



Drive to Zero

SUSTAINABILITY REPORT



PARKLAND

Highlights of our Drive to Zero

We are proud to share the progress we've made on our Sustainability journey.

Our Key Strategic ESG issues continue to chart our path. This year we have broadened our impact by introducing an enterprise-wide Sustainability Strategy with meaningful and measurable targets, in consultation with external stakeholders.

Here are the highlights from the journey thus far.

Climate change is the first of our five Key Strategic issues that we address as part of our Drive to Zero ambition.



CLIMATE CHANGE

We are Driving to Zero emissions by reducing our carbon footprint and helping our customers reduce theirs.

- Helping our customers reduce their GHG emissions by up to 1MT a year by 2026 through increased production of low-carbon fuels. This is the equivalent of taking over 350,000 cars off the road.
- Executing Parkland's energy transition strategy, including deployment of EV and solar infrastructure.
- On track to achieve the equivalent of taking 80,000 cars off the road through co-processing in 2021.

REDUCE SCOPE 1 AND SCOPE 2 GHG EMISSIONS THROUGH:

Refining **15%** ↓ reduction in GHG emissions per barrel processed by 2030

Marketing **40%** ↓ reduction in GHG emissions per site by 2030

Based on 2019 Emissions Baseline

Highlights of our Drive to Zero

The work we've undertaken on these Key Strategic ESG issues represents significant strides to increase our impact on our own operations, in support of our customers, employees, and partners.



SAFETY & EMERGENCY PREPAREDNESS

Drive to Zero injuries and fatalities through a commitment to Operational Excellence to help ensure the health and safety of our people and communities.

- Decline in Total Recordable Injury Frequency (TRIF) from 1.52 in 2019 to 1.12 in 2020.
- Global rollout of Parkland's Operational Excellence Management System (POEMS).
- 900+ days without Lost Time Injury for Sol.



PRODUCT TRANSPORTATION & STORAGE

We are Driving to Zero accidents and spills by moving and storing our products safely and reliably using rigorous operational training and controls.

- Target to reduce spill volume per litre sold by 50% by 2025.
- Upgraded HSE management system to enable state-of-the-art capabilities.
- Fourth consecutive Grand Slam Award from the Association of American Railroads for safe shipping.



DIVERSITY & INCLUSION (D&I)

We have Zero tolerance for racism and discrimination and are championing diversity and fostering systemic and cultural inclusion at all levels of our organization.

- Newly established Black Action Committee will proactively support the inclusion of our Black team members.
- Conducted enterprise-wide diversity and inclusion survey and embedded D&I strategy pillars throughout the organization.
- Recognition of team members through the CSPN Women in Leadership Summit and Star Women in Convenience Award.
- Enhanced D&I training for leaders across the enterprise.



GOVERNANCE & ETHICS

We have Zero tolerance for corruption, bribery and unethical behaviour.

- Launched our Canadian Indigenous Relations Strategy and committed to Progressive Aboriginal Relations (PAR) certification through the Canadian Council for Aboriginal Business (CCAB).
- Instituted diversity targets for Parkland's Board and management.
- Among the first in Canada to set specific and measurable ESG targets related to mergers and acquisitions.
- Annual enterprise-wide risk assessments and quarterly reviews to ensure we manage our business in a sustainable manner.



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A Message from our Board Chair and our President & CEO

DRIVING TO ZERO: OUR ESG PROGRESS



We have continued to make tremendous progress on our Sustainability strategy and disclosure since our inaugural report. A focus over the past year has been Drive to Zero, which is core to our sustainability journey. Our goal is to ultimately achieve zero safety incidents, zero spills, zero tolerance for racism and discrimination, and to help our governments achieve their goal of net-zero emissions by 2050.

This year, we finalized our enterprise-wide Sustainability Strategy, which will help guide us as we rise to the challenge of providing energy that the world needs in the most responsible way possible. Our strategy builds on existing activities and opportunities that provide value to our customers, shareholders and communities, and includes measurable targets that align with the Key Strategic ESG Issues outlined in our inaugural report.

Parkland supports governments' goal to achieve net-zero emissions by 2050, in alignment with the 2015 Paris Agreement. **This support is reflected in our commitment to reduce our Scope 1 and 2 Greenhouse Gas (GHG) emissions intensity, and help our customers reduce their own emissions.**

We have continued our leadership in renewable fuels manufacturing, achieving a new production record for low-carbon fuel at our Burnaby Refinery. **We are**

firmly on track to meet our 2021 production target of co-processing up to 100 million litres of renewable feedstock, which is the equivalent of taking over 80,000 cars off the road. This increase in production of low-carbon fuels is a substantial step towards reducing our customers' GHG emissions by up to 1MT a year by 2026. In complement to our low-carbon fuel production, we continue to expand our solar infrastructure in the Caribbean, and we also announced plans to launch the largest network by site count of Electric Vehicle (EV) ultra-fast chargers in British Columbia (BC), Canada, expected to open in 2022. Our Elbow River Marketing team also continues to grow our carbon offset and renewable fuel trading business.

Establishing our GHG emissions baseline, inventory, and setting ambitious, achievable GHG emissions reduction targets was a commitment we made in our inaugural report, and we are pleased to share details on this progress on page 13. We have recently joined the United Nations Global Compact and look forward to further incorporating the Ten Principles into our policies and procedures.

We are extremely proud of this progress and look forward to sharing more information on these milestones in this year's report.

This report includes data and highlights from our 2020 operations and acknowledges key 2021 achievements.

Jim Pantelidis
BOARD CHAIR

Bob Espey
PRESIDENT & CEO

OUR SUSTAINABILITY JOURNEY AND APPROACH

Parkland has made notable progress on our sustainability journey over the past year.

Sustainability Task Force

Following the publication of our inaugural report in 2020, Parkland's Sustainability Task Force made it a priority to review key learnings, including feedback from internal and external stakeholders to inform the development of this year's sustainability report. Key enhancements include additional metrics and ESG topics; and improvements to our data collection processes. We also undertook internal assurance of key ESG metrics, an important step on our path to external assurance.

The Sustainability Task Force finalized Parkland's enterprise-wide Sustainability Strategy with input from subject matter experts from across the business. The strategy formalizes Parkland's approach to managing material ESG topics and provides ambitious yet achievable goals and targets to measure our success. Read more about this on page 10.

We also updated the representation of the Sustainability Task Force to ensure the perspectives of senior leaders from every facet of our business are incorporated as our organization grows and evolves.

Board ESG Committee

Parkland's Board ESG Committee continues to be extremely active, working closely with Management to provide oversight on key ESG matters. The Committee provided



insightful direction on the development of the Sustainability Strategy, goals, targets and this year's sustainability report.

External Materiality Assessment

In 2021, we completed a materiality assessment, conducted by an independent third-party, with several of our key external stakeholder groups across Canada, the United States, and the Caribbean. These stakeholders included investors, community members, customers, suppliers, Indigenous Peoples, employees, ratings agencies, NGOs, and governments.

The external assessment confirmed that the five Key Strategic ESG issues identified through our internal ESG assessment are aligned with the top issues identified by our external stakeholders this year.

They are: Climate Change, Safety & Emergency Preparedness, Product Transportation & Storage, Diversity & Inclusion, and Governance & Ethics. Additional issues identified through this external assessment process include addressing the energy transition, human rights, and supply chain considerations. These issues took priority as we developed our Sustainability Strategy; we consider them the foundation upon which it is built.

Parkland recognizes that to be considered a leading company that creates long-term and shared value for all our stakeholders, we must strive for continual improvement and operate in a responsible and respectful way. The only way to do this, and to hold ourselves accountable, is through our commitment to transparency.



“This past year was an inflection point for Parkland. I am proud of how we engaged our stakeholders to advance the development of our Sustainability Strategy. We have created a solid foundation from which our future sustainability efforts can continue to grow, including the release of meaningful targets that are material to our business and our stakeholders.”

Domenic Pilla
CHAIR, ESG COMMITTEE

2020 SUSTAINABILITY REPORT BOUNDARY AND SCOPE

This report includes data and highlights from our 2020 operations and acknowledges key 2021 milestones. It is based on the internationally recognized methodologies of:

- Global Reporting Index (GRI)
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- United Nations Sustainable Development Goals (SDGs)

We chose once again to use a combination of leading, global reporting standards to ensure the information provided aligns with our own material issues and with our stakeholders' areas of interest. As discussed in our inaugural report, we have worked to further align with the recommendations of GRI, SASB, TCFD and, new this year, the SDGs, and we will continue to build on this in subsequent disclosures.



The 17 Sustainable Development Goals (SDGs) were adopted in 2015 by the United Nations and its member states as a framework toward addressing the global issues of peace and prosperity for people and the planet by 2030.

They are an urgent call for action by countries and businesses as part of a global partnership. Championing the SDGs in our local markets and at the corporate level allows us to support the 2030 agenda and collectively address the challenges of sustainable development.

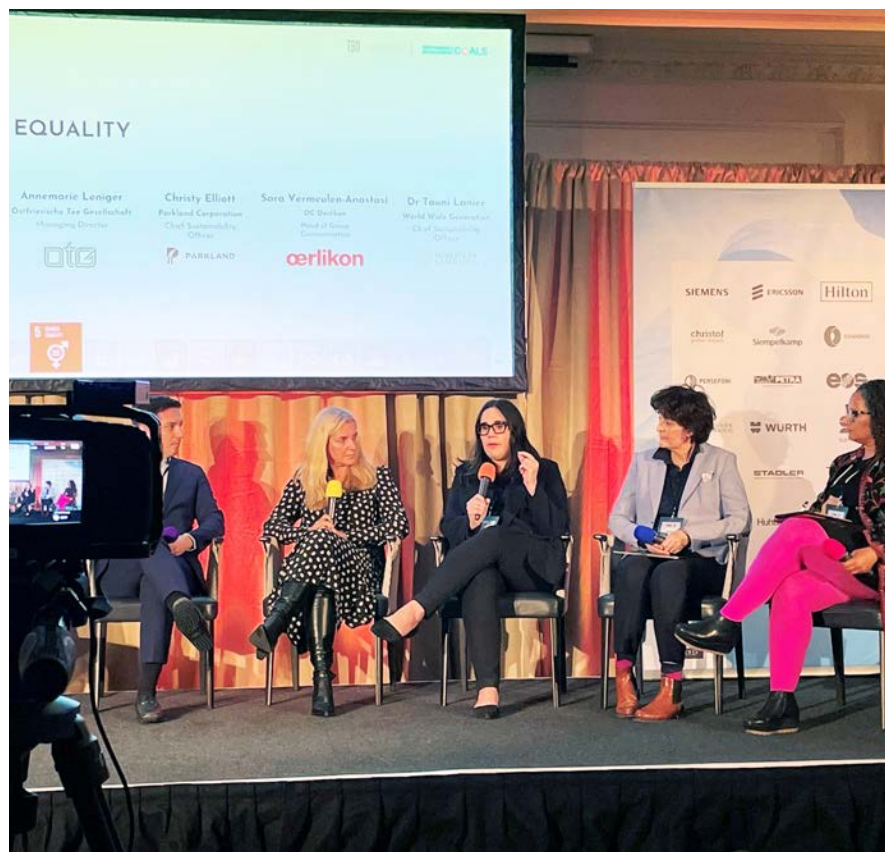
Parkland is proud to be adding the SDGs to our suite of reporting methodologies. We have identified the five SDGs that are the most material to our sustainability strategy and have highlighted our relevant actions and goals for each.

We have also recently become a signatory of the UN Global Compact to reinforce our commitment to contributing to these global goals.

VISION 2045

Earlier this year, Parkland was invited to participate as the fuel industry representative in a series of ground-breaking documentary films as part of the Vision 2045 initiative, which celebrates the upcoming 100-year anniversary of the United Nations and almost half a century of the UN Global Compact.

Our Chief Sustainability Officer, Christy Elliott, also spoke at a panel and discussed how Parkland is fueling the energy transition, contributing to a more sustainable future, as well as the importance of gender equality.



5. GENDER EQUALITY

Achieve gender equality and empower all women and girls.

- 30% Board gender diversity target by 2023, and 30% gender diversity target for executive officer positions by 2025.
- Maintain minimum 10% representation of BIPOC and LGBTQ+ on Board and for executive officer positions.



7. AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable, and modern energy for all.

- Offer and encourage low-carbon fuels in every market in which Parkland operates by 2026.



9. INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

- Plans to launch the largest network by site count of Electric Vehicle (EV) ultra-fast chargers in British Columbia, Canada, expected to open in 2022.
- Expand solar infrastructure in the Caribbean.



13. CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

- Reduce Scope 1 and Scope 2 GHG emissions through:
 - Refining: 15% reduction in GHG emissions per barrel processed by 2030.
 - Marketing: 40% reduction in GHG emissions per site by 2030.
- Identify opportunities to reduce single-use items in C-stores in 2022 and implement reductions by 2023.
- Reduce our customers' GHG emissions by up to 1MT a year by 2026 through increased production of low-carbon fuels, blending of renewables and selling carbon offsets.



17. PARTNERSHIP FOR THE GOALS

Strengthen the means of implementation and revitalize the global partnership for sustainable development.

- Working alongside our stakeholders to create a sustainable low-carbon future.
- Commitment to meaningful Indigenous Relations across Parkland by working towards Progressive Aboriginal Relations (PAR) Certification.
- Partnering with Metro Vancouver on a pilot project exploring the use of wastewater biomass as next-generation renewable feedstocks.
- Working collaboratively with the University of British Columbia and the BC SMART Low-Carbon Fuels Consortium on research and learning around low-carbon fuels.



SUSTAINABILITY STRATEGY

An important step in our journey is the establishment of our enterprise-wide Sustainability Strategy,

which builds on the foundation of our Key Strategic ESG issues. The Sustainability Strategy formalizes our approach to ESG across the

business and provides a framework for establishing baselines and targets so we can continue to raise the bar.

Our Pillars & Goals

 <h3>People</h3> <p>Operate safely and responsibly</p> <ul style="list-style-type: none"> Drive to Zero Ambition; zero injuries and fatalities. Incorporate ESG performance into executive compensation by 2022. <p>Promote diversity and inclusion</p> <ul style="list-style-type: none"> 30% Board gender diversity target by 2023, and 30% gender diversity target for executive officer positions by 2025. Maintain minimum 10% representation of BIPOC and LGBTQ+ on Board and for executive officer positions. 	 <h3>Environment</h3> <p>Protect the environment</p> <ul style="list-style-type: none"> Reduce Scope 1 and Scope 2 GHG emissions intensity through: <ul style="list-style-type: none"> Refining: 15% reduction in GHG emissions per barrel processed by 2030. Marketing: 40% reduction in GHG emissions per site by 2030. Reduce spill volume per litre sold: 50% reduction by 2025, while continuing Drive to Zero ambition. Identify opportunities to reduce single-use items in C-stores in 2022 and implement reductions by 2023. <p>Provide customers with lower carbon offerings</p> <ul style="list-style-type: none"> Reduce our customers' GHG emissions by up to 1MT a year by 2026 through increased production of low-carbon fuels. Offer and encourage low-carbon fuels in every market in which Parkland operates by 2026. 	 <h3>Partners</h3> <p>Support local and Indigenous communities</p> <ul style="list-style-type: none"> Enhance existing community and Indigenous engagement by implementing best practices: <ul style="list-style-type: none"> Commit to PAR certification through the CCAB. Target support for rural and remote communities. Enhance eligible employee participation in the Parkland Pledge program to 60%. <p>Implement sustainable supply chain standards</p> <ul style="list-style-type: none"> Develop sustainable supply chain standards for suppliers by 2022 and integrate these standards into all new, and majority of our existing (significant spend) suppliers by 2023. Increase local and Indigenous procurement and job opportunities in each operating jurisdiction.
 <h3>Responsible Growth</h3> <p>Conduct responsible mergers and acquisitions</p> <ul style="list-style-type: none"> Conduct a sustainability assessment as part of due diligence review for all acquisitions starting in 2022. Apply Parkland's sustainability policies, goals and metrics to all newly acquired companies within an average of 12 months of acquisition date starting in 2023. <p>Advance low-carbon opportunities</p> <ul style="list-style-type: none"> Grow Parkland's low-carbon business (retail diversification plus commercial decarbonization) to \$400M of EBITDA by 2025. 		
Safety & Emergency Preparedness	Climate Change	
	Product Transportation & Storage	
	Diversity and Inclusion	
	Governance and Ethics	

Key Strategic ESG Issues

While our key strategic ESG issues may change over time, the framework of our strategy will remain evergreen, and we will continue to report on our most material issues through the framework of this strategy moving forward.

Parkland's Sustainability Strategy reflects the diversity of our business, our focus on growth and integrates key activities that are helping us thrive in the energy transition. In our inaugural report we discussed the development of this strategy as

the next stage in our sustainability journey. This strategy represents the deep integration of ESG into our business; we are pleased to share it with our stakeholders in this report.

PARKLAND'S ENERGY TRANSITION STRATEGY

We recognize the profound opportunity that exists for us as the world transitions to a low-carbon economy. To fulfil our customers' current energy needs and adapt to the evolving needs of the future, we

have developed an Energy Transition strategy that will enable us to:

- Decarbonize our conventional fuels offerings;
- Diversify our business; and
- Develop our conventional business responsibly.

Parkland's Energy Transition Strategy is a key focus of our 2021 Investor Day and future engagements with our shareholders.





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.

Drive to Zero has always been an important philosophy for Parkland. It is our ambition to Drive to Zero incidents, spills, and GHG emissions in order to keep our employees, communities, customers, and shared environment safe.

Parkland supports governments' goal of achieving net-zero emissions by 2050, which aligns with the global commitments made in the 2015 Paris Agreement. We are proud to play a leadership role in helping governments achieve these targets. For example, the renewable fuels work outlined in this section will make a direct impact on BC and Canada's net-zero goals by **reducing our customers' GHG emissions by up to 1MT a year by 2026.**

Over the past year we have made progress in beginning to reduce our own emissions, and helping our customers reduce their own environmental footprint.

GHG EMISSIONS INVENTORY AND REDUCTION TARGETS

In our inaugural report we committed to completing a Scope 1 and

2 emissions baseline and establishing GHG emissions reduction targets.

Through robust consultations with business units across the enterprise and in-depth data gathering and analysis with third-party experts, we established our emissions baseline for the year 2019.

Based on our inventory, we established GHG emissions reduction targets that were both ambitious and achievable.

LOW-CARBON LEADERSHIP

Parkland proudly continues to be a leader in low-carbon innovation. Over the past year we have focused our efforts on helping our customers reduce their carbon footprint by increasing our low-carbon fuel production and supply and on cleaner and renewable energy infrastructure.

Liquid, low-carbon fuels are critical to the energy future, particularly for sectors where decarbonization is on a longer timeline, such as marine, aviation, rail, and trucking. Using existing infrastructure and leveraging technical expertise is the quickest, most efficient way to manufacture low-carbon liquid fuels at scale.

Parkland's low-carbon fuels have less than 1/8 of the carbon intensity of conventional fuels. In 2020, we set a low-carbon fuel production record at our Burnaby Refinery by co-processing approximately 44 million litres of Canadian-sourced canola and tallow bio-feedstocks. This marks an almost 140 per cent increase from 2019 and is the equivalent of taking almost 40,000 cars off the road.

REDUCE SCOPE 1 AND SCOPE 2 GHG EMISSIONS THROUGH:

Refining **15%** ↓ reduction in GHG emissions per barrel processed by 2030

Marketing **40%** ↓ reduction in GHG emissions per site by 2030

Based on 2019 Emissions Baseline



"We are committed to continuing our leadership in shaping the future of renewable fuels. That includes providing our customers with even more of the lower carbon fuel choices they are looking for, while reducing our own carbon footprint."

Christy Elliott
CHIEF SUSTAINABILITY OFFICER

We are on track to reach our 2021 goal of co-processing up to 100 million litres of bio-feedstocks—the equivalent of taking over 80,000 passenger vehicles off the road. Parkland looks forward to continuing to partner with government and industry to expand our low-carbon fuel capabilities and help position Canada and BC to meet their low-carbon commitments and become global leaders in low-carbon technologies.

We are also **making great strides in low-carbon leadership in the Caribbean**. Solar energy is a natural fit for our Caribbean operations, and we are proud to be enhancing solar infrastructure throughout the region. Sol's flagship retail site in Barbados equipped with a state-of-the-art solar PV system is the blueprint for eight additional retail sites, and

more than 70 under consideration over the next two years. We are looking to deploy this technology across as many sites as possible in our company-owned retail network.

Sol is supporting the low-carbon transition by **increasing the availability of low-carbon fuels**. We continue to engage with our utility, commercial and residential customers to understand how we can help facilitate renewable energy projects. Partnerships are critical to facilitating the energy transition, and we strive to be the partner of choice for our customers as they navigate this transition with us.

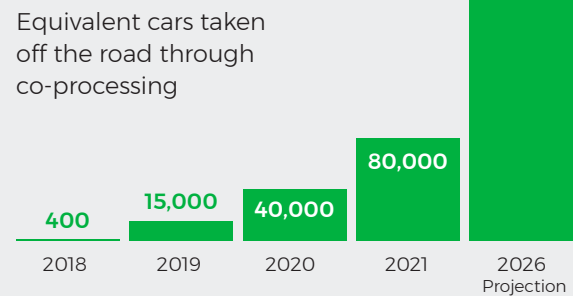
In the United States, **Parkland is a voting member of the Fuels Institute's Electric Vehicle Council**. The EV Council seeks to enable and amplify information-sharing

between organizations to help educate interested stakeholders concerning the opportunities, challenges and successful strategies associated with the installation and operation of EV charging stations.

Our Elbow River Marketing team operates an active environmental trading desk with a presence in many markets and products across North America. We help finance projects through buying and selling carbon credits to end users. In both 2020 and 2021 we have seen substantial growth in our voluntary offset business with global demand for carbon offsets increasing. We have transacted over a million tons of carbon offset credits on various registries across North America and expect this number to continue growing.

Parkland is proud to be fueling the energy transition and is committed to increasing the production of low-carbon fuels at our Burnaby Refinery. By 2026, these investments will reduce our customers' GHG emissions by up to 1MT per year:

The equivalent of taking over 350,000 cars off the road
nearly **12%** of BC's passenger vehicles



FUELING THE ENERGY TRANSITION

Parkland has several exciting initiatives on the horizon that will enable GHG reductions through our value chain, including:

Increasing Parkland's Low-Carbon Fuels Offering:

- Parkland is committed to continuing our leadership in shaping the future of renewable fuels. In addition to being a North American leader in creating low-carbon renewable fuels, Parkland's refinery in Burnaby is a critical and strategic part of BC's economic and energy infrastructure.
- Building on our success of co-processing, Parkland plans to increase our production of low-carbon fuels which will reduce our customers' GHG emissions by 1MT per year by 2026. This is the equivalent of taking over 350,000 cars off the road—nearly 12% of BC's passenger vehicles.

Expanding our Canadian EV Charging Network:

- Earlier this year, we announced plans to launch the largest network (by site count) of EV ultra-fast chargers in BC, Canada. This network of approximately 25 high-quality sites will be strategically located on major highways and in key cities and towns across our extensive retail portfolio. The network will stretch from Vancouver Island to Calgary. They are expected to be open for our customers in 2022.
- While EV adoption is in its early phases, BC leads the way in North America, making this province a natural, scalable step for our charging network. Our BC retail portfolio covers major population centres and highway corridors and includes our high-quality convenience stores and exclusive Triple O's food offering. Collectively, these create convenience destinations where customers can shop, eat, and use complimentary wi-fi while they charge their vehicles.
- We are exploring how we can scale this over time to meet growing demand.



Looking Ahead: Climate Change



We are committed to meeting the following goals and targets identified in our sustainability strategy:

- Reduce Scope 1 and Scope 2 GHG emissions through:
 - Refining: 15% reduction in GHG emissions per barrel processed by 2030.
 - Marketing: 40% reduction in GHG emissions per site by 2030.

- Identify opportunities to reduce single-use items in C-stores in 2022 and implement reductions by 2023.
- Reduce our customers' GHG emissions by up to 1MT a year by 2026 through increased production of low-carbon fuels.
- Offer and encourage low-carbon fuels in every market in which Parkland operates by 2026.





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.

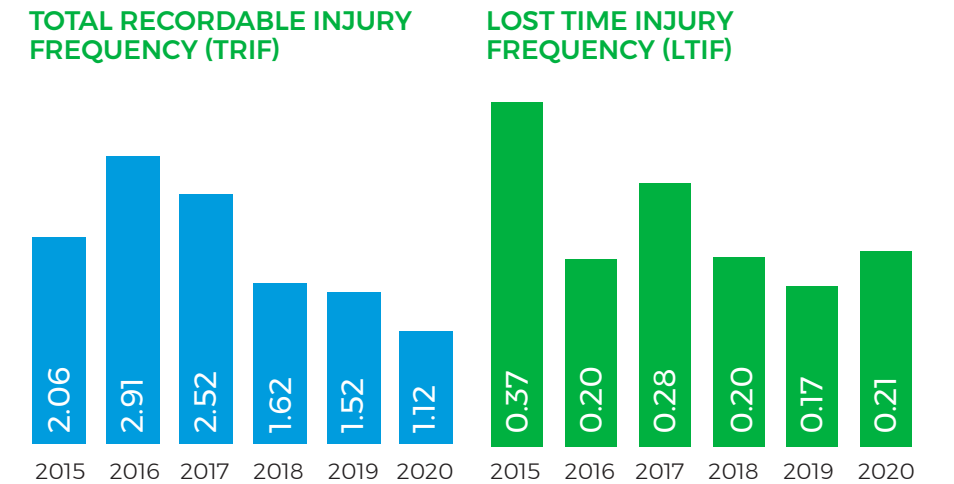
We continue to improve our safety performance and in 2020 we saw an overall decline in Total Recordable Injury Frequency (TRIF) from 1.52 to 1.12. While we are extremely proud of our progress to date, our mission is still Drive to Zero.

POEMS ROLLOUT

Parkland's Operational Excellence Management System (POEMS) is a principles-based management system that acts as our roadmap for how we protect our people and the communities in which we operate, drive strong performance and ensure the long-term integrity of our assets. Parkland is proud to confirm that POEMS has been launched in all our operating jurisdictions.

There are eight elements that make up the POEMS framework, which are grounded by continuous improvement and foundational to our culture of safety and operational excellence.

These elements are underpinned by our Drive to Zero ambition, the Stop. Think. Act. risk assessment tool, and our 8 Life Saving Rules risk mitigation standards.



CELEBRATING 900+ DAYS

In August 2021, Sol achieved 900+ days without a Lost Time Injury. This accomplishment is a direct result of our team's relentless focus and commitment to safety.



SOL ST. VINCENT RELIEF

La Soufrière volcano on the island of St. Vincent erupted over several days in April 2021. In response to this emergency, our teams in the Caribbean banded together to help ensure the well-being of our team members and the local communities by assisting with clean-up efforts, providing PPE and other equipment, as well as continued access to essential fuels. Teams in Barbados, St. Lucia, St. Kitts, and others truly embodied Parkland’s values of Safety, Integrity, Community, and Respect. We are inspired by their efforts to go above and beyond the call of duty.

COVID-19 RESPONSE

Considerable progress has been made to overcome the COVID-19 pandemic, but we must all still be vigilant to protect our team members, families, communities, and keep vulnerable populations safe.

Parkland updated its safety protocols this year following public health guidelines to include:

- Work from home options for those able to do so, and a phased return to office.
- Collaboration with local health authorities to run a vaccination clinic at Burnaby Refinery.
- Limited face-to-face interactions for front-line, essential workers.
- Installation of safety precautions at retail sites and commercial offices including, plexiglass barriers/shields, floor guidance markings,

safety signage and pre-shift health checks.

- Increased sanitization and deep cleaning, and provision of hand sanitizer, and masks for all team members.
- Enhanced paid time off to support employees with pandemic related needs such as self-isolation, testing, and caring for family members.
- Expanded Employee Family Assistance Program within all operating jurisdictions, providing team members and their families with additional physical and mental health and wellness support and resources.

It was our front-line workers and drivers who made it possible for us to continue providing the essential fuels and services our customers depend on throughout the pandemic safely and reliably. We are grateful for their hard work and support.

We continue to adhere to the appropriate COVID-19 safety protocols in each of our operating regions, we are strongly encouraging Parklanders to get the vaccine.

EMERGENCY RESPONSE

We continue to practice and implement our robust emergency response processes and procedures across the enterprise. In November 2020, Parkland’s Burnaby Refinery held its first-ever primarily virtual emergency response drill. Due to the ongoing COVID-19 pandemic, in-person participants were limited to essential personnel only with appropriate physical distancing and use of personal protective equipment. This exercise provided a valuable opportunity to practice virtual emergency response and demonstrated Parkland’s ability to effectively respond to incidents under any circumstances.



Looking Ahead:
Safety & Emergency Preparedness



We are committed to continue addressing safety and emergency preparedness by meeting the following goal identified in our sustainability strategy:

- Drive to Zero Ambition; zero injuries and fatalities.



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.

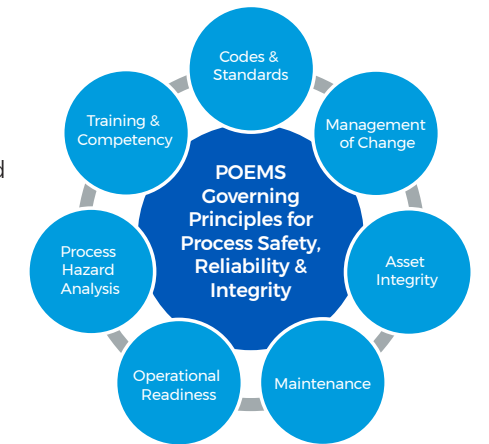
Our goal is Drive to Zero, and we work hard to ensure rigorous operational controls. While our priority is to avoid spills, we are also prepared to safeguard our local communities and teams with effective safety response in the event that a spill does occur. Our ability to effectively manage spills decreases potential

environmental impact and minimizes cleanup costs.

In the spirit of enhanced transparency and in support of our target to reduce our spill volume per litre sold by 50% by 2025, we are committed to enhancing our spills disclosure in future reports, providing a baseline for our efforts.

Spill training and awareness is a key priority under the Environment element of POEMS, which will support us in our ambition to Drive to Zero.

Another element from POEMS that helps ensure the safe transport and storage of our products is Process Safety, Reliability & Integrity. We have developed governing principles for this element which help ensure consistent and reliable operations:



CONTINUED SAFE SHIPPING RECORD

For the fourth year in a row our Elbow River Marketing (ERM) team received the Grand Slam Award from the Association of American Railroads for no non-accident related releases on their rail lines in 2020. The award is handed out once an organization has received four safety awards from four different rail shippers, and there were only 17 other recipients of this award in 2021. In 2020, ERM was involved in more than 29,500 shipments, making this award from four different shippers a true testament to the team's commitment to safety.



HSE MANAGEMENT SYSTEM

Throughout 2020, Parkland's Health, Safety and Environment (HSE) team worked diligently to implement our new HSE Software System, Cority. Earlier this year Cority was successfully launched across our operations.

In complement to the POEMS framework, this new system allows all teams to access a centralized HSE data system. It also enables mobile access so Parklanders can get HSE information and create reports while in the field.



Looking Ahead: Product Transportation & Storage



We are committed to continue addressing product transportation and storage by meeting the following goal identified in our sustainability strategy:

- Reduce spill volume per litre sold: 50% reduction by 2025, while continuing Drive to Zero ambition.





Diversity & Inclusion

5 GENDER EQUALITY

17 PARTNERSHIPS FOR THE GOALS



A BOLD APPROACH TO DIVERSITY & INCLUSION

This year we refined our diversity and inclusion strategy to enable a bold approach to fostering systemic and cultural inclusion.

As part of our Drive to Zero ambition, we have zero tolerance for racism and discrimination, and continue to embed our BOLD diversity and inclusion pillars throughout all levels of our organization.

At Parkland we know we cannot have diversity without inclusion. Equally, we know systemic inclusion is just as important as cultural inclusion. Our journey towards belonging

will take courage. We will show up as our authentic selves each day and create space for one another's unique contributions.

Our ability to work as One Parkland across 25 diverse countries is foundational to our success. Diversity has shaped the company we have become, and inclusion will catapult us to new heights.



People

Diversity & Inclusion Strategic Pillars: The "How"

Pillars and Objectives

BUILD

- Integrate D&I into Our Parkland DNA.
- Weave diversity & inclusion throughout our policies, practices and processes at Parkland.

OWN

- Expand your relationships and perspective.
- Build strong partnerships outside Parkland to ensure we accelerate our D&I journey and continue to grow, learn and advance.

LEAD

- Accept accountability & make a commitment.
- Build a commitment across our leadership teams to D&I at Parkland and have each leader take their responsibility to lead these efforts seriously.

DELIVER

- Drive proactive cultural change.
- Embed the benefits of D&I within the organization to ensure Parkland is recognized as a top employer and great place to work.

DATA-DRIVEN ACTION

In 2020 we conducted a diversity and inclusion survey which provided us with critical data and insights that helped us identify who we are, where we're at, and what we care about. These insights were foundational to the development of our strategy.

We will continue to conduct these surveys to keep our finger on the pulse of the organization and propel continuous improvement.

84%

Diversity & inclusion is important to me

Based on scores 7-10 to "How important is Diversity & Inclusion to you?"



76%

Parkland values Diversity & inclusion

Based on scores 7-10 to "Diversity & Inclusion is valued at Parkland"





CELEBRATING OUR TEAM

We are proud to have such a diverse and talented team of Parklanders.

Vicki Simons, Parkland's Manager of Enterprise Customer Insights and Experience, was awarded Customer Engagement Leader award at the 4th Annual CSPN Women In Leadership Summit in November 2020. The award is dedicated to the person who best exemplifies customer service and customer engagement while having a tremendous impact on their team. CSPN is a professional services firm that designs and delivers customer and employee-centric solutions.

Audrey Sylvain, Parkland's National Category Manager, was awarded the Star Women in Convenience Award for 2020 presented by Convenience Store News Canada. This award recognizes exceptional women making a difference and demonstrating commitment, innovation and leadership in the convenience store industry.

STANDING IN SOLIDARITY WITH BLACK, INDIGENOUS AND RACIALIZED PEOPLES

Recent events have reinvigorated the dialogue on systemic racism and highlighted the urgency with which we must collectively act to eliminate systemic racism and support Black, Indigenous and Racialized Peoples in our communities.

Parkland stood up a Black Action Committee to guide our Diversity and Inclusion Council in providing ongoing support for our Black team members.

Sadly, other tragic events in 2021 further amplified the need to address systemic racism within our communities, including the heartbreaking and ongoing discoveries of the remains of children at former Indian Residential School sites across Canada. This is a stark reminder of the ongoing trauma that Indigenous Peoples in Canada, and globally, are faced with to this day. Beginning in 2022, Parkland will honour the National Day for Truth and Reconciliation as a statutory holiday for Parkland Canada.



"I was proud to launch Parkland's first Employee Resource Group, our Women's Network, on International Women's Day 2021. The Women's Network has a mandate to provide input on policy and process changes, and advocate for diversity and inclusion initiatives stretching into 2022 and beyond. Parkland has a strong focus on D&I and I look forward to continuing to work with leaders across the business in the Women's Network."

Donna Sanker
PRESIDENT, PARKLAND CANADA AND EXECUTIVE SPONSOR OF PARKLAND'S WOMEN'S NETWORK

OUR DIVERSITY AND INCLUSION JOURNEY



Looking Ahead: Diversity & Inclusion



We are committed to continue addressing diversity and inclusion by meeting the following goals and targets identified in our sustainability strategy:

- Thirty percent Board gender diversity target by 2023, and 30% gender diversity target for executive officer positions by 2025.
- Maintain minimum 10% representation of BIPOC and LGBTQ+ on Board and for executive officer positions.



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. Parkland's values of Safety, Integrity, Community and Respect guide everything we do and highlight the power of One Parkland Team.

To further support Parklanders in living our values, throughout 2020 and into 2021, enhanced ethics training was delivered virtually to several teams across the enterprise. We plan to continue providing this training to ensure teams keep practicing the highest standards of ethical business conduct.

To further enhance our ethics and integrity program, in 2021 we conducted a risk assessment to identify any gaps that may exist. In response, we enhanced our Whistleblower Policy, expanded our counterparty onboarding process, and are further formalizing our regulatory compliance framework to improve consistency across the enterprise.

SUPPLIER CODE OF CONDUCT

Parkland recognizes the importance of sound governance throughout the supply chain, and as such is developing a Supplier Code of Conduct. We aim to have this in place by the end of 2021 and plan to incorporate it into new and existing supplier agreements thereafter.

As part of our goals to develop sustainable supply chain standards and increase local and Indigenous procurement and job opportunities, Parkland is currently undertaking a vendor baselining survey to get a better sense of our supply base and identify potential areas for improvement. This work is in the early stages, and we look forward to sharing more on this as we progress.

ENTERPRISE RISK MANAGEMENT PROGRAM

Parkland has an established Enterprise Risk Management program that facilitates effective risk management through a systematic approach for the consistent identification, evaluation and mitigation of risks, including climate change risk.

The program includes an annual enterprise-wide risk assessment as well as quarterly reviews. The program is supported by quantitative analysis and significant engagement from Parkland's Board of Directors, Senior Leadership Team, Senior Management Team and business units across the enterprise.

We consider a wide range of risk drivers, including potential impacts on our people, our partners, and the environment to ensure that we manage our business in a sustainable manner.

CANADIAN INDIGENOUS RELATIONS STRATEGY IMPLEMENTATION

We have a responsibility to engage meaningfully with Indigenous communities on who's traditional

territory Parkland operates and to be an active contributor towards reconciliation with Indigenous Peoples in Canada. We are pleased to share that our Canadian Indigenous Relations Strategy was launched this year. The strategy provides the framework for how Parkland approaches relationships with Indigenous communities.



SAFETY

We protect our workforce, customers and environment. Safety is our primary priority as an organization. We all must be role models and operate safely.

INTEGRITY

We demonstrate integrity in all that we do. Integrity means leading by example and doing the right thing when people are and are not watching.

COMMUNITY

We are owners and we give back to the communities. We are all connected and we support the communities that we live and operate in.

RESPECT

We foster a fun and respectful workplace. We are all different and it's our differences and diversity that makes us stronger. We respect and value one another by being inclusive, kind, considerate and courteous.

Vision



Partners

Parkland's Canadian Indigenous Relations Strategy

Parkland is committed to establishing meaningful, lasting, and mutually beneficial relationships with Indigenous communities in Canada. Parkland respects the diverse cultures, traditions and perspectives of Indigenous Peoples and seeks to achieve equitable partnerships and opportunities with Indigenous communities. Parkland employees and leadership are committed to respectful and meaningful engagement with Indigenous communities and acknowledge the steps to reconciliation that businesses across Canada should take.

Pillars and Objectives

Community Engagement

Establish and maintain strong and meaningful engagement and relationships with Indigenous communities on whose traditional territories Parkland operates.

Social Investment

Support and invest in meaningful opportunities that enhance quality of life for Indigenous Peoples and communities.

Employment, Business Opportunities and Capacity Building

Foster an inclusive work environment that provides opportunities to Indigenous businesses and individuals and addresses workplace barriers to recruitment, retention, and advancement of Indigenous Parkland team members, present and future.

Training and Education

Enable learning opportunities for our staff and leadership around Indigenous history, culture, and traditions and ensure Parkland creates an inclusive environment where proportional representation is reflected throughout our teams and regions, and we work towards a goal of eliminating systemic racism.

BOARD DIVERSITY

Parkland is committed to diversity at all levels in the organization. Parkland's objective, at both the Board and executive levels, is to foster a performance-based culture in which individuals of all genders, ethnicities, cultures, and backgrounds can thrive and feel valued.

Accordingly, Parkland's Board is committed to having at least 30% of Board seats occupied by women by 2023. Parkland's Board currently includes three women. Diversity is a factor in Parkland's approach to identifying individuals for executive positions. Currently 20% of Park-

land's executive officer positions are occupied by women and the Board will continue its focus on diversity with the goal to have at least 30% of executive officer positions be occupied by women by 2025.

In addition, the Board believes that having individuals in executive positions from diverse backgrounds promotes increased innovation and performance and supports effective decision-making. As such, the Board has incorporated into its Diversity Policy a target representation of Black, Indigenous and People of Colour (BIPOC) and Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ+) on its Board and in

executive officer positions of 10%. Parkland currently has one BIPOC person on its Board (11%) and one LGBTQ+ individual on its executive team (11%).

DRIVING PERFORMANCE

As part of our commitment to operate safely and responsibly, Parkland will be incorporating ESG performance into executive compensation for 2022. While certain ESG metrics have always been included in executive compensation, such as TRIF, we will be considering the addition of further ESG topics into our compensation model.

COMMUNITY ENGAGEMENT

Engaging meaningfully with the communities in which we operate helps us be good neighbours and ensure our customers' needs continue to be met. For example, Parkland's Burnaby Refinery has a robust community engagement program that is underpinned by open dialogue, transparency, and

education. The facility has a Community Advisory Panel that consists of up to 12 members of the public who meet quarterly with Parkland to discuss topics of mutual importance. As Burnaby Refinery continues to evolve its low-carbon capabilities, Parkland will continue to invest in and enhance community engagement.

As part of our purpose to power journeys and energize communities, we are also committed to investing in our communities. In 2020, Parkland provided \$6 million in community investments and donations. This year most of this was geared towards COVID-19 response and to supporting organizations managing unanticipated impacts of the pandemic.



"We look forward to incorporating additional ESG performance measures into our executive compensation model for 2022; this reinforces our commitment to all aspects of sustainability, including operational excellence."

Lisa Colnett
CHAIR, HUMAN RESOURCES & CORPORATE GOVERNANCE BOARD COMMITTEE



ROYAL ALEXANDRA HOSPITAL FOUNDATION INDIGENOUS CULTURAL PARTNERSHIP

Parkland is proud to support the Royal Alexandra Hospital Foundation's Indigenous Cultural Partnership (ICP) at the Lois Hole Hospital for Women and is providing \$150,000 towards this important initiative.

The ICP advocates for and seeks to establish equal representation and prioritization of Indigenous health and wellness knowledge systems and practices in sexual and reproductive health alongside the Euro-Canadian approach that is already in place. The Royal Alexandra Hospital would be the first tertiary care hospital in Canada to accelerate systemic changes in Indigenous sexual and reproductive health care.

ICP is partnering with a number of Treaty 6, Treaty 7, Métis Nation of Alberta, Métis Settlements, Northwest Territories, and Nunavut-based communities/non-profit organizations that specialize in Indigenous people's experiences, knowledge, wellbeing, and culture.

For example, through the Parkland Burnaby Refinery social investment program, we provided over \$35,000 in donations to local organizations such as the Greater Vancouver Food Bank and the Burnaby Hospital Foundation's COVID-19 Emergency Fund.

As part of Sol's *Our Way of Saying Thanks, Fill Up On Love and One Community, One Goal* programs, we were able to donate approximately \$250,000 USD towards supporting essential workers and charitable food bank organizations that targeted those most in need.

Community is one of our core values and because of this we are aiming to increase eligible employee participation in the Parkland Pledge program to 60%. With this, our team members can support local organizations that are important to them and the communities in which they live and work.



Looking Ahead: Governance & Ethics



We are committed to continue addressing governance and ethics by meeting the following goals and targets identified in our sustainability strategy:

- Incorporate additional ESG performance measures into executive compensation by 2022.
- Enhance existing community and Indigenous engagement by implementing best practices:
 - Commit to PAR certification through the CCAB.
 - Target support for rural and remote communities.
- Enhance eligible employee participation in the Parkland Pledge program to 60%.
- Develop sustainable supply chain standards for suppliers by 2022 and integrate these standards into all new, and majority of our existing (significant spend) suppliers by 2023.
- Increase local and Indigenous procurement and job opportunities in each operating jurisdiction.
- We will be one of the first companies in North America to commit to conducting a sustainability assessment as part of our due diligence review for all acquisitions starting in 2022.
- Apply Parkland's sustainability policies, goals and metrics to all newly acquired companies within an average of 12 months of acquisition date starting in 2023.
- Grow Parkland's low-carbon business (retail diversification plus commercial decarbonization) to \$400M of EBITDA by 2025.





Select Canadian brands

Select USA brands

Select International brands

- REGIONAL OPERATING CENTRE
- RETAIL
- COMMERCIAL

About Us

Parkland is a leading retail and convenience operator and fuel marketer. Across the 25 countries in which we operate, our purpose is to power journeys and energize communities. We do this by providing trusted and locally relevant fuel brands and convenience stores offerings in the communities we proudly serve across Canada, the United States, the Caribbean and central and south America. Parkland's unique operational footprint allows us to increase our impact and leverage opportunities to provide local sustainability solutions across the business.

2020 SUSTAINABILITY REPORTING DATA

Methodology	Reference Code	Description	Data
Climate Change			
GRI	201-2	Financial implications and other risks and opportunities due to climate change	<ul style="list-style-type: none"> Current climate-related legislation is relevant and always included in our risk assessment process; these risks may increase costs, adversely affect Parkland's operations, reduce customer demand, and have adverse reputational impacts.
TCFD	Sa)	Strategy: Climate-related risks and opportunities identified over the short, medium, and long term.	<ul style="list-style-type: none"> Emerging climate-related regulations are relevant and always included in our risk assessment process; these risks may increase costs, adversely affect Parkland's operations, reduce customer demand, and have adverse reputational impacts. New technologies that increase fuel efficiency, reduce consumption, offer alternative vehicle power sources or accelerate autonomous adoption will reduce consumption and demand of the 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 adapt to changing consumer demands. Legal actions from climate-related events are relevant and always included in our risk assessment process, given the potential risks on our business from claims. Market demand for crude oil and petroleum products from climate change risk relevant and always included in our risk assessment process. Parkland's reputation is relevant and always included in our risk assessment process given the potential risk of increased operating costs for our business, decreased customer demand and adverse reputational impacts.

Methodology	Reference Code	Description	Data
Climate Change			
GRI	305-1	Direct (Scope 1) GHG emissions	<p>2019 (Base Year):</p> <ul style="list-style-type: none"> Gross direct (Scope 1) GHG emissions: 582,819 metric tons CO₂e. Gross location-based energy indirect (Scope 2) GHG emissions: 28,076 metric tons CO₂e. Emissions Intensity: <ul style="list-style-type: none"> Refining (Burnaby Refinery Scope 1 & 2): 9.6 metric tons CO₂e per bpd crude & bio throughput Marketing (Scope 1 & 2): 51.6 metric tons CO₂e per site Percentage covered under emissions-limiting regulations: <ul style="list-style-type: none"> Gross global Scope 1 emissions: <ul style="list-style-type: none"> 547,444 metric tons CO₂e, representing 94% of gross global Scope 1 emissions, were covered under emissions-limiting regulations. Specifically, 486,450 metric tons CO₂e (98.6% of Burnaby Refinery's Scope 1 emissions), were covered under British Columbia's carbon tax. In Canada, gasoline and diesel (light fuel oil) as well as natural gas are subject to the federal fuel charge (or, if in place, a sufficiently stringent provincial carbon tax on fuel). Scope 1 emissions from fleet vehicles (gasoline, diesel) and stationary combustion (natural gas, diesel, gasoline) were 27,944 and 33,050 metric tons CO₂e, respectively. <p>2020:</p> <ul style="list-style-type: none"> Gross direct (Scope 1) GHG emissions: 475,754 metric tons CO₂e. Gross location-based energy indirect (Scope 2) GHG emissions: 25,395 metric tons CO₂e. Emissions Intensity: <ul style="list-style-type: none"> Refining (Burnaby Refinery Scope 1 & 2): 10.2 metric tons CO₂e per bpd crude & bio throughput Marketing (Scope 1 & 2): 48.3 metric tons CO₂e per site Percentage covered under emissions-limiting regulations: <ul style="list-style-type: none"> 443,969 metric tons CO₂e, representing 93% of gross global Scope 1 emissions, were covered under emissions-limiting regulations. Specifically, 386,843 metric tons CO₂e (98.5% of Burnaby Refinery's Scope 1 emissions) were covered under British Columbia's carbon tax. In Canada, gasoline and diesel (light fuel oil) as well as natural gas are subject to the federal fuel charge (or, if in place, a sufficiently stringent provincial carbon tax on fuel). Scope 1 emissions from fleet vehicles (gasoline, diesel) and stationary combustion (natural gas, diesel, gasoline) were 25,284 and 31,842 metric tons CO₂e, respectively. <p>Notes:</p> <ul style="list-style-type: none"> Parkland's base year was selected as 2019 as it is the most recent year of data available prior to the impacts of the COVID-19 pandemic. The following gases were included in the calculation: CO₂, CH₄, N₂O, HFCs. There were no biogenic CO₂ emissions. Emission factors were sourced from the International Energy Agency (IEA) and the United States Environmental Protection Agency (EPA). GWP rates were sourced from the United Nations Intergovernmental Panel on Climate Change (IPCC) reports based on a 100-year timeframe. The consolidation approach for emissions was operational control. The GHG inventory was prepared according to the 'GHG Protocol Corporate Accounting and Reporting Standard'.
GRI	305-2	Energy indirect (Scope 2) GHG emissions	
GRI	305-4	GHG emissions intensity	
SASB	EM-RM-110a.1	Greenhouse Gas Emissions	
TCFD	Mb)	Metrics & Targets: Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	

Methodology	Reference Code	Description	Data
Climate Change			
SASB	EM-RM-110a.2	Greenhouse Gas Emissions	Please refer to page 13 of this report.
SASB	EM-RM-120a.2	Air Quality	Number of refineries in or near areas of dense population: 2
SASB	EM-RM-000.A	Refining throughput of crude oil and other feedstocks	<p>Burnaby Refinery:</p> <ul style="list-style-type: none"> Crude Throughput bpd 2020: 37,868 Co-processed Throughput bpd 2020: 744 Total Throughput bpd 2020: 38,613
SASB	EM-RM-000.B	Refining operating capacity	55,000 bpd
TCFD	Ga)	Governance: Role of the board in overseeing climate-related issues	See Page 98 of the IC for the ESG committee's mandate: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
TCFD	Gb)	Governance: Role of management in assessing and managing climate-related issues	<p>Parkland's Chief Sustainability Officer (CSO) oversees corporate social responsibility matters across the enterprise. The CSO is an executive-level position that reports to the Board's ESG Committee on sustainability-related matters, including climate-related issues, on a quarterly basis. These matters are monitored by Parkland's Policy, Sustainability & Government Relations team, which reports directly to the CSO, with the support of other relevant Parkland teams. The CSO is also the Chair of the Parkland's Sustainability Task Force.</p> <p>Parkland's Vice President of Health, Safety and Environment (VP, HSE) provides input into sustainability initiatives, manages Parkland's Environmental team globally, and helps to set annual targets and objectives that contribute to Parkland's goal of reduced GHG emissions and a reduced carbon footprint. The VP, HSE is a management-level position that reports to the Board's ESG Committee on a quarterly basis.</p> <p>Parkland's Sustainability Task Force is chaired by the CSO and is comprised of senior leaders from all jurisdictions that represent Parkland's many functional units. Task Force members were selected based on their diverse expertise and commitment to sustainable leadership. The Sustainability Task Force is responsible for helping develop Parkland's overarching sustainability strategy and policy, as well as its sustainability report. The Task Force also seeks and evaluates innovative sustainable business opportunities that enable Parkland to continue providing value to our customers, shareholders and communities.</p>
TCFD	Ra)	Risk Management: Processes for identifying climate-related risks	Please refer to page 31 of this report.
TCFD	Rb)	Risk Management: Processes for managing climate-related risks	Please refer to page 31 of this report.

Methodology	Reference Code	Description	Data
Climate Change			
TCFD	Rc)	Risk Management: Description of how processes for identifying, assessing, and managing climate-related risks are integrated into overall risk management.	Please refer to page 31 of this report.
UN SDG	7	Affordable and Clean Energy: Ensure access to affordable, reliable, sustainable, and modern energy for all.	Please refer to pages 9, 12-17 of this report.
UN SDG	9	Industry, Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	Please refer to pages 9, 12-17 of this report.
UN SDG	13	Climate Action: Take urgent action to combat climate change and its impacts.	Please refer to pages 9, 12-17 of this report.
Safety & Emergency Preparedness			
GRI	403-1	Occupational health and safety management system	<ul style="list-style-type: none"> Parkland has implemented a Health and Safety (H&S) management system in accordance with legal requirements and risk management standards and guidelines (OH&S Acts and Codes, Transportation of Dangerous Goods, building and fire codes, pressure vessel codes, pipeline codes, etc.). We have a corporate risk matrix that is monitored and managed by Risk and Controls. All workers, activities, and workplaces are covered by the H&S management system.
GRI	403-2	Hazard identification, risk assessment, and incident investigation	<ul style="list-style-type: none"> We have developed and completed formal hazard assessments and field level hazard assessments. A training matrix has been developed that defines required training and evaluation for specific job roles and tasks in the organization. Results of assessments and training are provided on dashboards and reviewed by leadership. There is a process to report hazards that notifies leadership and allows for creation of corrective actions (Hazard ID Forms and START cards in Cority). Workers are trained in the right to refuse unsafe work. Our Right to Refuse policy states that workers are protected against reprisals for reporting. All incidents are reviewed to determine the level of investigation required. All identified root causes require corrective actions by policy. Lessons Learned are distributed to the organization.

Methodology	Reference Code	Description	Data
Safety & Emergency Preparedness			
GRI	403-3	Occupational health services	An occupational health nurse is on staff to manage occupational health services. Formal hazard assessments identify and provide controls to minimize occupational health risks. A telemedicine program is currently being piloted in Canada to assist workers in injury management.
GRI	403-4	Worker participation, consultation, and communication on occupational health and safety	<ul style="list-style-type: none"> In Canada, all regions are represented by Joint Occupational Health and Safety Committees (JOHSC) and/or worker health and safety representatives. Monthly safety meetings are held in all regions and with all business groups to allow for two-way communication between workers and management. In Canada, meetings are held monthly and meet provincial requirements for management and worker representation. Responsibilities include incident investigation reviews, safe work practice reviews, and management of employee identified concerns.
GRI	403-5	Worker training on occupational health and safety	Based on Parkland's training matrix, health and safety training, both corporate and task-specific, is provided to all employees.
GRI	403-9	Work-related injuries	<p>Enterprise-wide statistics:</p> <ul style="list-style-type: none"> Number and rate of high-consequence work-related injuries (excluding fatalities): 0 Number of recordable work-related injuries: 47 Total Recordable Injury Frequency: 1.12 (full-time employees) Near Miss Frequency Rate: 18.31 (full-time employees) Lost Time Injury Frequency: 0.21 Main types of work-related injury: Musculoskeletal injuries Number of hours worked: 8,411,779 <p>Statistics for all workers who are not employees but whose work and/or workplace is controlled by the organization:</p> <ul style="list-style-type: none"> The number and rate of high-consequence work-related injuries (excluding fatalities): 0 recordable injuries for all Canadian locations, excluding Burnaby Refinery. Number of hours worked: <ul style="list-style-type: none"> Burnaby Refinery Contractors 2020 TRIF: 0.18 (1 recordable, 1,094,672 hours). <p>Work-related hazards:</p> <ul style="list-style-type: none"> Work-related hazards that pose a risk of high-consequence injury have been identified through the formal hazard assessment process. Which of these hazards have caused or contributed to high-consequence injuries during the reporting period: 0 Actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls: <ul style="list-style-type: none"> 0 - nothing happened in 2020 As per our formal and field level hazard assessments and root cause corrective actions, we are eliminating or minimizing risks. <p>Notes:</p> <ul style="list-style-type: none"> Rates have been calculated based on 200,000 hours worked. Prime contractors are not included in this disclosure. Standard, industry recognized definitions and calculations are used.
SASB	EM-RM-320a.1	Workforce Health & Safety	
SASB	EM-RM-320a.2	Workforce Health & Safety	Please refer to pages 18-21 of this report

Methodology	Reference Code	Description	Data
Product Transportation & Storage			
GRI (2016)	306-3 (2016)	Significant Spills (2016)	0
Diversity & Inclusion			
GRI	102-8	Information on employees and other workers	<p>Total number of employees by gender:</p> <ul style="list-style-type: none"> International: Female - 33%, Male - 67% Canada: Female - 35%, Male - 65% USA: Female - 41%, Male - 59% <p>Total number of employees by employment contract (permanent and temporary), by gender:</p> <ul style="list-style-type: none"> International: <ul style="list-style-type: none"> Permanent: Female - 282, Male - 569 Temporary: Female - 5, Male - 7 Canada: <ul style="list-style-type: none"> Permanent: Female - 852, Male - 1535 Temporary: Female - 44, Male - 104 USA: <ul style="list-style-type: none"> Permanent: Female - 778, Male - 1119 <p>Total number of employees by employment type (full-time and part-time), by gender:</p> <ul style="list-style-type: none"> International: <ul style="list-style-type: none"> Full-time: Female - 286, Male - 576 Part-time: Female - 1 Canada: <ul style="list-style-type: none"> Full-time: Female - 823, Male - 1516 Part-time: Female - 73, Male - 123 USA: <ul style="list-style-type: none"> Full-time: Female - 595, Male - 953 Part-time: Female - 183, Male - 166
GRI	401-1	New employee hires and employee turnover	<p>New Hire Demographics by gender:</p> <ul style="list-style-type: none"> International: Female new hire rate: 2% Male new hire rate: 2% Canada: Female new hire rate: 6% Male new hire: 8.2% USA: Female new hire rate: 4.9% Male new hire: 5.9% <p>Employee Turnover Demographics by gender:</p> <ul style="list-style-type: none"> International: Female employee turnover: 1% Male employee turnover: 2% Canada: Female employee turnover: 6.3% Male employee turnover: 13.8% USA: Female employee turnover: 9.7% Male employee turnover: 11.4%

Methodology	Reference Code	Description	Data
Diversity & Inclusion			
GRI	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Parkland provides our employees market competitive Total Rewards package across all geographies where we operate, including but not limited to, Group Insurance coverage, Group health / medical plans, Disability coverage with legislative leaves coverage, Paid time off and group retirement savings plan. We monitor market trends closely and make adjustments where necessary to ensure our group benefits meet the needs of employees and their families.
GRI	405-1	Diversity of governance bodies and employees	Women in management positions: <ul style="list-style-type: none"> International: 35% Canada: 40% USA: 37%
UN SDG	5	Gender Equality: Achieve gender equality and empower all women and girls.	Please refer to pages 9, 26-29 of this report.
Governance & Ethics			
GRI	102-1	Name of the organization	Parkland Corporation
GRI	102-2	Activities, brands, products, and services	Please refer to Parkland's Annual Information Form for the financial year ended December 31, 2020 (the "AIF") on pages 11 to 17: https://www.parkland.ca/application/files/4216/1771/9953/2021-AIF-EN.pdf
GRI	102-3	Location of headquarters	Calgary, Alberta Canada
GRI	102-4	Location of operations	<ul style="list-style-type: none"> Parkland operates in 25 countries. Geographic locations where products and services are offered: Canada, United States, Caribbean, South America Full list: Canada, United States, Anguilla, Antigua, 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, and Haiti
GRI	102-5	Ownership and legal form	Please refer to Parkland's AIF for the financial year ended December 31, 2020 on Page 6: https://www.parkland.ca/application/files/4216/1771/9953/2021-AIF-EN.pdf
GRI	102-6	Markets served	<ul style="list-style-type: none"> Geographic locations where products and services are offered: see above Sectors Served: Retail, Commercial, Wholesale More detailed (not exhaustive): Retail gasoline and convenience, industrial, agriculture, oil and gas exploration and production, marine services, aviation, forestry, mining, etc. Types of customers and beneficiaries: Retail, Commercial, Wholesale

Methodology	Reference Code	Description	Data
Governance & Ethics			
GRI	102-7	Scale of the organization	<ul style="list-style-type: none"> Total number of employees: 4,389 Total number of operations: 25 Net sales (for private sector organizations) or net revenues (for public sector organizations) (in C \$ millions): \$14,011 Total capitalization (for private sector organizations) broken down in terms of debt and equity (in C\$ millions): \$10,181 total capitalization comprising; \$6,047 market capitalization; \$4,134 net debt Quantity of products or services provided: 21424 million liters - fuel and petroleum product volume
GRI	102-14	Statement from senior decision-maker	Please refer to page 5 of this report.
GRI	102-15	Key impacts, risks, and opportunities	Please refer to Parkland's AIF on pages 28 to 44: https://www.parkland.ca/application/files/4216/1771/9953/2021-AIF-EN.pdf
GRI	102-16	Values, principles, standards, and norms of behavior	Please refer to Parkland's Code of Conduct: https://www.parkland.ca/application/files/7216/1540/7713/Parkland-Code-Of-Conduct-2021.pdf
GRI	102-17	Mechanisms for advice and concerns about ethics	Parkland has a Whistleblower program (https://www.parkland.ca/download_file/view/436/183) that can be used by employees and other partners to report concerns. Whistleblower reports are reviewed and addressed by senior management, with reports to the Audit Committee of the Board.
GRI	102-18	Governance structure	The organization is governed by a Board of Directors. For details, see Parkland's Information Circular & Proxy Statement dated May 4, 2021 (the "IC"). Board details begin on Page 12 of the IC, with key committee details beginning on Page 89: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-19	Delegating authority	The Board of Directors has established an Environment, Social and Governance Committee to oversee ESG matters. Management has appointed the Senior Vice President, General Counsel and Corporate Secretary as Chief Sustainability Officer with primary responsibility for ESG. See Page 98 of the IC for the ESG committee's mandate: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-20	Executive-level responsibility for economic, environmental, & social topics	The Board of Directors has established an Environment, Social and Governance Committee to oversee ESG matters. Management has appointed the Senior Vice President, General Counsel and Corporate Secretary as Chief Sustainability Officer with primary responsibility for ESG. See Page 98 of the IC for the ESG committee's mandate: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-22	Composition of the highest governance body and its committees	The organization is governed by a Board of Directors. See the IC for more details, especially beginning on Page 12: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-23	Chair of the highest governance body	The Chair of the Board of Directors is not an executive officer in the organization.
GRI	102-24	Nominating and selecting the highest governance body	See the IC for these details, especially beginning on Page 12: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf

Methodology	Reference Code	Description	Data
Governance & Ethics			
GRI	102-25	Conflicts of interest	See the IC for these details, including in particular the "Ethical Business Conduct" section on Page 80: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf Parkland's Code of "Conduct & Conflict of Interest" is available here: https://www.parkland.ca/download_file/view/426/183
GRI	102-26	Role of highest governance body in setting purpose, values, and strategy	The Board of Directors provides consistent oversight over Parkland's purpose, values, and strategy. The Board appoints the Chief Executive Officer, works with the CEO on priorities, and reviews the CEO's performance. See the IC for more details of the Board's oversight over senior executives, including in particular beginning on Page 57: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-27	Collective knowledge of highest governance body	See the IC for these details, including in particular Page 27: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-29	Identifying and managing economic, environmental, and social impacts	The Board of Directors has established an Environment, Social and Governance Committee to oversee ESG matters. Management has appointed the Senior Vice President, General Counsel and Corporate Secretary as Chief Sustainability Officer with primary responsibility for ESG. See Page 98 of the IC for the ESG committee's mandate: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf Stakeholder consultation is conducted through employee surveys and the establishment of a diversity and inclusion committee, which conducts internal reviews and plans to conduct external surveys and consultations. Please refer to page 6 of this report for more information about Parkland's external materiality assessment.
GRI	102-30	Effectiveness of risk management processes	The Board of Directors receives quarterly reports with respect to risk management processes related to all aspects of Parkland's business, including economic, environmental, and social topics. Please refer to page 31 of this report for more information on Parkland's Enterprise Risk Management program.
GRI	102-31	Review of economic, environmental, and social topics	Parkland's Board ESG Committee meets quarterly.
GRI	102-32	Highest governance body's role in sustainability reporting	Please see page 98 of the IC for the Board ESG Committee's mandate: https://www.parkland.ca/application/files/9916/1679/7450/Parkland_Circular_SEDAR.pdf
GRI	102-33	Communicating critical concerns	Multiple mechanisms exist: <ul style="list-style-type: none"> the Senior Leadership team has a direct line to the Board of Directors; the Whistleblower program (https://www.parkland.ca/download_file/view/436/183) includes a notification and reporting process to the Board; and the Risk and Controls team provides quarterly reports to the Board.
GRI	102-41	Collective bargaining agreements	<ul style="list-style-type: none"> International: 12% Canada: 9% USA: N/A

Methodology	Reference Code	Description	Data
Governance & Ethics			
GRI	102-45	Entities included in the consolidated financial statements	Financial statement principal subsidiaries: <ul style="list-style-type: none"> Canada: Parkland Corporation, Parkland Refining (BC) Ltd., Elbow River Marketing Ltd. USA: Farstad Oil Inc., Superpumper Inc., Missouri Valley Petroleum Inc., Harts Gas and Foods, LLC., Rhinehart Oil Co. LLC., Parkland (US) Supply Corporation, Tropic Oil Company LLC. International: SOL Investments SEZC (75% ownership)
GRI	102-46	Defining report content and topic Boundaries	Please refer to page 7 of this report.
GRI	102-47	List of material topics	Please refer to page 6 of this report.
GRI	102-48	Restatements of information	Any restatements of information are included to provide clarity and/or context on progress.
GRI	102-49	Changes in reporting	Please refer to pages 6-7 of this report.
GRI	102-50	Reporting period	Please refer to page 7 of this report.
GRI	102-51	Date of most recent report	September 30, 2020
GRI	102-52	Reporting cycle	Annual
GRI	102-56	External assurance	Parkland recognizes the importance of external verification and aims to complete this in the coming years. On our path to external verification, Parkland has taken the step to internally verify key report metrics through our internal Risk team.
GRI	103-1	Explanation of the material topic and its Boundary	Please refer to the following pages in this report: <ul style="list-style-type: none"> Climate Change: 12-17 Safety & Emergency Preparedness: 18-21 Product Transportation & Storage: 22-25 Diversity & Inclusion: 26-29 Governance & Ethics: 30-35
GRI	103-2	The management approach and its components	
GRI	103-3	Evaluation of the management approach	
GRI	201-1	Direct economic value generated and distributed	All responses in C \$ millions: <ul style="list-style-type: none"> Direct economic value generated: revenues: \$14,040 Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments: \$1,607 Economic value retained: 'direct economic value generated' less 'economic value distributed': \$12,433 Direct economic value generated: <ul style="list-style-type: none"> International: 6,443 Canada: 6,443 USA: 1,857 Supply: 2,104

Methodology	Reference Code	Description	Data
Governance & Ethics			
GRI	205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> Total number and nature of confirmed incidents of corruption: 0 Total number of confirmed incidents in which employees were dismissed or disciplined for corruption: 0 Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption: 0 Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases: 0
GRI	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul style="list-style-type: none"> Number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant: 0 Main outcomes of completed legal actions, including any decisions or judgments: N/A
GRI	207-1	Approach to tax	<ul style="list-style-type: none"> Parkland has a Board approved Global Tax Framework that describes the expected behavior of tax individuals across the Parkland organization. This is not publicly available. Parkland's Director of Corporate Tax monitors adherence to the GTF and reports any material violations to the Parkland Audit Committee each quarter if applicable. Material tax planning is only implemented after consultation with a competent external tax advisor. Material tax issues are discussed with the CFO and Chair of the Parkland Audit Committee each quarter. Material tax adjustments are communicated quarterly with CFO and AC, allowing for senior leadership review of tax risks and GTF adherence. GTF dictates that any tax concerns are to be reported to the Director, Corporate Tax and or Audit Committee consistent with Parkland's Whistleblower Policy. Tax disclosures are audited each quarter by our external auditor, PWC.
GRI	207-2	Tax governance, control, and risk management	<ul style="list-style-type: none"> Tax governance and control framework: See GRI 207-1 above. Mechanisms for reporting concerns about unethical or unlawful behavior and the organization's integrity in relation to tax: Informally through Management and/or Parkland's Whistleblower Hotline https://www.parkland.ca/application/files/9616/1711/6700/Whistleblower-Policy-2021-EN.pdf Assurance Process: C-SoX, Internal Audit and Other Assurance Reviews to confirm effectiveness of internal controls - specifically to tax (NI52-109 Certification of Disclosure in Issuers' Annual & Interim Filings)
GRI	307-1	Non-compliance with environmental laws and regulations	Parkland has not identified any material non-compliance with environmental laws and/or regulations.
GRI	406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> One incident during the reporting period. The incident was investigated and deemed to be without merit.

Methodology	Reference Code	Description	Data
Governance & Ethics			
GRI	413-1	Operations with local community engagement, impact assessments, and development programs	Parkland has social investment programs across the enterprise. Key examples include: <ul style="list-style-type: none"> · Parkland Pledge and Community Driven: https://www.parkland.ca/en/sustainability/community · Burnaby Refinery's Community Advisory Panel and Social Investment Program: https://www.burnabyrefinery.ca/en/community/overview · Sol's One Community One Goal and Fill Up on Love: https://solpetroleum.com/sol-gives-back-through-its-one-community-one-goal-initiative/ · Ultramar Foundation: https://www.ultramar.ca/en/community-involvement/ultramar-foundation/ Please refer to page 33 of this report for more information on Parkland's community engagement.
GRI	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of material non-compliance during the reporting period.
GRI	417-3	Incidents of non-compliance concerning marketing communications	No incidents of material non-compliance during the reporting period.
GRI	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints received during the reporting period.
GRI	419-1	Non-compliance with laws and regulations in the social and economic area	No incidents of material non-compliance during the reporting period.
SASB	EM-RM-140a.2	Water Management	Number of incidents of non-compliance associated with water quality permits, standards, and regulations: 0
SASB	EM-RM-520a.1	Pricing Integrity & Transparency	Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation: 0
SASB	EM-RM-530a.1	Management of the Legal & Regulatory Environment	Parkland uses multiple mechanisms to identify and mitigate risks associated with government regulations and policy proposals. The company's Policy, Sustainability, and Government Relations group engages regularly with multiple levels of government across the jurisdictions in which we operate to ensure ongoing awareness of new and proposed policy changes. The company has subject matter experts who monitor government announcements and interpret their impact on business operations. The company participates in multiple industry associations throughout the applicable regions. The company also engages external consultants to aid with compliance and awareness of planned and potential changes.
UN SDG	17	Partnerships for the Goals: Strengthen the means of implementation and revitalize the global partnership for sustainable development.	Please refer to pages 9, 26-29 of this report.



FORWARD LOOKING STATEMENTS

Certain statements contained in this report constitute forward-looking information and statements (collectively, "forward-looking statements"). In particular, this report contains forward-looking statements with respect to, among other things, Parkland's goals and plans with respect to its Drive to Zero, including with respect to: climate change, including reducing Scope 1 and Scope 2 GHG emissions through refining (15% reduction in GHG emissions per barrel processed by 2030) and marketing (40% reduction in GHG emissions per site by 2030), evaluating opportunities to reduce single-use items in C-stores in 2022 and implementing reductions by 2023, reducing Parkland's customers' GHG emissions by up to 1MT a year by 2026, offering and encouraging low-carbon fuels in every market in which Parkland operates by 2026, Parkland's plan to launch the largest network by site count of EV ultra-fast chargers in British Columbia, Canada, expected to open in 2022, expanding solar infrastructure in the Caribbean, and Parkland being on track to achieve the equivalent of taking 80,000 cars off the road through co-processing in 2021; safety and emergency preparedness, including Parkland's drive to zero injuries and fatalities; product transportation and storage, including reducing spill volume per litre sold by 50% by 2025 while continuing to drive to zero ambition; diversity and inclusion, including Parkland's targets of 30% Board gender diversity by 2023 and 30% gender diversity for executive positions by 2025, and maintaining a minimum 10% representation of BIPOC and LGBTQ+ on Board and for executive positions; and governance and ethics, including incorporating additional ESG performance measures into executive compensation by 2022, enhancing existing community and Indigenous engagement by implementing best practices, including committing to PAR certification through the CCAB and supporting rural and remote communities, enhancing eligible employee participation in the Parkland Pledge program to 60%, developing sustainable supply chain standards for suppliers by 2022 and integrating these standards into Parkland's significant suppliers by 2023, increasing local and Indigenous procurement and job opportunities in each operating jurisdiction, conducting responsible mergers and acquisitions, including conducting a sustainability assessment as part of 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, and growing Parkland's low-carbon business (retail diversification plus commercial decarbonization) to \$400M of EBITDA by 2025.

These statements involve 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. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this report should not be unduly relied upon. These forward-looking statements speak only as of the date of this report. Parkland does not undertake any obligations to publicly update or revise any forward-looking statements except as required by securities law. Actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous risks and uncertainties including, but not limited to, general economic, market and business conditions, actions by governmental authorities and other regulators; changes and developments in regulations; and other factors, many of which are beyond the control of Parkland. See also the risks and uncertainties described in "Forward-Looking Information" and "Risk Factors" included in Parkland's Annual Information Form and in "Forward-Looking Information" and "Risk Factors" in Parkland's quarterly MD&A, each as filed on SEDAR and available on the Parkland website at www.parkland.ca.