial audit plan;

   iv. accounting and reporting decisions relating to significant current year events and transactions;

   v. the management letter, if any, outlining the external auditors' findings and recommendations, together with management's response, with respect to internal controls and accounting procedures; and

   vi. any other matters relating to the conduct of the audit, including such other matters which should be communicated to the Committee under generally accepted auditing standards.

g) Review significant adjustments, material unadjusted differences, significant disagreements with management and critical accounting policies and practices and the Corporation's responses to these queries; and

h) Ensure its compliance with all of the applicable requirements of NI 52-110 and for reporting any non-compliance with such requirements to the Board, including the reasons for such non-compliance.

Compliance with Laws and Regulations

a) Review the effectiveness of the system for monitoring compliance with laws and regulations;

b) Obtain regular updates from management regarding compliance matters that may have a material impact on the Corporation's financial statements or compliance policies;

c) Review the reports of management on regulatory compliance matters related to the business of the Corporation in the preparation of the financial statements; and

d) Review the findings of material reports by regulatory agencies.

Working with Auditors

a) Advise the external auditors of their accountability to the Audit Committee and the Board as representatives of the shareholders of the Corporation to whom the external auditors are ultimately accountable. The external auditors of the Corporation shall report directly to the Audit Committee;

b) Review the professional qualification of the auditors, including background and experience of partner and auditing personnel;

c) Ensure compliance by the Corporation's external auditors with the requirements set forth in National Instrument 52-108 Auditor Oversight;

d) Ensure that the Corporation's external auditors are participants in good standing with the Canadian Public Accountability Board ("CPAB") and participate in the oversight programs established by the CPAB from time to time and that the external auditors have complied with any restrictions or sanctions imposed by the CPAB as of the date of the applicable auditor's report relating to the Corporation's annual audited financial statements;

e) Obtain from the external auditors of the Corporation a formal written statement describing in detail all of the relationships between the external auditors and the Corporation, determine whether the non-audit services performed by the external auditors during the year have impacted their independence, ensure that no relationship between the external auditors and the Corporation exists which may affect the independence of the external auditors and take appropriate action to ensure the independence of the external auditors;

f) Review on an annual basis the performance of the external auditors and make recommendations to the Board for the appointment, reappointment or termination of the appointment and compensation of the external auditors;

g) Review all correspondence and memoranda relating to all audit and non-audit engagements provided by external auditors in relation to the Corporation's present circumstances and changes in regulatory and other requirements;

h) Discuss with the external auditor any audit problems encountered in the normal course of audit work, including any restriction on audit scope or access to information;

i) Ensure that significant findings and recommendations made by the external auditors and management's proposed response are received, discussed and appropriately acted on;

j) Discuss with the external auditor the appropriateness of the accounting policies applied in the Corporation's financial reports and/or any significant changes to the Corporation's accounting policies, principles or practices;

k) Meet separately with the external auditors to discuss any matters that the Audit Committee or auditors believe should be discussed privately. Ensure the auditors have access to the Audit Committee Chair when required;

l) Review policies for the provision of non-audit services by the external auditors and, if required, the pre-approval of such non-audit work;

m) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;

n) Review management's proposed internal control plan for the coming year and ensure that there is appropriate co-ordination with the external auditor; and

o) Perform all other functions required of Audit Committees by applicable regulatory authorities in connection with the termination or resignation of an auditor.

Reporting Responsibilities

a) Regularly update the Board about Audit Committee activities and make appropriate recommendations;

b) Ensure the Board is aware of matters brought to the attention of the Audit Committee that may significantly impact on the financial condition or affairs of the Corporation;

c) Prepare any reports required by regulations on this mandate and activities to be included in the interim financial statements and management's discussion and analysis, annual financial statements, annual management's discussion and analysis, Annual Information Form, Management Information Circular and Sustainability Report.

d) Review the disclosure contained in the Corporation's Annual Information Form as required by Form 52-110F1 Audit Committee Information Required in an AIF ("Form 52-110F1") attached to NI 52-110. If management of the Corporation solicits proxies from shareholders of the Corporation for the purpose of recommending persons to be elected as directors of the Corporation, the Audit Committee shall be responsible for ensuring that the Corporation's Information Circular includes a cross-reference to the sections in the Corporation's Annual Information Form that contain the information required by Form 52-110F1;

e) Ensure the preparation and filing of each annual certificate in Form 52-109F1 Certification of Annual Filings Full Certificate and each interim certificate in Form 52-109F2 Certification of Interim Filings Full Certificate to be signed by each of the Chief Executive Officer and Chief Financial Officer of the Corporation in accordance with the requirements set forth under NI 52-109 in Issuers' Annual and Interim Filings as amended from time to time;

f) Ensure that management of the Corporation establishes and maintains disclosure controls and procedures for the Corporation that are designed to provide reasonable assurance that material information relating to the Corporation, including its consolidated subsidiaries, is made known to management of the Corporation by others within those entities, particularly during the period in which the annual filings or interim filings are being prepared and that management of the Corporation establishes and maintains internal control over financial reporting for the Corporation that has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Corporation's generally accepted accounting principles. In respect of annual filings only, the Audit Committee is also responsible for ensuring that management of the Corporation evaluates the effectiveness of the Corporation's disclosure controls and procedures as of the end of the period covered by the annual filings and has caused the Corporation to disclose in the annual management's discussion and analysis its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by the annual filings based on such evaluation. The terms "annual filings," "interim filings," "disclosure controls and procedures" and "internal control over financial reporting" shall have the meanings set forth under NI 52-109; and

g) Monitor any changes in the Corporation's internal control over financial reporting and for ensuring that any change that occurred during the Corporation's most recent interim period that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting is disclosed in the Corporation's annual management's discussion and analysis.

Evaluating Performance

a) Evaluate the Audit Committee's own performance, both of individual members and collectively, on a regular basis; and

b) Assess the achievements of the duties of the Audit Committee specified in the Mandate and report the findings to the Board.

Review of the Audit Committee Mandate

The Human Resources and Corporate Governance Committee, with input by all Board members and management, will review these terms of reference at least annually or, where circumstances warrant, at such shorter intervals as is necessary, to determine if further additions, deletions or other amendments are required.

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