

# Drive to Zero

2021 SUSTAINABILITY REPORT



PARKLAND



# Highlights

2021 was a landmark year for Parkland. The launch of our Sustainability Strategy marked a step change in how we approach ESG throughout our business. We set meaningful and measurable targets to guide us on our journey. We are proud of our progress and pleased to share more about our Drive to Zero.



## People

We support the well being of our team members, customers, and shareholders.



## Environment

We protect our shared environment and explore innovative pathways towards a more sustainable future.



## Partners

We cultivate mutually-beneficial relationships that support environmental, social and economic prosperity.

Sol reached **3** years without Lost Time Incident

EQUIVALENT OF OVER **125,000** cars taken off the road through manufacturing low-carbon fuels at Burnaby Refinery since 2019



Advancement of Canadian Indigenous Relations Strategy

## 2021 Diversity & Inclusion Training

**110** LEADERS | **700** HOURS

Employee Training **300** HOURS



As part of our solar strategy, 5 state-of-the-art photo voltaic (PV) systems have been installed on retail sites in the Caribbean, expanding to more than 70 sites by 2023.



Supplier Code of Conduct published

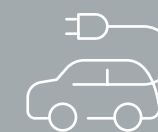


## Responsible Growth

We prioritize sustainability as our company evolves.

## Launched Develop, Diversify, Decarbonize

Parkland's Energy Transition Strategy released on Investor Day

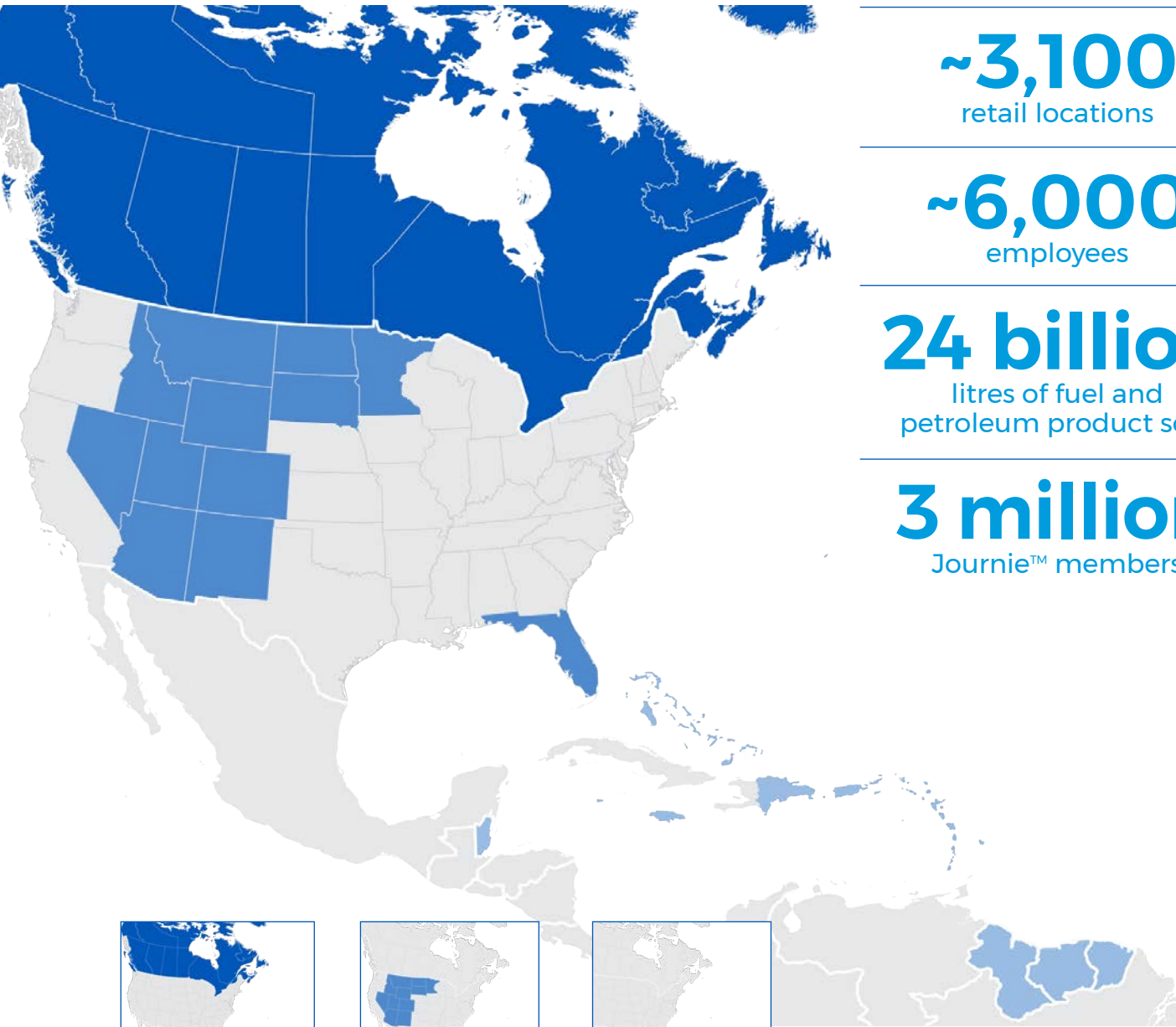


## EV charging network

Planning underway of largest ultra-fast EV charging network (by site count) in BC, Canada



# At a Glance



**\$11+ billion**  
enterprise value<sup>1</sup>

**~3,100**  
retail locations

**~6,000**  
employees

**24 billion**  
litres of fuel and  
petroleum product sold

**3 million**  
Journie™ members

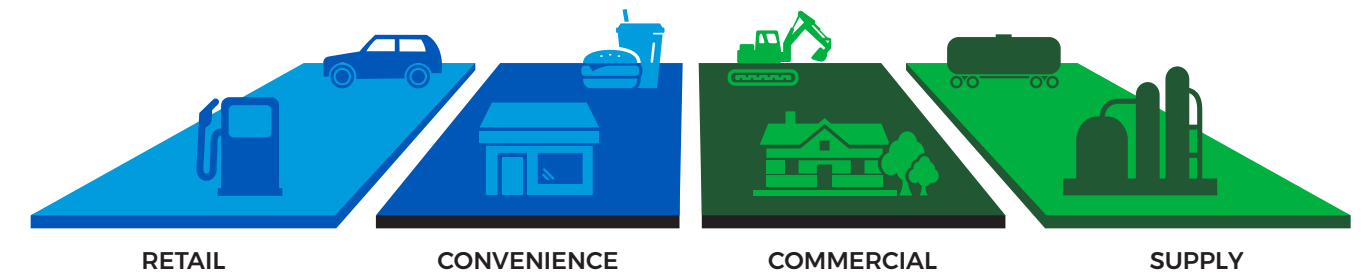
Figures as of December 31, 2021  
<sup>1</sup>Supplementary financial measure. See page titled "Forward Looking Statement & Note on Specified Financial Measures" for further information.

# Our Purpose Powering Journeys and Energizing Communities

Parkland's purpose is to provide our customers and communities with the fuels, convenience items and food they need today - and to remain one step ahead of their changing needs. We are a home grown, Canadian multi-national company with a presence in 25 countries. We serve essential needs in our communities - providing people with the fuels they need to get around, quality foods and convenient snacks, and helping them to achieve their goals of lowering their environmental impact.

Parkland has a balanced strategy to drive long-term sustainable growth while continuing to meet our customers' evolving needs in a low-carbon economy. In support of the energy transition, we have plans to Develop, Diversify and Decarbonize our business by leveraging our existing business to pursue low-carbon opportunities. 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.

# Our Business



# Our Brands & Partnerships



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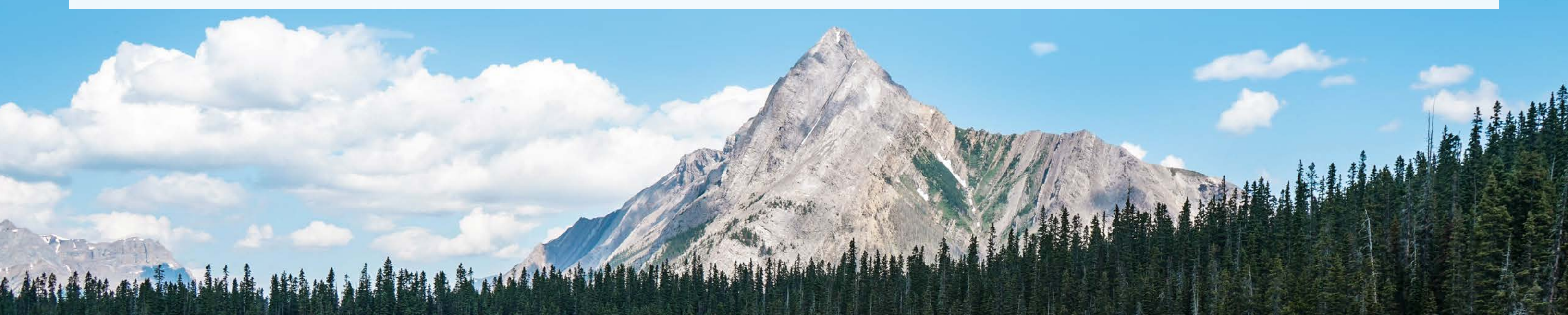
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# A Message from our Board Chair

“Drive to Zero” is a primary focus of our organization and forms the core of our sustainability journey. As an organization, we aim to drive growth and shareholder return – we also want to achieve zero in many regards: zero safety incidents, zero spills, zero tolerance for racism and discrimination. And importantly, we play a key role in helping our governments achieve their goals of net-zero emissions by 2050.

This plan is integrated throughout our business. We lead with strategic decisions and innovative investments that reduce our environmental impact and support our communities, while ensuring those investments provide value and sustainable returns for our shareholders.

The launch of our enterprise-wide Sustainability Strategy in 2021 marked a step change in how we approach sustainability. Our strategy includes meaningful, measurable goals and targets under our pillars of: People, Environment, Partners, and Responsible Growth.

At Parkland, sustainability means providing our customers with safe, reliable energy and products they need today, while making strategic decisions and innovative, value-added investments that contribute to a lower carbon future. At the same time, we’re committed to continuing to operate safely and efficiently, protecting our shared environment, and supporting our communities. The sustainability work we do is upheld by our core values, which are Safety, Integrity, Community, and Respect.

During our 2021 Investor Day, our senior leadership team shared our overarching energy transition strategy to drive sustainable growth through our plans to Develop, Diversify, and Decarbonize our business. Through this, we outlined our focus to provide our customers with the fuels, convenient snacks, and quality food they depend on. We are integral to the communities we serve, and in every aspect of our business we are committed to staying one step ahead of our customers’ evolving needs. This also means

working hard to provide our customers with a range of choices to help them lower their environmental impact. In the past year, we continued to expand our retail, food, and loyalty businesses, doubled renewable fuel production, grew our carbon offset business, and advanced our electric vehicle charging network.

A key part of this strategy is continuing our leadership in shaping the future of renewable fuels to help our customers reduce their own emissions, support governments in meeting their net-zero goals, and meet the needs of a low-carbon future. We have committed to reducing our Scope 1 and 2 Greenhouse Gas (GHG) emissions intensity in our Refining and Marketing businesses by 15% and 40%, respectively, by 2030.

Parkland’s sustainability strategy underpins our efforts as we rise to the challenge of fulfilling the world’s growing demand for responsibly produced energy, services, and products, with a long-term vision for environmental, social, and economic prosperity for future generations.



**Jim Pantelidis**  
BOARD CHAIR



# A Message from our President & CEO

## OUR LEADING ROLE IN FUELING THE ENERGY TRANSITION

2021 was a landmark year for Parkland. In parallel with strong safety, operational and financial performance, we published our second annual Sustainability Report. The report included our inaugural GHG inventory and enterprise-wide Sustainability Strategy. Rooted in meaningful and measurable targets, our strategy provides a blueprint for continued success. This Sustainability Report is structured to align with the pillars of our Sustainability Strategy: People, Environment, Partners, and Responsible Growth, and the Key Strategic Environmental, Social and Governance (ESG) Issues that fall within these pillars.

Society’s transition toward a lower carbon future presents a tremendous growth opportunity for Parkland. Not only is it a necessary shift to ensure prosperity for future generations, but there is also huge growth potential for our industry to participate in the low-carbon future. From our membership in the United Nations Global Compact, integrating several of the UN Sustainable Development Goals within our strategy, and supporting governments’ goal to achieve net-zero emissions by 2050, we are embracing our role. Our commitment is reflected in the strategic investments we are making. This includes the purposeful steps we are taking to Drive to Zero emissions through reducing our own GHG emissions, and providing our customers with a range of choices that help them lower their emissions.

This is proving to be another year marked with global challenges. While we continue to support our employees, customers, and partners through the ongoing COVID-19 pandemic, we are encouraged to see restrictions ease and economies return to normal. In contrast, we are seeing global macro economic headwinds in the form of inflation, cost escalation across virtually all aspects of the economy, which is highlighting the critical nature of international energy policy, supply, security, and affordability.

As we continue to learn how best to support our local and global communities, we are also working hard to

advance the energy transition. Moving toward a lower carbon economy is complex. It requires governments, businesses and consumers working together to help lower our collective environmental impacts. It will also demand a range of decarbonization options. We are meeting this challenge head on, creating space for collaboration, opportunity and innovation.

As we Drive to Zero, we will continue to meet our customers’ current and evolving energy needs by providing a range of lower carbon choices spanning renewable fuels, carbon offsets, electric vehicle charging and distributed solar solutions. In parallel, we will expand and diversify our food and convenience offering to create convenience destinations in the heart of the communities we serve.

Our track record of innovation and meeting evolving customer needs underpins our success to date, and this core capability sets the foundation for our future success.

As we continue progressing our strategy, we are working closely with business units across the enterprise to develop and operationalize a robust roadmap towards achieving our goals and targets. We look forward to sharing this roadmap in our next report.



**Bob Espey**  
PRESIDENT & CEO








# Our Sustainability Journey and Approach

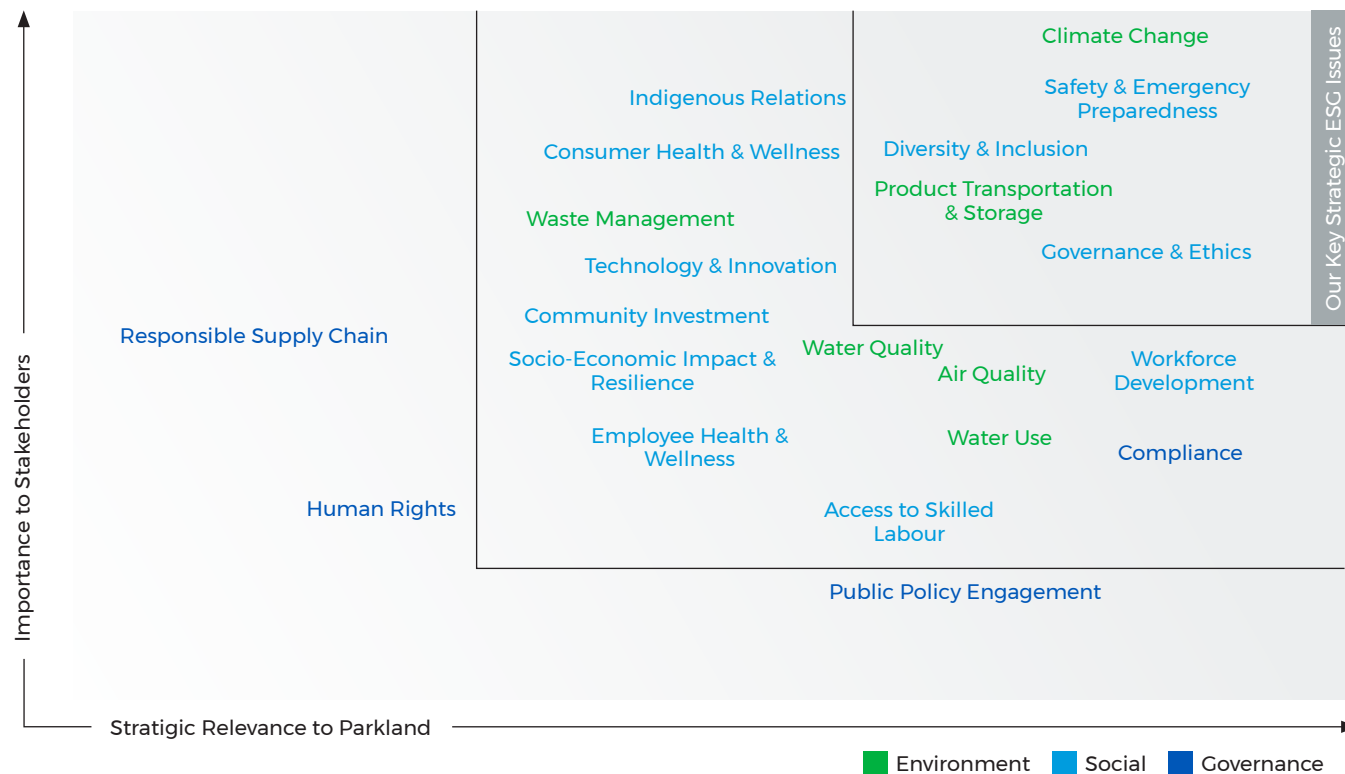
## MATERIALITY ASSESSMENT CONFIRMATION

Building on the external Materiality Assessment we undertook last year, our Sustainability Task Force recently completed an internal confirmation of our Key Strategic ESG Issues. This work ensures that our top issues still resonate across the business and align with our future priorities as we move forward in our energy transition journey. Through this exercise, our Sustainability Task Force confirmed that our Key Strategic ESG Issues remain material to our business, and we will continue to report on these as part of our overall Sustainability Strategy. Parkland plans to undertake its next full materiality assessment in advance of our next Sustainability Report.

## PARKLAND'S KEY STRATEGIC ESG ISSUES AS IDENTIFIED THROUGH OUR MATERIALITY ASSESSMENT

-  Climate Change
-  Safety and Emergency Preparedness
-  Product Transportation and Storage
-  Diversity & Inclusion
-  Governance and Ethics

## PARKLAND'S MATERIALITY MATRIX



## SUSTAINABILITY STRATEGY

We released Parkland's enterprise-wide Sustainability Strategy in 2021. The strategy formalizes our approach to ESG across the business and provides a framework for establishing baselines and targets upon which we can continuously improve. Grounded in the pillars of People,

Environment, Partners, as well as Responsible Growth which spans across all pillars. This strategy reinforces our commitment to support our customers, team members, local and Indigenous communities, and our shared environment by championing safe operations, environmental stewardship, and systemic inclusion, now and into the future.



**SUSTAINABILITY REPORT BOUNDARY AND SCOPE**

This report includes data and highlights from our 2021 operations and acknowledges key 2022 milestones. It is based on the following internationally recognized methodologies:

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

We 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. We will continue to enhance our reporting and alignment with the recommendations of GRI, SASB, TCFD, and the UNSDGs.

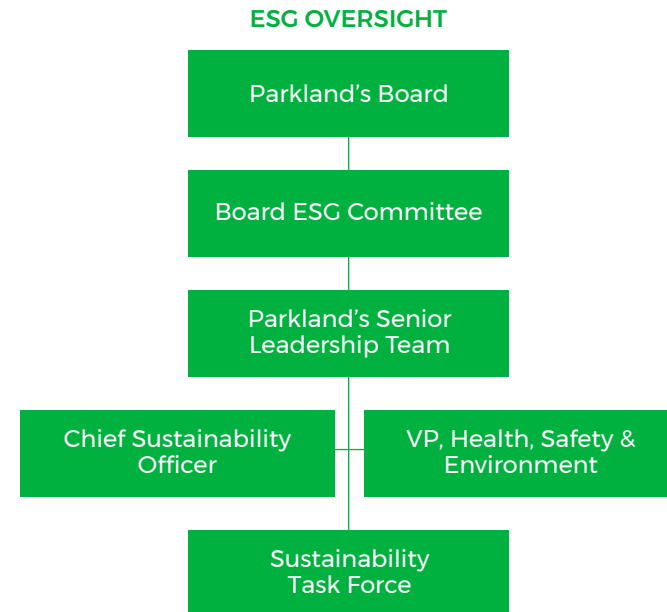
This Sustainability Report is structured to align with the pillars of our Sustainability Strategy (People, Environment, Partners, and Responsible Growth). We continue to report on our Key Strategic ESG Issues within each of these pillars.

We are releasing our annual sustainability report earlier in the year to better align with other reporting cycles. We plan to follow this timeline moving forward.



“When we launched our enterprise-wide Sustainability Strategy last year, we set ambitious targets that were steeped in practical application to help ensure long-term success. Our pillars of People, Environment, Partners, and Responsible Growth are the foundation that allows us to continuously improve and expand our sustainability practices, and we are excited to share the work we’ve done over the past several months as we continue to Drive to Zero.”

Christy Elliott  
CHIEF SUSTAINABILITY OFFICER



As a call to improve the quality of life for all individuals and the planet, the UNSDGs are a global guide for a more equitable, sustainable future. Parkland's Sustainability Strategy is aligned with several UNSDGs and we continue to enhance the role we play to accelerate universal progress towards the Goals.



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.

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

Supporting a low-carbon future through renewable fuels innovation, EV infrastructure, and solar infrastructure development.

Reduce Scope 1 and Scope 2 GHG emissions intensity (2019 baseline) 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.

Working with governments, industry, local and Indigenous communities, and other partners to support our collective low-carbon future.





# People

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



Driving to Zero safety incidents and upholding zero tolerance for racism and discrimination



Safety & Emergency Preparedness



Diversity & Inclusion



Governance & Ethics



## 🕒 PARKLAND'S TARGETS

- To support our Drive to Zero ambition for injuries and fatalities, over the next year we are focusing on monitoring leading and lagging indicators, continuing to leverage our Cority reporting tool, and making continuous improvements to our Parkland Operational Excellence Management System (POEMS).
- We have achieved our target of incorporating additional ESG performance in executive compensation and will review its effectiveness over the next year.

## OPERATE SAFELY AND RESPONSIBLY

### SAFETY

As one of our core values, safety is at the heart of everything we do, throughout all facets of our business. In support of our Drive to Zero ambition of zero safety incidents and fatalities, we embed safety into everything we do.

We continue to improve our POEMS, which undergoes an annual review to ensure it captures new developments and best practices.

We also continue to amplify other key Health, Safety, and Environment (HSE) initiatives, including:

- **Parkland's 8 Life Saving Rules** Set of standards that help mitigate risks and reduce injuries and incidents.
- **STOP. THINK. ACT.** Self-assessment tool to ensure actions being undertaken are safe for everyone involved.
- **Lessons Learned** Communication tool to reflect on both past incidents and preventative actions, as well as positive learnings in incident prevention.
- **Hazard Hunt** Incentive program to drive the identification of hazards in the workplace, increase operational excellence culture, and promote the use of Cority, our HSE reporting tool.
- **Annual HSE Commitment** Three safety-related commitments every Parklander makes each year.

### PARKLAND HEALTH, SAFETY AND ENVIRONMENT POLICY

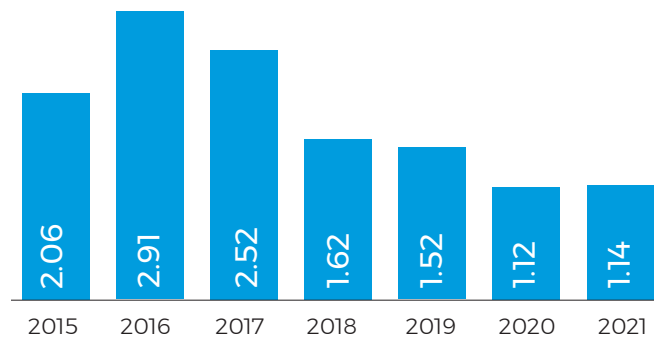
Parkland has an enterprise-wide Health, Safety and Environment Policy that applies in every operating jurisdiction. Signed and endorsed annually by our President and CEO, this policy states our commitment to ensuring a safe working environment that protects our team, customers, the environment, and the communities we serve. It also includes the following commitments:

- Reducing injuries and incidents
- Actively involving our workers in enhancing our performance
- Tracking and measuring our performance
- Training our workers to ensure they have the knowledge and skills necessary to perform their work safely
- Working proactively to ensure the health and well-being of our workforce

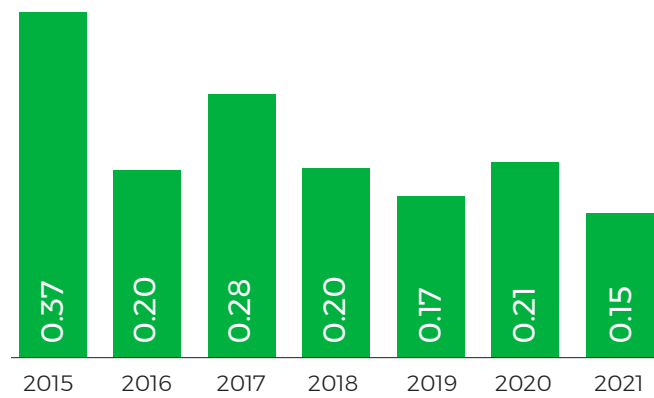
This policy is available to all employees.



**TOTAL RECORDABLE INJURY FREQUENCY (TRIF)**



**LOST TIME INJURY FREQUENCY (LTIF)**



**EMERGENCY MANAGEMENT**

Emergency Management is one of the eight elements of the POEMS framework.

We follow four Governing Principles for Emergency Management: Prevent, Prepare, Respond, and Recover. These help our teams respond quickly and effectively in the unlikely event of an emergency to help reduce potential impacts to people, communities, and the environment.

**ESG IN EXECUTIVE COMPENSATION**

As part of our sustainability strategy, we have committed to incorporating ESG performance in executive compensation. While certain ESG metrics have always been included in executive compensation, as committed, we have included new metrics into our 2022 ESG compensation model, including diversity and inclusion (D&I) and low-carbon goals.



**Prevent**

Identify, assess, and prioritize the risks associated with operations, and develop plans to mitigate the risk.



**Prepare**

Develop and maintain plans to respond to significant and credible risks associated with operations.



**Respond**

Use a standardized on-scene emergency management system for emergency response. Response personnel are to be identified, trained and deemed competent to respond to emergencies.



**Recover**

Ensure plans are in place to return business operations to normal following an emergency response.

**ELBOW RIVER WINS 7TH STRAIGHT CN SAFETY AWARD FOR 2021**

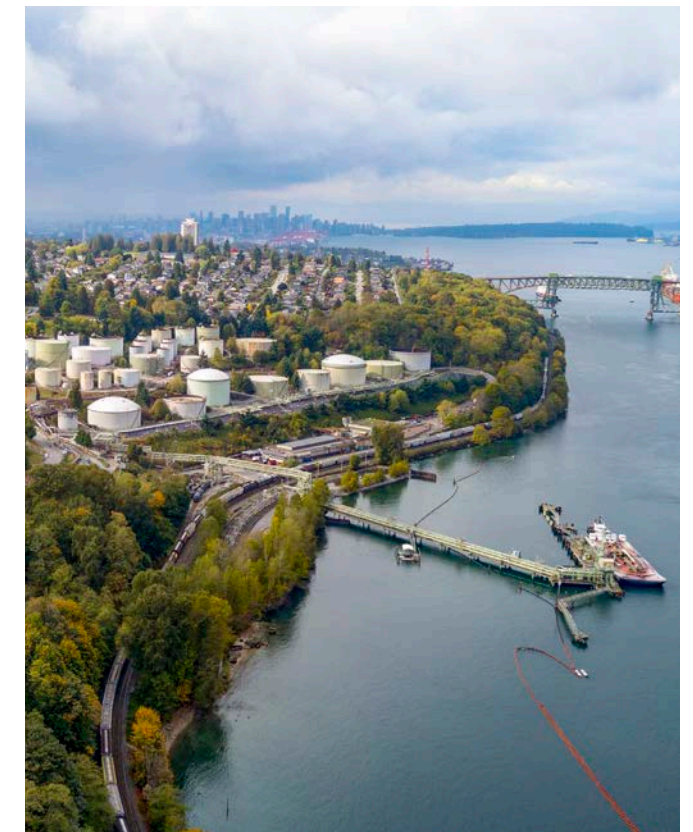


Parkland is proud of our Elbow River Marketing Team who won the CN Safe Handling Award for 2021 – their seventh straight – for their outstanding work in the safe movement of goods. Every year, Elbow River’s rail team is monitored by CN and provided with feedback on how the previous shipment year went. It is a very rigorous process and only those who meet the strictest of standards and safety protocols are honoured.



**BC FLOODING RESPONSE**

In November and December of 2021, British Columbia (BC) was impacted by extreme weather events and floods that impacted communities, caused loss of life and disrupted supply chains in the province. Parkland’s Burnaby Refinery supplies 25% of BC’s transportation fuel and 30% of Vancouver International Airport’s jet fuel. As an essential supplier of fuel in the province, we swiftly pivoted operations to respond to the needs of our customers and all British Columbians and to ensure supply of necessary fuels could continue in the province. Throughout the emergency situation, our blending, shipping, terminal and rack activities remained operational. Working closely with all levels of government, Parkland continued delivering essential fuels and services to support the recovery and mitigation efforts throughout the province. Our collective collaboration was critical to supporting the province’s response efforts, and we are proud of our team for stepping up and continuing to power journeys and energize our communities through such challenging conditions.





**PARKLAND'S TARGETS**

- We have achieved our 30% gender diversity target for our Board as of May 2022 and are focusing on fulfilling this target for executive officer positions by 2025.
- To support our target to maintain a minimum 10% representation of BIPOC and LGBTQ+ on Board and for executive officer positions, we are improving our sourcing and selection policy, processes, and procedures to attract a diverse candidate pool that enables us to select the best qualified candidates through a selection process that mitigates unconscious bias and systemic exclusion.

**PROMOTE DIVERSITY AND INCLUSION**

**DRIVING TOWARDS DIVERSITY AND INCLUSION (D&I)**

We made excellent progress in 2021 advancing D&I within our organization. Our core focus areas for 2021 were:

- Addressing discrimination and prejudice
- Increasing education and awareness
- Amplifying internal communications and our employer brand
- Systemic inclusion

Some of our key achievements included:

- Our Senior Leadership Team completed a 12-hour D&I-focused learning and development program.
- Over 110 Leaders (Vice Presidents and Directors) participated in over 700 hours of D&I training.
- Many employees voluntarily took advantage of 300 hours of training offered.
- Curated and delivered eight educational D&I events for participants across all regions.
- Proactively and reactively communicated with employees about world events and historic dates to increase awareness and learning.

- Launched the Parkland Build, Own, Lead, Deliver (BOLD) Competency Model which defines our behavioural and competency expectations as they relate to inclusion.

We are also proud to report that as of May 2022, we have met our 30% gender diversity target for our Board of Directors.



In support of the D&I goals in our Sustainability Strategy, we are focusing on the following over the next year:

**Succession Planning:** Developing diverse talent succession pools for executive officer positions including female, BIPOC and LGBTQ+ talent. Our next step is to improve our Talent Review and Succession Planning program to identify high-potential leaders.

**Employee Engagement:** Conducting routine D&I surveys that include questions that ensure we are integrating feedback from all Parklanders into our D&I Strategy, such as:

- “I feel comfortable being myself without having to change my identity.”
- “I feel included in day-to-day workplace activities at Parkland Corporation.”
- “My leader has meaningful conversations about D&I with my team.”

**D&I Training:** Enhancing training for staff and leadership, including integrating our BOLD Competency Model into our Selection processes, Onboarding program, and Development Plan template.

**Leading Indicators:** Improving performance on key leading indicators, such as integrating D&I Survey questions into our Exit Interview process to get real-time feedback from departing employees on D&I topics.

We look forward to sharing more on our progress in these areas in our next report.

**2021 D&I Training**

**110 LEADERS** | **700 HOURS**

**Employee Training**

**300 HOURS**





# Environment

Climate Change is a key factor within our Sustainability Strategy. Under our Environment pillar, we have set several climate-related targets to propel our climate contributions and environmental stewardship, and provide our customers with more low-carbon choices.



Driving to Zero emissions and spills



Climate Change



Product Transportation & Storage



Governance & Ethics

## PARKLAND'S TARGETS

- To support our Scope 1 and 2 GHG emissions intensity reduction targets (2019 baseline), we are actively exploring emissions reduction tactics in our Refining and Marketing businesses, such as energy efficiency and solar power projects.
- To support our target to reduce spill volume per litre sold by 50% by 2025, we have set our baseline year as 2021, have improved our fuel delivery Standard Operating Procedures, and will be enhancing our Spill Response Training.
- To support our target to identify opportunities to reduce single-use items in C-stores in 2022 and implement reductions by 2023, we are identifying initial focus areas for reduction opportunities and will begin implementation in 2023.

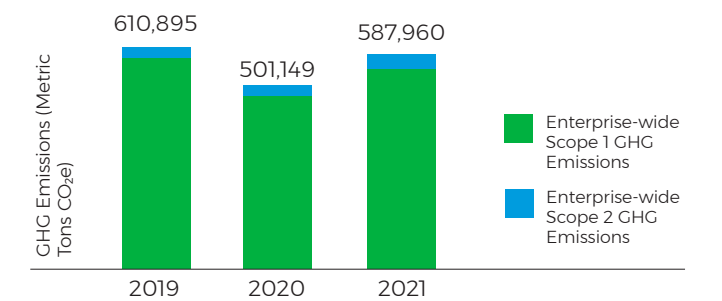
We continue to be a leader in producing greener fuels to help governments achieve their carbon reduction targets and meet the needs of a low-carbon future.

## PROTECT THE ENVIRONMENT

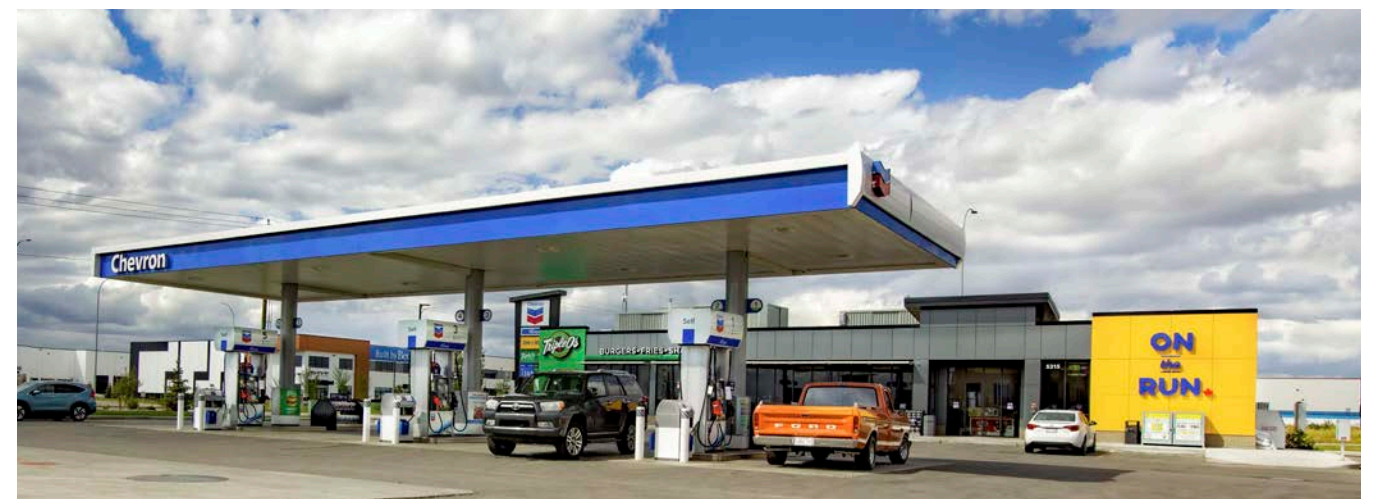
### GHG EMISSIONS INVENTORY AND REDUCTION TARGETS

Last year we completed our inaugural GHG emissions inventory and used this information to set meaningful and measurable GHG reduction targets for our Refining and Marketing businesses. These targets reflect our Drive to Zero emissions ambition and our support for governments' goal of net-zero emissions by 2050.

### PARKLAND'S EMISSIONS PROFILE



Our teams are hard at work identifying and implementing emissions reduction tactics. We are exploring energy efficiency opportunities, such as Heating, Ventilation and Air Conditioning (HVAC) upgrades, energy management systems, and solar.





**CLIMATE CHANGE RISK**

Climate change and the transition to a lower carbon economy has been identified as a principal risk. This includes physical climate-related risks, as well as energy transition impacting demand. Parkland’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 (US) and severe tropical storms, hurricanes, earthquakes and volcanoes in the Caribbean and southern US, 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 Parkland’s assets, disrupt our supply channels, interrupt our ability to deliver goods and services and decrease demand for our products.

**SPILLS**

For our target to reduce spill volume per litre sold by 50% by 2025, we have set our base year as 2021, and have tracked this per billion litres sold for ease of reference.

Hydrocarbon Spill Metric	2021 Performance	Disclosure Framework
Spill Count	12	IPIECA Module 4 Environment ENV-6 A2
Total Spill Volume (L)	4,651	IPIECA Module 4 Environment ENV-6 A2
Significant Spills	0	GRI 306-3
Spill Volume (L) per Billion Litres Sold	194	Parkland's Sustainability Strategy Target

Also in support of our ambition for zero spills and goal to reduce spill volume per litre sold, we made improvements to our Standard Operating Procedures (SOPs) for fuel delivery earlier this year. We are also further enhancing our Spill Response Training to ensure that our teams can respond effectively in the unlikely event of a spill.



**PROVIDE CUSTOMERS WITH LOWER CARBON OFFERINGS**

**PARKLAND'S TARGETS**

- We anticipate surpassing our target to reduce customers’ GHG emissions by up to 1MT per year by 2026 through the planned expansion of our existing co-processing capability at Burnaby Refinery to approximately 5,500 barrels per day, coupled with our plan to build a 6,500 barrel per day renewable diesel complex. The projects will result in a 2MT reduction in customer GHG emissions, the equivalent of taking 700,000 cars off the road.
- To support our target to offer and encourage low-carbon fuels in every market in which Parkland operates by 2026, we will be prioritizing the identification of low-carbon supply opportunities in the Caribbean over the next year.



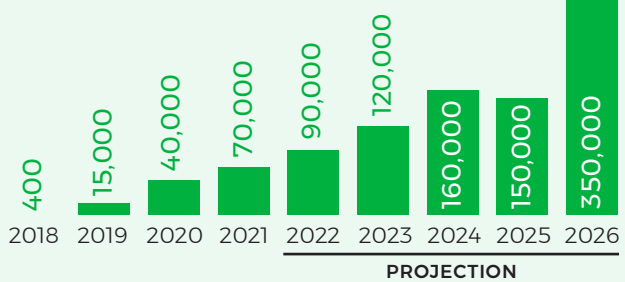


**REDUCING CUSTOMER EMISSIONS**

Parkland’s refinery in Burnaby, BC, Canada is a strategic asset to BC’s economy and an important component of our infrastructure viability - supplying 25% of BC’s transportation fuel and 30% of Vancouver International Airport’s jet fuel. It was the first facility in North America to use existing infrastructure to create low-carbon fuels by co-processing Canadian-sourced renewable feedstocks.

Parkland achieved record volumes of co-processed bio-feedstocks, amounting to over 86 million litres in 2021, which was the equivalent of taking over 70,000 cars off the road. This was a milestone achievement given the significant supply chain disruptions that occurred in late 2021 due to extreme weather and flooding in BC. Since 2019, we have more than doubled our production year over year. Bio-feedstocks, such as tallow and canola, are considered carbon neutral feedstocks for the Burnaby Refinery and produce lower carbon refined products. Another exciting achievement is that earlier this year, the Burnaby Refinery became the only refinery in the world to co-process tall oil as a bio-feedstock. Tall oil is derived mainly from pine trees and is a by-product of the pulp mill process. This was a technical breakthrough that not only diversified Parkland’s suite of bio-feedstocks, but also helped attract new investment and safeguard jobs in BC’s pulp and paper industry. In fact, a tall oil plant in Prince George, BC was in danger of being shuttered before we approached them about this opportunity. We are proud of our track record of renewable fuels leadership and look forward to continuing to help our customers lower their environmental impact.

**EQUIVALENT CARS TAKEN OFF THE ROAD THROUGH CO-PROCESSING**



**INCREASING PARKLAND'S LOW-CARBON FUELS OFFERING**

Parkland supports governments’ goal to achieve net-zero emissions by 2050, and we are working to reduce our own carbon footprint while also helping our customers reduce theirs.

Parkland has announced plans to increase its low-carbon leadership by expanding renewable fuel production. This is one of many steps we are taking to advance our decarbonization strategy and provide our customers with a portfolio of low-carbon products and services. We are planning to:

- **build on our track record of innovation and leadership by expanding our existing co-processing capability to approximately 5,500 barrels per day, and**
- **build a stand-alone renewable diesel complex within the Burnaby Refinery capable of producing approximately 6,500 barrels per day of renewable diesel.<sup>2</sup>**

These renewable fuels have 1/8 of the carbon-intensity of conventional fuels. They will reduce related GHGs by approximately 2MT per year. This is the equivalent of taking over 700,000 cars off the road – or approximately 25% of BC’s passenger vehicles. This allows consumers to achieve dramatic carbon reductions while using their existing vehicles.

In order to meet global energy demand, biofuels will be an important component in the energy transition, particularly for sectors where electrification has a longer timeline, like marine, aviation, rail and trucking. Low-carbon fuels are a great option for these sectors because it allows them to continue to operate without modification, while still reducing their GHG emissions and environmental impact. Our renewable biofuels are an innovative, accessible, and affordable option that contributes to a significant reduction in GHG emissions which our customers can already take advantage of today by filling up at Parkland-supplied retail sites in BC.



We are proud of our Drive to Zero ambition and to be advancing our decarbonization strategy as we commit to provide customers with low-carbon choices which help them meet their environmental goals. Renewable fuels play a critical role in Canada’s climate ambitions. They help ensure no one is left behind through the energy transition as consumers can significantly reduce their carbon footprint without purchasing a new or modifying an existing vehicle.

This project has the support of the Government of British Columbia and will help the Government meet its ambition to achieve net-zero emissions by 2050.

**“Parkland’s plans to increase our province’s renewable fuel capabilities support our CleanBC targets. This is a big step forward in our transition to a lower-carbon economy. Harnessing Parkland’s technical expertise and infrastructure to lower the environmental impact of our transportation is something we can be proud of.”**

The Hon. Bruce Ralston, Minister of Energy, Mines and Low Carbon Innovation.

We look forward to continuing to fuel the energy transition while strengthening an integrated Canadian value chain: manufacturing low-carbon fuels using Canadian products, Canadian innovation, and Canadian labour at every step of the way. This Made-In-Canada solution will also generate well-paying direct and indirect jobs in BC and new opportunities.

<sup>2</sup> Subject to Financial Investment Decision.



**GLOBAL ENERGY SHOW EMERGING CLEAN TECHNOLOGIES AWARD**

Parkland was proud to take home the Emerging Clean Technologies Award at the 2022 Global Energy Show. This award focuses on innovative technologies or processes that improve environmental performance or decrease cost of production in the energy industry through significant energy efficiency improvements, the sustainable use of resources, or environmental protection activities. Parkland was presented with this award in recognition of our work on co-processing at the Burnaby Refinery.



**CARBON OFFSETS AND TRADING**

Another way in which we're helping customers and partners reduce their own emissions is through carbon offsets and trading. Our Elbow River Marketing team operates an active trading desk with a presence in every environmental market in North America as well as international voluntary carbon markets. We help finance projects in North America and internationally through buying carbon credits directly from project developers and selling them to end users. Carbon credits can be used by Elbow River and Parkland to compensate for our own emissions and to allow our customers to offset their emissions. In the past three years, we have seen substantial growth in our voluntary offset business with global demand for carbon offsets increasing. We have transacted several million tons of carbon credits on various registries globally and expect this number to continue growing. In addition to carbon credits, we have

also begun to purchase renewable natural gas (RNG) which we will sell into both US vehicle fuel market and the voluntary RNG market.

We are also supporting certified emission reduction projects across Canada through our JOURNIE Rewards carbon offsetting program. JOURNIE Rewards is Parkland's loyalty program that provides our customers with fuel discounts and other reward options. Launched in 2021, JOURNIE's carbon offsetting reward option gives our Canadian customers an opportunity to reduce their carbon emissions and offset their environmental impact. Every carbon offset reward chosen offsets the carbon dioxide (CO<sub>2</sub>) emissions from a 45 litre fuel purchase. Members have "unlocked" the carbon offset option an average of over 2,600 times a day since the program's introduction. We are proud to offer a simple way for our JOURNIE Rewards members to reduce their carbon footprint.

**sol écolution™**

In 2021, we launched Sol Ecolution, a new division within Sol that facilitates development of diverse renewable and low-carbon energy solutions in the Caribbean.

Sol has a deep history and understanding of the energy ecosystem in the region, as well as financing capacity, logistics and technical expertise. We are uniquely positioned to support our customers, stakeholders, and communities through the energy transition through the following services:

- **Project financing**
- **Site selection and assessment**
- **Project scoping and design**
- **Pre-feasibility and feasibility studies**
- **Contract negotiation**
- **Engineering procurement and construction services**

As a start, Sol has completed state-of-the-art solar photovoltaic (PV) systems on five retail sites and has

70 more sites approved for installation in the region in 2022 and 2023. Over the next few years, we plan to cover our complete company-owned retail and terminals networks, while also offering this to our dealer-owned network.

The environmental benefit and impact of such installations is considerable. For example, at our flagship retail site in Barbados, the solar panels produce approximately 132,000 kWh per year which are sold into the local grid, providing a local source of solar energy to the community and avoiding 81.6 metric tonnes of CO<sub>2</sub> per year – the equivalent of 10,000 gallons of gasoline consumed. Replicating this impact across our broader network in Barbados and throughout the region will provide cleaner energy to the markets in which we operate.

Beyond deploying technology on our assets, we are actively engaged in discussions with our utility and commercial customers to identify opportunities to facilitate the development of renewable energy for third-party use.





**DRIVING TOWARD THE ELECTRIC CHARGING DESTINATION OF THE FUTURE**

Consistent with our Energy Transition Strategy, Parkland plans to build the ‘Electric Charging Destination of the Future’ and set a new standard for EV charging and customer experience.

Parkland developed its initial architectural concept by sponsoring an international design competition operated by Electric Autonomy Canada, a leading news platform focused on electric and autonomous vehicle technologies.

The competition attracted more than 100 high-calibre entries from around the globe. What emerged were many creative and innovative ideas and concepts that redefine mobility - all fuelled by the minds of passionate architects and designers.

The winning design was created by James Silvester, an award-winning architect based in Scotland, with extensive global experience in sustainable architecture. Named ‘More with Less’, the design creates a relaxing environment, where EV drivers can take a breath, and recharge not just their vehicles, but themselves.

The sustainable materials and modular nature of the ‘More with Less’ concept provides tremendous versatility. It can be built for purpose, serving large or small stations, and provides the amenities that EV customers value while they charge, such as Parkland’s ON the RUN convenience stores and high-quality dining. It also creates a series of outdoor spaces. The result is a world-class destination that customers can enjoy and an environment where nature is integral to the structure. Parkland looks forward to working with Mr. Silvester to hone the design and identify a suitable location to bring it to life and create a holistic experience for EV drivers.

**USA SOLAR INSTALLATION**

Earlier this year, Parkland USA unveiled its first solar installation at a warehouse in Denver, Colorado. Through this, our team gains key learnings not only about solar power production, but also utility management. Our aim is to develop a system of products to manage the utility demand process, which generates power bill savings and more efficient resource consumption. We also aim to establish a catalogue of decarbonization options for our customers. Solar installations are planned at three additional sites in Utah this summer.

The learnings we gain from these projects will allow us to evaluate how to further scale this work.

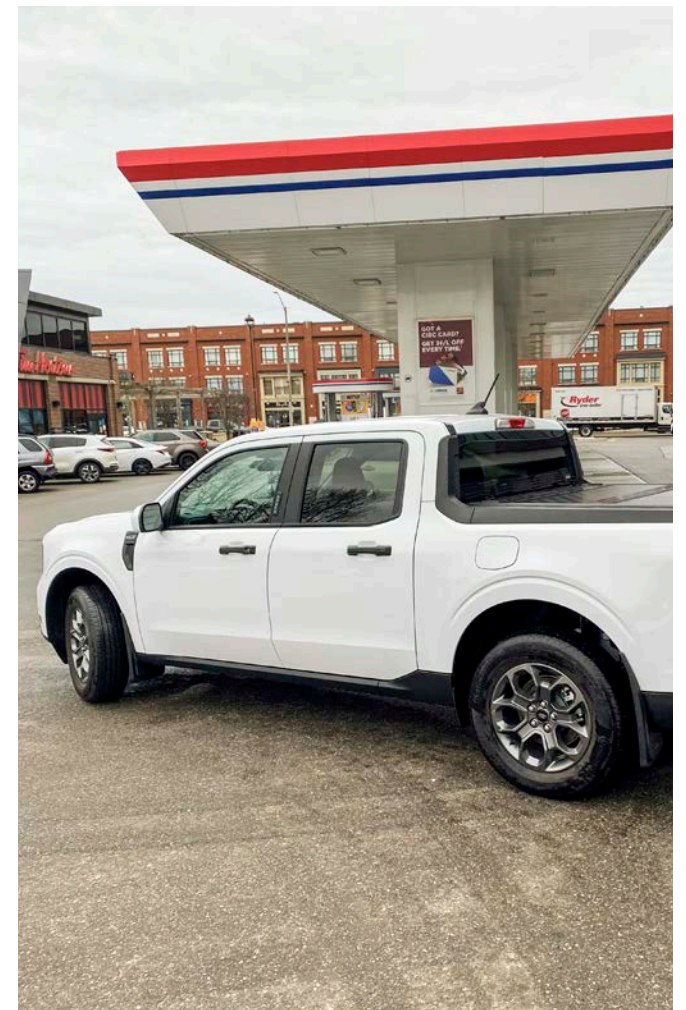
**HYBRID VEHICLE PILOT PROGRAM**

In Ontario, Parkland Canada is piloting the use of hybrid vehicles in its light-duty fleet. Our goal is to incorporate lower-emission vehicles into our Light-Duty Vehicle Selector tool for company vehicles in an effort to further reduce our environmental impact. Since we launched the pilot in February 2022, we’ve seen favourable performance, including:

In 5,000 kilometers (km) driven:

- Average Fuel Economy: 6.1 litres per 100 km
- Fuel savings per 100km driven (compared to our average from SUVs and pickup trucks currently on our selector tool): 6.2 litres per 100 km
- Fuel Use Reduction: 310 litres
- CO<sub>2</sub> Reduction: 713 kilograms

We look forward to continuing this pilot program in 2022.







# Partners

Partnerships are central to helping us fulfill our purpose to Power Journeys and Energize Communities. Our mutual success creates opportunities to build capacity and support local and Indigenous communities over the long-term. By requiring this action of our supply chain partners, we are able to prioritize these communities and environmental stewardship across our own business and impart the value of doing business this way, with others.



Upholding zero tolerance for bribery, corruption, and unethical behaviour



Diversity & Inclusion



Governance & Ethics

## 🕒 PARKLAND'S TARGETS

- We have achieved our target of becoming Progressive Aboriginal Relations (PAR)-Committed through the Canadian Council for Aboriginal Business (CCAB) and are working through Phase 1 over the next year. We are also developing a framework for an enterprise-wide social investment strategy in support of our target to support rural and remote communities.
- In support of our target to enhance eligible employee participation in the Parkland Pledge program to 60%, we are developing targeted communications campaigns.

## SUPPORT LOCAL AND INDIGENOUS COMMUNITIES

### INDIGENOUS RELATIONS

Since the launch of our Canadian Indigenous Relations Strategy last year, we have continued to make strides in advancing our ability to have an impact in this space. Our progress towards becoming PAR-certified through the CCAB is an important step in strengthening relationships with Indigenous communities across our business. Key elements that we are prioritizing over the next year include the advancement of our internal working group, employee training strategy, and leadership training. In recognition of National Indigenous Peoples Day 2022, we launched a Resource Centre on our company intranet to provide our employees with educational information and resources about reconciliation, Indigenous culture, and the issues that Indigenous Peoples in Canada continue to face. In addition, we recognize the unique contributions that Indigenous Peoples can make to developing long-term climate change solutions to support the reduction of net global emissions.



Indigenous Cultural Helper and is hiring an Indigenous Clinical Advisor in Women's Health, as well as fund upcoming gatherings of Indigenous healthcare providers, cultural helpers, and patients, as well as non-Indigenous healthcare providers.

Similarly, Parkland was proud to also fuel a research expedition off the coast of Vancouver Island, BC with a donation of 100,000 litres of marine diesel in Spring 2022. In partnership with the Pacific Salmon Foundation, this donation supported the 2022 North Pacific Marine Research Project, which contributes to the largest pan-Pacific research expedition, the 2022 International Year of the Salmon Pan-Pacific Winter High Seas Expedition. Onboard, researchers are studying topics ranging from: environmental DNA; salmon migration patterns; salmon diets; and the study of winter ecology of salmon in the North Pacific Ocean, with the ultimate goal of enabling a sustainably healthy ecosystem for our valuable ocean resources.

### COMMUNITY ENGAGEMENT AND SOCIAL INVESTMENT

We continue to engage with and support our local communities through a variety of initiatives across our business. For example, our Burnaby Refinery Community Advisory Panel in BC, Canada has its highest level of involvement in recent years.

Another example of how we power journeys and energize communities is our support for the Royal Alexandra Hospital Foundation's (RAHF) Indigenous Cultural Partnership (ICP) at the Lois Hole Hospital for Women. As mentioned in our previous report, Parkland provided \$150,000 towards this important initiative. As a result of Parkland's donation, RAHF has been able to hire an

In the Caribbean, our Sol team donated US\$5,000 to the Trinidad and Tobago Coalition Against Domestic Violence (CADV) in 2021. This donation was driven by our commitment to D&I, and we are proud to stand behind the groups and individuals who are working together to create a safer environment for men, women and children in Trinidad and Tobago.



**◎ PARKLAND'S TARGETS**

- In support of our target to 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, we have published our new Supplier Code of Conduct on our website.
- In support of our target to increase local and Indigenous procurement and job opportunities in each operating jurisdiction, we have issued a sustainability survey to our vendors to gain insight into our existing supply base.

**IMPLEMENT SUSTAINABLE SUPPLY CHAIN STANDARDS**

**PARKLAND'S SUPPLY CHAIN**

Our supply chain reflects our corporate values and how we do business. We are working towards two significant goals that will elevate our standards for suppliers and make them more inclusive.

In support of our goal to develop sustainable supply chain standards, our new Supplier Code of Conduct has

been published on our website. We are incorporating this Code into new contracts, as well as working on a change management plan for implementing the Code with existing suppliers.

In addition, we have issued a sustainability survey to our vendors to gain insight into our existing supply base. This information will help determine our next steps for increasing local and Indigenous procurement and job opportunities in our various operating jurisdictions.



**INDUSTRY PARTNERSHIPS AND RECOGNITION**

Partnerships are essential to achieving a low-carbon future. Collaboration drives innovation and helps create solutions that contribute to our collective environmental goals.

We are proud to be partnered with like-minded organizations, such as the Canadian Fuels Association (CFA): Canada's leading industry voice on transportation energy and a trusted partner in developing policy solutions that balance Canadians' economic and environmental performance expectations. Parkland is a CFA member, and our President and CEO is also the outgoing Board Chair.

We were honoured to have been recognized by the CFA for our work on co-processing low-carbon fuels. In June 2022, we were presented with their Innovation Award, which recognizes a CFA member that has advanced the transportation fuels sector by introducing innovative ideas or successfully implementing new technology, systems, processes, and/or tools for engagement. The innovation seen at our Burnaby Refinery is a great example of how Parkland is staying one step ahead of our customers' needs and giving them the essential fuels they need to power their journeys.





# Responsible Growth

Parkland is constantly evolving. We are 10 times larger today than we were a decade ago. A unique element of our Sustainability Strategy is how we consider our growth. We believe it is important to address our impact today, and into the future.



Driving to Zero emissions through the energy transition



Climate Change



Safety & Emergency Preparedness



Product Transportation & Storage



Diversity & Inclusion



Governance & Ethics



## Ⓞ PARKLAND'S TARGETS

- In support of our target to conduct a sustainability assessment as part of due diligence review for all acquisitions starting in 2022, we are expanding our due diligence scope to include even more ESG topics.
- To support our target to 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, we are currently updating our integration processes to include additional ESG topics.

## CONDUCT RESPONSIBLE MERGERS AND ACQUISITIONS

### SUSTAINABILITY IN M&A

Parkland's business is diverse, and acquisitions are a key component of our strategy. Therefore, we felt it important to incorporate mergers, acquisitions and integration into our sustainability strategy.

While ESG topics are already integrated into our due diligence process for acquisitions, we are looking to expand this scope as part of our review process. Further, we will be applying our sustainability policies, goals and metrics to new acquisitions by updating our integration processes to include additional ESG topics.



## ADVANCE LOW-CARBON OPPORTUNITIES

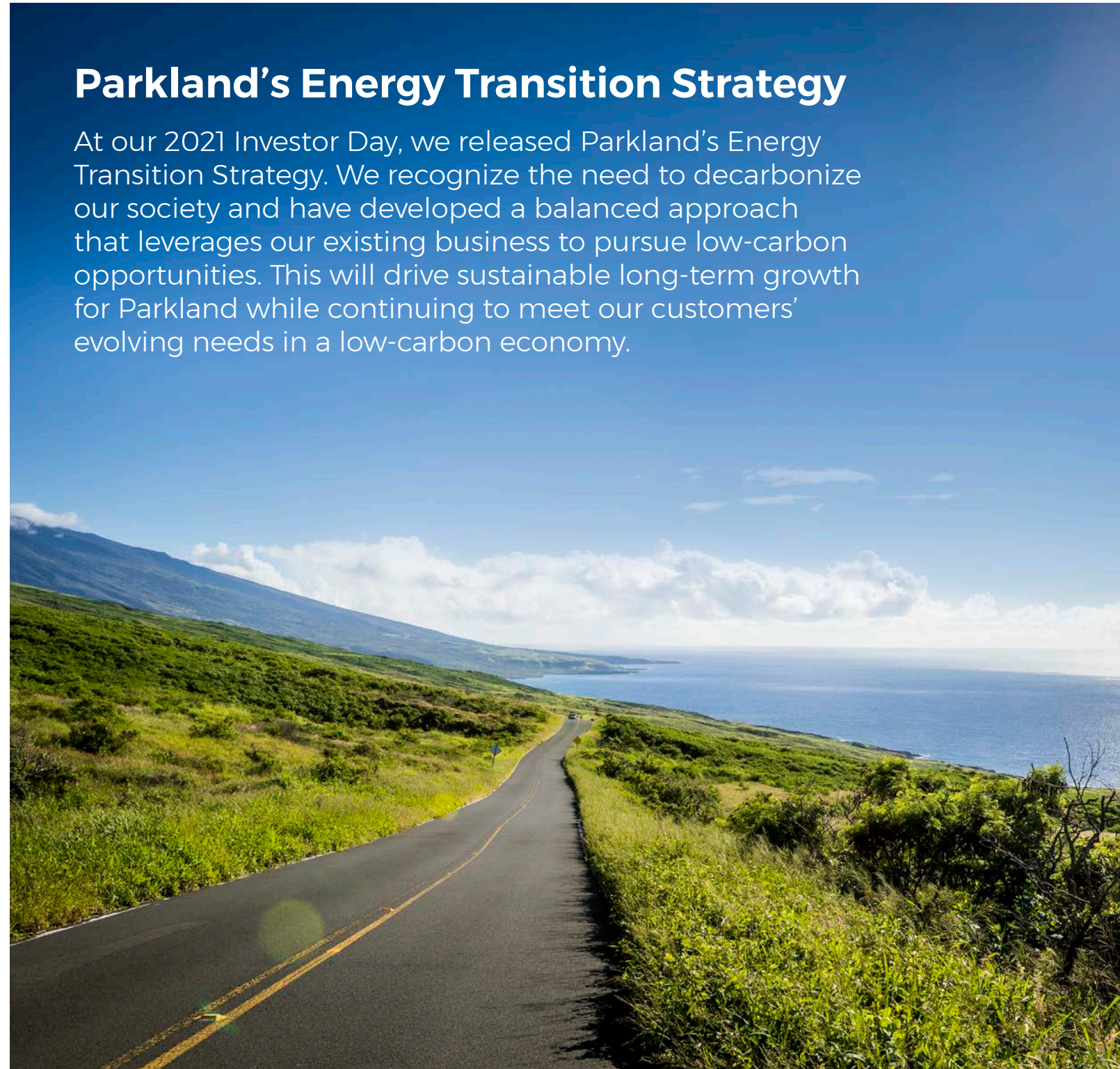
## Ⓞ PARKLAND'S TARGET

- In support of our target to grow Parkland's low-carbon business (retail diversification plus commercial decarbonization) to \$400M of EBITDA by 2025, we launched our Energy Transition Strategy to drive sustainable growth and are focused on its execution.



## Parkland's Energy Transition Strategy

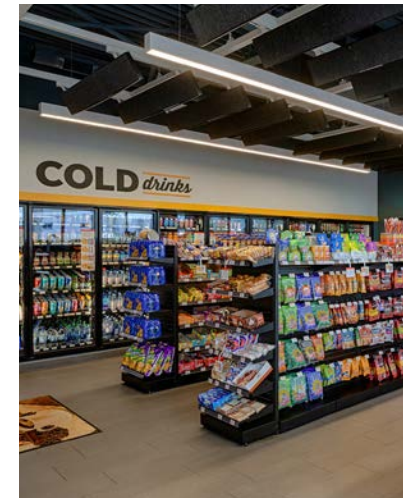
At our 2021 Investor Day, we released Parkland's Energy Transition Strategy. We recognize the need to decarbonize our society and have developed a balanced approach that leverages our existing business to pursue low-carbon opportunities. This will drive sustainable long-term growth for Parkland while continuing to meet our customers' evolving needs in a low-carbon economy.



### Develop

Growing our conventional marketing businesses while enabling energy transition opportunities

**THIS LOOKS LIKE:** Safe and responsible operations of our conventional fuels business, continuing to provide an essential service to communities, enhancing existing and potential retail and commercial networks, investing in customer experience, and applying our sustainability standards to acquired businesses.



### Diversify

Creating convenience destinations

**THIS LOOKS LIKE:** Growing our convenience and food offer based on evolving customer needs, as well as serving drivers as they transition from conventional to electric vehicles.



### Decarbonize

Supporting customers through the energy transition

**THIS LOOKS LIKE:** Renewable fuels manufacturing, compliance and carbon offsets marketing and trading, renewable product sourcing and transportation, and commercial solar power.





# 2021 Sustainability Reporting Data

Methodology	Reference Code	Description	Data
People			
GRI	2-7	Employees	<p>Total number full- and part-time employees as at December 31, 2021: 5,946</p> <p>Please note that unless otherwise indicated, the below head counts do not include contractors, which represents an update to the reporting methodology since the last reporting period.</p> <p>Total number of employees by region and gender:</p> <ul style="list-style-type: none"> <li>• International: Female 36%, Male 64%</li> <li>• Canada: Female 35%, Male 65%</li> <li>• USA: Female 41%, Male 59%</li> </ul> <p>Total number of employees by region, employment contract type (permanent and temporary) and gender:</p> <ul style="list-style-type: none"> <li>• International: Permanent: Female - 215, Male - 390</li> <li>• International: Temporary: Female - 2, Male - 1</li> <li>• Canada: Permanent: Female - 821, Male - 1,518</li> <li>• Canada: Temporary: Female - 60, Male - 97</li> <li>• USA: Permanent: Female - 1,176, Male - 1,665</li> <li>• USA: Temporary: Female - 1, Male - 0</li> </ul> <p>Total number of employees by region, employment type (full-time and part-time) and gender:</p> <ul style="list-style-type: none"> <li>• International: Full-time: Female - 215, Male - 390</li> <li>• International: Part-time: Female - 2, Male - 1</li> <li>• Canada: Full-time: Female - 818, Male - 1,512</li> <li>• Canada: Part-time: Female - 63, Male - 103</li> <li>• USA: Full-time: Female - 933, Male - 1,423</li> <li>• USA: Part-time: Female - 244, Male - 242</li> </ul>
GRI	2-30	Collective bargaining agreements	<p>Percentage of employees covered by collective bargaining agreements by region:</p> <ul style="list-style-type: none"> <li>• International: 17%</li> <li>• Canada: 7%</li> <li>• USA: 0%</li> </ul>
GRI	401-1	New employee hires and employee turnover	<p>New employee hires by region and gender:</p> <ul style="list-style-type: none"> <li>• International new hire rate: Female - 4%, Male - 7%</li> <li>• Canada new hire rate: Female - 9%, Male - 12%</li> <li>• USA new hire rate: Female - 18%, Male - 23%</li> </ul> <p>Employee turnover by region and gender:</p> <ul style="list-style-type: none"> <li>• International: Female - 0%, Male - 1%</li> <li>• Canada: Female - 5%, Male - 8%</li> <li>• USA: Female - 18%, Male - 19%</li> </ul> <p>Our turnover calculation is defined as the number of terminations (voluntary + involuntary) divided by the total headcount as at year end, excluding any contingent workforce. It represents an update to the reporting methodology since the last reporting period.</p>
GRI	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<p>Parkland provides our employees a 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.</p>



Methodology	Reference Code	Description	Data
GRI	403-1	Occupational health and safety management system	Parkland has implemented an occupational health and safety management system that covers all workers, activities and workplaces. The occupational health and safety management system was implemented in accordance with legal requirements and risk management standards and guidelines (e.g., Transportation of Dangerous Goods, occupational health and safety acts and codes, building and fire codes, pressure vessel codes, pipeline codes), which are included in the Parkland Operational Excellence Management System (POEMS). Additionally, Parkland maintains a corporate risk matrix that is monitored and managed by Risk and Controls. For more information on POEMS and its 8 elements, including Element 2 (Health & Safety), please refer to pages 26-29 of Parkland's Annual Information Form (AIF) for the financial year ended December 31, 2021: <a href="https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf">https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf</a>
SASB	EM-RM-320a.2	Workforce health and safety	
GRI	403-2	Hazard identification, risk assessment, and incident investigation	<p>Parkland has implemented 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 and reviewed by leadership. Additionally, Parkland has a process for workers to report hazards, which includes the use of Hazard ID forms and START cards (based on Parkland's Stop. Think. Act) in Cority, our new HSE software system. The process notifies leadership and allows for the creation of corrective actions.</p> <p>Workers are trained in the right to refuse unsafe work and Parkland's 'right to refuse' policy states that workers are protected against reprisals for reporting. Parkland has an established process to investigate work-related incidents. Incidents are investigated using root cause analysis such that identified root causes have corrective actions assigned and tracked through completion. Lessons Learned are distributed to the organization with the investigative process being documented on Parkland Path, Parkland's company intranet.</p>
GRI	403-3	Occupational health services	Parkland employs an occupational health nurse to manage occupational health services. Formal hazard assessments identify and provide controls to minimize occupational health risks. A telemedicine program is available in Canada to assist workers in injury management.
GRI	403-4	Worker participation, consultation, and communication on occupational health and safety	All operating regions at Parkland have a Joint Occupational Health and Safety Committee and/or worker health and safety representatives. Meetings are held monthly to allow for two-way health and safety dialogue between workers and management. In Canada, USA and International segments, meetings are held monthly and meet jurisdictional health and safety requirements for management and worker representation. Responsibilities include incident investigation reviews, safe work practice reviews, and management of employee-identified health and safety concerns. The decision-making authority of the joint occupational health and safety committees is prescribed in the jurisdictional occupational health and safety regulations or by local or regional standard operating procedures and/or terms of reference documents provided through POEMS.
GRI	403-5	Worker training on occupational health and safety	Parkland has a documented occupational health and safety training curriculum that is based on a training matrix. Training is provided both through e-learning and instructor-led training when required (e.g., first aid, confined space entry). All Parkland employees are provided occupational health and safety e-learning courses. Role-specific occupational health and safety training is provided as required (e.g., lockout/tagout (LOTO)).

Methodology	Reference Code	Description	Data
GRI	403-9	Work-related injuries	<p>For all Parkland employees, there were no fatalities as a result of work-related injuries and there were no high-consequence work-related injuries. All injuries in 2021 have made a full recovery. There were 60 recordable work-related injuries, equivalent to a Total Recordable Injury Frequency (TRIF) of 1.14, for 10,509,428 hours worked (calculated based on 200,000 hours worked). The main type of work-related injury was musculoskeletal. Injury rate calculations follow industry standards such as those set by the Occupational Safety and Health Administration (OSHA) for the calculation of Total Recordable Injury Frequency (TRIF). No workers have been excluded from this disclosure.</p> <p>For workers who are not employees but whose work and/or workplace is controlled by the organization, there were also no fatalities as a result of work-related injuries and there were no high-consequence work-related injuries.</p> <p>Work-related hazards that pose a risk of high-consequence injury include: transportation, handling, and transferring of the various dangerous goods Parkland transports as well as the various equipment under high pressure used at various Parkland facilities. Means of identifying workplace hazards include: formal hazard assessments, process hazard analysis (PHA) and layer of protection analysis (LOPA). In 2021, Parkland introduced the use of vehicle camera programs across our USA and Canadian fleets to help reduce the risks associated with driving commercial vehicles. Additionally, upgrades have been completed to equipment on propane delivery trucks to reduce the physical effort required when moving loading hoses to and from the truck to the customers tank(s) with the intent to reduce injuries related to manual material-handling.</p>
SASB	EM-RM-320a.1	Workforce health and safety	
GRI	405-1	Diversity of governance bodies and employees	<p>Percentage of management positions filled by females by region:</p> <ul style="list-style-type: none"> <li>• 2021: <ul style="list-style-type: none"> <li>◦ International: 35%</li> <li>◦ Canada: 32%</li> <li>◦ USA: 40%</li> </ul> </li> <li>• 2020: <ul style="list-style-type: none"> <li>◦ International: 35%</li> <li>◦ Canada: 40%</li> <li>◦ USA: 37%</li> </ul> </li> <li>• 2019: <ul style="list-style-type: none"> <li>◦ Enterprise-wide: 31%</li> </ul> </li> </ul>
GRI	406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> <li>• International: One incident. It is now closed and was determined to be unfounded. Feedback was given to the complainant and a coach was provided to support more effective communication between parties.</li> <li>• Canada: Two incidents, both of which are closed. For both incidents, remediation plans have been implemented and results have been reviewed through routine internal management review processes. Remediation plans/actions taken included: interviews of all relevant stakeholders, action plans to remediate the relationships and address the root of the issue(s), a review of the Harassment &amp; Discrimination Policy, Performance Improvement Plan, and repetitive follow-up with both parties after plans were completed.</li> <li>• USA: No reported incidents of discrimination.</li> </ul>



Methodology	Reference Code	Description	Data
GRI	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	The organization has not identified any material non-compliance with regulations and/or voluntary codes during the reporting period.
UN SDG	5	Gender equality	Please refer to page 12 of this report, as well as the Promote Diversity and Inclusion section on page 17.
<b>Environment</b>			
GRI	201-2	Financial implications and other risks and opportunities due to climate change, Strategy	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
TCFD	Sa)	Strategy: climate-related risks and opportunities the organization has identified over the short, medium, and long term.	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>Market demand for crude oil and petroleum products from climate change risk is relevant and always included in our risk assessment process.</li> <li>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.</li> </ul>
GRI	1.1	Management of material topics: energy Management of material topics: emissions	Please refer to the Environment section on pages 19-28 of this report.

Methodology	Reference Code	Description	Data
GRI	302-1	Energy consumption within the organization	<ul style="list-style-type: none"> <li>2021:                             <ul style="list-style-type: none"> <li>Fuel consumption from non-renewable sources: 8,568 TJ</li> <li>Electricity consumption: 1,170 TJ</li> <li>Total energy consumption: 9,738 TJ</li> </ul> </li> <li>2020:                             <ul style="list-style-type: none"> <li>Fuel consumption from non-renewable sources: 7,888 TJ</li> <li>Electricity consumption: 1,011 TJ</li> <li>Total energy consumption: 8,899 TJ</li> </ul> </li> <li>2019:                             <ul style="list-style-type: none"> <li>Fuel consumption from non-renewable sources: 11,405 TJ</li> <li>Electricity consumption: 1,123 TJ</li> <li>Total energy consumption: 12,528 TJ</li> </ul> </li> </ul> <p>Energy consumption within the organization is reported per the GHG inventory, which was prepared according to the 'GHG Protocol Corporate Accounting and Reporting Standard'. Conversion factors were sourced from the United States Department of Energy (DOE), United States Energy Information Administration (EIA), United States Environmental Protection Agency (EPA) and the Government of Canada. Specifically, for the Burnaby Refinery GHG emissions, the sources of the higher heating values (HHVs) were FortisBC, the Western Climate Initiative (WCI) and internal laboratory testing.</p>
GRI	305-1	Direct (Scope 1) GHG emissions	Scope 1 GHG emissions: <ul style="list-style-type: none"> <li>2021: 555,074 metric tons CO<sub>2</sub>e. This total value includes the following emissions from the Burnaby Refinery: biogenic emissions (8,914 metric tons CO<sub>2</sub>e) and biodiesel (17 metric tons CO<sub>2</sub>e).</li> </ul>
GRI	305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li>2020: 475,754 metric tons CO<sub>2</sub>e</li> <li>2019: 582,819 metric tons CO<sub>2</sub>e</li> </ul>
GRI	305-4	GHG emissions intensity	Scope 2 GHG emissions: <ul style="list-style-type: none"> <li>2021: 32,886 metric tons CO<sub>2</sub>e (market-based); 51,479 metric tons CO<sub>2</sub>e (location-based).</li> <li>2020: 25,395 metric tons CO<sub>2</sub>e (market-based); 41,146 metric tons CO<sub>2</sub>e (location-based).</li> <li>2019: 28,076 metric tons CO<sub>2</sub>e (market-based); 48,107 metric tons CO<sub>2</sub>e (location-based).</li> </ul>
SASB	EM-RM-110a.1	GHG emissions	<ul style="list-style-type: none"> <li>2021: 555,074 metric tons CO<sub>2</sub>e. This total value includes the following emissions from the Burnaby Refinery: biogenic emissions (8,914 metric tons CO<sub>2</sub>e) and biodiesel (17 metric tons CO<sub>2</sub>e).</li> <li>2020: 475,754 metric tons CO<sub>2</sub>e</li> <li>2019: 582,819 metric tons CO<sub>2</sub>e</li> </ul>
TCFD	Mb)	Metrics & Targets: disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>Note: In the 2021 reporting period, Parkland chose to enhance our GHG inventory by reporting both location-based and market-based Scope 2 GHG emissions for all years from the 2019 base year to 2021. Parkland's 2019 and 2020 Scope 2 GHG emissions were previously reported as location-based; however, because Burnaby Refinery comprises the majority of Parkland's emissions, and the BC Hydro emission factor was used for the site, Parkland's previous reporting of 2019 and 2020 emissions will be classified as market-based going forward. Parkland's targets will be tracked against market-based emissions values.</p> <p>Scope 1 &amp; 2 GHG emissions intensity, refining:</p> <ul style="list-style-type: none"> <li>2021: 10.1 metric tons CO<sub>2</sub>e per bpd crude &amp; bio-feedstock throughput</li> <li>2020: 10.2 metric tons CO<sub>2</sub>e per bpd crude &amp; bio-feedstock throughput</li> <li>2019: 9.6 metric tons CO<sub>2</sub>e per bpd crude &amp; bio-feedstock throughput</li> </ul> <p>Scope 1 &amp; 2 GHG emissions intensity, marketing:</p> <ul style="list-style-type: none"> <li>2021: 39.6 metric tons CO<sub>2</sub>e per site</li> <li>2020: 48.3 metric tons CO<sub>2</sub>e per site</li> <li>2019: 51.6 metric tons CO<sub>2</sub>e per site</li> </ul> <p>Note: Changes in Marketing emissions are primarily driven by our continued improvement in data collection. While Parkland is making investments into decarbonization, these investments are not currently the main driver of the year-over-year changes in Marketing emissions. Parkland is committed to improving data quality across our operations.</p>



Methodology	Reference Code	Description	Data
			<p>Scope 1 GHG Emissions-Limiting Regulations:</p> <ul style="list-style-type: none"> <li>• 2021: <ul style="list-style-type: none"> <li>◦ 497,912 metric tons CO<sub>2</sub>e, representing 90% of Scope 1 GHG emissions, were covered under emissions-limiting regulations</li> <li>◦ Specifically, 457,728 metric tons CO<sub>2</sub>e (98.8% of Burnaby Refinery's Scope 1 emissions) were covered under British Columbia's carbon tax. In Canada, gasoline, diesel (light fuel oil), natural gas and propane are subject to the federal fuel charge (or, if in place, a sufficiently stringent provincial carbon tax on fuel). Scope 1 emissions from these sources in Canada were 40,184 metric tons CO<sub>2</sub>e.</li> </ul> </li> <li>• 2020: <ul style="list-style-type: none"> <li>◦ 443,969 metric tons CO<sub>2</sub>e, representing 93% of Scope 1 GHG emissions, were covered under emissions-limiting regulations</li> <li>◦ Specifically, 386,843 metric tons CO<sub>2</sub>e (98.5% of Burnaby Refinery's Scope 1 GHG emissions) were covered under British Columbia's carbon tax. Scope 1 GHG emissions from fleet vehicles (gasoline, diesel) and stationary combustion (natural gas, diesel, gasoline) in Canada were 25,284 and 31,842 metric tons CO<sub>2</sub>e, respectively.</li> </ul> </li> <li>• 2019: <ul style="list-style-type: none"> <li>◦ 547,444 metric tons CO<sub>2</sub>e, representing 94% of Scope 1 GHG emissions, were covered under emissions-limiting regulations</li> <li>◦ Specifically, 486,450 metric tons CO<sub>2</sub>e (98.6% of Burnaby Refinery's Scope 1 GHG emissions), were covered under British Columbia's carbon tax. Scope 1 GHG emissions from fleet vehicles (gasoline, diesel) and stationary combustion (natural gas, diesel, gasoline) in Canada were 27,944 and 33,050 metric tons CO<sub>2</sub>e, respectively.</li> </ul> </li> </ul> <p>Consistent with previous reporting periods, the GHG inventory was prepared according to the 'GHG Protocol Corporate Accounting and Reporting Standard'. Additionally, the consolidation approach for emissions remained operational control and the following gases were included in the calculation: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs. 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.</p>

Methodology	Reference Code	Description	Data
GRI	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<p>Burnaby Refinery air emissions:</p> <ul style="list-style-type: none"> <li>• NOx <ul style="list-style-type: none"> <li>◦ 2021: 203,345 kg</li> <li>◦ 2020: 178,296 kg</li> <li>◦ 2019: 206,371 kg</li> </ul> </li> <li>• SOx <ul style="list-style-type: none"> <li>◦ 2021: 427,461 kg</li> <li>◦ 2020: 495,646 kg</li> <li>◦ 2019: 227,421 kg</li> </ul> </li> <li>• Volatile organic compounds (VOCs) <ul style="list-style-type: none"> <li>◦ 2021: 167,366 kg</li> <li>◦ 2020: 163,738 kg</li> <li>◦ 2019: 148,433 kg</li> </ul> </li> <li>• Hazardous air pollutant (HAP) - H2S <ul style="list-style-type: none"> <li>◦ 2021: 2,951 kg</li> <li>◦ 2020: 3,667 kg</li> <li>◦ 2019: 1,728 kg</li> </ul> </li> <li>• Hazardous air pollutant (HAP) - Benzene <ul style="list-style-type: none"> <li>◦ 2021: 508 kg</li> <li>◦ 2020: 544 kg</li> <li>◦ 2019: 648 kg</li> </ul> </li> <li>• Particulate matter (PM) <ul style="list-style-type: none"> <li>◦ 2021: 44,346 kg</li> <li>◦ 2020: 34,631 kg</li> <li>◦ 2019: 30,412 kg</li> </ul> </li> <li>• PM10 <ul style="list-style-type: none"> <li>◦ 2021: 41,404 kg</li> <li>◦ 2020: 31,666 kg</li> <li>◦ 2019: 26,217 kg</li> </ul> </li> </ul> <p>Parkland does not report on ozone and there were no persistent organic pollutants to report on. Emission factors used were sourced from US EPA AP-42. Standards, methodologies, assumptions, and/or calculation tools used: Continuous emissions monitoring (CEMs), source testing, engineering estimates, mass balance, published emission factors, Canadian Fuels Code of Practice for Developing an Emissions Inventory for Refineries and Terminals, and the US EPA Emissions Estimation Protocol for Petroleum Refineries.</p>
SASB	EM-RM-120a.1	Air quality	
GRI	417-1	Requirements for product and service information and labeling.	Parkland complies with all regulatory requirements regarding the product information and labeling for the sourcing, transportation, and sale of fuel, lubricants, and convenience store items. This includes the safe disposal of all these products as well.
GRI	1.1	Management of material topics: marketing and labeling	Furthermore, Parkland complies with all local regulations in regard to the sale of age-restricted items including tobacco products and alcohol.
GRI	417-2	Incidents of non-compliance concerning product and service information and labeling	The organization has not identified any material non-compliance with regulations and/or voluntary codes.



Methodology	Reference Code	Description	Data
GRI	417-3	Incidents of non-compliance concerning marketing communications	The organization has not identified any material non-compliance with regulations and/or voluntary codes.
GRI	306-3	Significant spills	<ul style="list-style-type: none"> <li>• 2021: 0 significant spills</li> <li>• 2020: 0 significant spills</li> <li>• 2019: 0 significant spills</li> </ul>
IPIECA	Module 4 Environment ENV-6 A2	Total spill volume	4,651 L
IPIECA	Module 4 Environment ENV-6 A2	Spill count	12
Parkland's Sustainability Strategy Target		Spill volume per litre sold	1.94 x 10 <sup>-7</sup>
Parkland's Sustainability Strategy Target		Spill volume per billion litres sold	194
SASB	EM-RM-110a.2	GHG emissions	Please refer to page 20 of this report.
SASB	EM-RM-120a.2	Air quality	Number of refineries in or near areas of dense population: 2. Parkland's Burnaby Refinery is located in Burnaby, British Columbia, Canada. Additionally, we own 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. It should be noted that unlike the Burnaby Refinery, Parkland does not report data (e.g., GHG emissions) on the SARA Refinery due to it being outside of Parkland's operational control.
SASB	EM-RM-140a.2	Water management	One incident of non-compliance associated with an inspection and sample taken from the sanitary and storm water manholes on July 23, 2021 at the company's cardlock facility in Edmonton, Alberta, Canada. The storm water manholes were subsequently cleaned and compliance was achieved.
SASB	EM-RM-410a.1	Product specifications & clean fuel blends	As we do not produce fuels in the US, 100% of the company's US RVO is met through the purchase of separated renewable identification numbers.

Methodology	Reference Code	Description	Data
SASB	EM-RM-000.A	Refining throughput of crude oil and other feedstocks	Burnaby Refinery throughput (bpd): <ul style="list-style-type: none"> <li>• 2021:                             <ul style="list-style-type: none"> <li>◦ Crude: 44,716</li> <li>◦ Bio-feedstock: 1,492</li> <li>◦ Total: 46,208</li> </ul> </li> <li>• 2020:                             <ul style="list-style-type: none"> <li>◦ Crude: 37,868</li> <li>◦ Bio-feedstock: 744</li> <li>◦ Total: 38,613</li> </ul> </li> <li>• 2019:                             <ul style="list-style-type: none"> <li>◦ Crude: 51,500</li> <li>◦ Bio-feedstock: 312</li> <li>◦ Total: 51,812</li> </ul> </li> </ul>
SASB	EM-RM-000.B	Refining operating capacity	55,000 bpd
TCFD	Gb)	Governance: management's role in assessing and managing climate-related risks and opportunities.	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.  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.  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.



Methodology	Reference Code	Description	Data
TCFD	Sb)	Strategy: impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	<p>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. This strategy is detailed further on page 16 of Parkland's AIF for the financial year ended December 31, 2021: <a href="https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf">https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf</a></p> <p>Climate-related risks and opportunities inform Parkland's financial planning in the following ways:</p> <ul style="list-style-type: none"> <li>• Revenues: The transition to a lower carbon economy will introduce several changes that could impact Parkland's business: The introduction of carbon taxes; government policy in favour of electric vehicles and clean fuels; the introduction of new technologies that could make alternative vehicles cost-competitive with internal combustion engines; and consumer behaviours shifting in favour of lower carbon transportation. Each of these factors poses a potential challenge to Parkland's fuel revenues (both volumes and margins) and refining margins; they also present an opportunity for Parkland to participate in new lines of business (such as EV charging and renewable fuels manufacturing).</li> <li>• Capital expenditures: Parkland has shifted the profile of our capital expenditures in response to expected changes in consumer demand. For instance, our retail sites have a much greater emphasis on convenience retailing, food, carwash and other non-fuel categories, which are expected to be more resilient over time. We have also begun to include EV charging into our network planning, and have begun to prioritize capital toward sites that are expected to have strong EV charging potential (e.g. busy highway sites).</li> <li>• Capital allocation: Parkland actively looks that the amount of capital that we spend in different lines of business, including fuel marketing, convenience marketing, conventional and renewable refining. Climate-related risks and opportunities have caused us to allocate more capital to non-fuel categories (convenience retailing, food, and renewable refining) and relatively less on conventional fuels. It has also influenced our geographic capital allocation, where we are allocating more funds to markets that have a stronger demand profile for fuels.</li> <li>• Acquisitions and divestments: As an experienced acquirer, Parkland does a thorough evaluation of risks and opportunities faced by any prospective acquisition target, including climate-related risks. For every potential target, we assess the long-term trend of fuel demand and margins, assess the impact of local policy initiatives - particularly when we are entering new geographical markets -- and incorporate these into our valuation, bidding strategy, and post-merger integration planning.</li> <li>• Access to capital: Parkland's growth trajectory depends on ready access to capital from public markets. An increasing number of equity and debt investors are considering a company's ESG strategy among their criteria for investing; some have begun to place restrictions on the types of companies that they will finance. We have begun communicating our ESG strategy more regularly with the investment community and have incorporated a significant amount of feedback into our business strategy and ESG goals.</li> </ul>

Methodology	Reference Code	Description	Data
TCFD	Ra)	Risk management: the organization's processes for identifying and assessing climate-related risks.	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. Parkland's Risk Management team continues to enhance the program and is planning additional risk assessment activities, supported by an external party, including enhanced quantification of climate-related risks.
TCFD	Rb)	Risk management: the organization's processes for managing climate-related risks.	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.
TCFD	Rc)	Risk management: processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
TCFD	Mc)	Metrics and targets: targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Please refer to the Environment section on pages 19-28 of this report.
UN SDG	7	Affordable and clean energy	Please refer to page 12 of this report as well as the Environment section on pages 19-28.
UN SDG	9	Industry, innovation and infrastructure	
UN SDG	13	Climate action	
<b>Partners</b>			
GRI	2-6	Activities, value chain and other business relationships	<p>For a description of the business of the corporation, please refer to Parkland's AIF for the financial year ended December 31, 2021 on pages 12-23: <a href="https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf">https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf</a></p> <p>As Parkland operates across a diverse geographic and product platform, its indirect supply chain is complex with similar products and services being delivered through different supply channels. Parkland has a centralized Canadian procurement team, while USA and International segments' procurement operations are performed locally.</p>



Methodology	Reference Code	Description	Data
GRI	2-25	Processes to remediate negative impacts	Parkland engages directly with communities in which it operates to identify and understand impacts of our activities. Local employees and management are encouraged to participate in local events and to speak directly with customers and residents who may be affected by our activities. Parkland publishes community newsletters, holds community engagement sessions, and conducts ad-hoc discussions with individuals who have concerns or grievances. Our Burnaby Refinery also has a Community Advisory Panel that facilitates dialogue and meets quarterly to discuss Refinery operations, personal and process safety, environmental performance, and other topics of mutual importance to staff and neighbours. Parkland works with regulators and local communities to remediate environmental impacts, if any, associated with our activities. In addition to the extensive steps we take to help prevent issues from occurring, we have equally robust emergency preparedness plans. These are regularly tested, in some cases in close partnership with local authorities, emergency services and first responders.
GRI	2-29	Approach to stakeholder engagement	<p>Parkland believes that engagement and consultation with key partners is foundational to the role we play in the communities in which we operate. Parkland's leadership supports the identification of key partners throughout the business through strategic mapping across our projects and operations and provides best practices for effective engagement and communications. Examples of partners that we have identified and engage with includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Indigenous Peoples and Governments</li> <li>• Local Community Members</li> <li>• Governments and Regulators</li> <li>• Partners</li> <li>• Suppliers</li> <li>• Investors</li> <li>• Customers</li> <li>• Employees</li> </ul> <p>The purpose of engagement with these partners generally focuses on creating a two-way dialogue between the company and parties to inform, consult, or collaborate on projects and initiatives. This ensures Parkland establishes and maintains mutually beneficial and responsible relationships within the communities that we operate in.</p> <p>Examples of meaningful engagement Parkland has undertaken in the past includes consultation agreements and processes with First Nations, significant engagements with all levels of government, surveys and town halls with local community members and employees, as well as a standing Community Advisory Panel at the Burnaby Refinery comprised of local community members. We are committed to engaging productively with our community neighbors, and always look for ways to do better.</p>

Methodology	Reference Code	Description	Data
GRI	1.1	Management of material topics: child labour	<ul style="list-style-type: none"> <li>• Potential negative impacts arising from the use of child labour include, among others, the exploitation of vulnerable people, reputational impacts on Parkland, and regulatory actions.</li> <li>• Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships.</li> <li>• Parkland has a Code of Conduct and Supplier Code of Conduct, which strictly prohibits involvement in the described activities.</li> <li>• The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made.</li> <li>• The organization targets zero instances of child labour.</li> <li>• Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others.</li> </ul>
GRI	408-1	Operations and suppliers at significant risk for incidents of child labour	<ul style="list-style-type: none"> <li>• No operations or suppliers of Parkland are considered to have significant risk for incidents of child labour or of young workers exposed to hazardous work.</li> <li>• No operations or suppliers of Parkland are considered to have significant risk for incidents of child labour.</li> <li>• Parkland has developed a Supplier Code of Conduct that will be required of all suppliers, and which strictly prohibits the use of child labour.</li> </ul>
GRI	1.1	Management of material topics: forced or compulsory labour	<ul style="list-style-type: none"> <li>• Potential negative impacts arising from the use of forced labour include, among others, the exploitation of vulnerable people, reputational impacts on Parkland, and regulatory actions.</li> <li>• Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships.</li> <li>• Parkland has a Code of Conduct and Supplier Code of Conduct, which strictly prohibit involvement in the described activities.</li> <li>• The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made.</li> <li>• The organization targets zero instances of the use of forced labour.</li> <li>• Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others.</li> </ul>
GRI	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	<ul style="list-style-type: none"> <li>• No operations or suppliers of Parkland are considered to have significant risk for incidents of forced or compulsory labour.</li> <li>• Parkland has developed a Supplier Code of Conduct that will be required of all suppliers, and which strictly prohibits the use of child labour.</li> </ul>
GRI	1.1	Management of material topics: Indigenous peoples	The rights of Indigenous peoples are an important priority to Parkland. Our Policy, Sustainability, and Government Relations team has established an Indigenous Relations function with responsibilities at the Manager and Vice President level, reporting to the role of Senior Vice President, General Counsel and Corporate Secretary, Chief Sustainability Officer. Our facilities throughout Canada, the US, and internationally are located within or near to the traditional territories of numerous Indigenous Nations. We have established close and growing relationships with many affected Nations, including in particular at our refinery in Burnaby, British Columbia.



Methodology	Reference Code	Description	Data
GRI	411-1	Incidents of violations involving rights of indigenous peoples	No material incidents.
GRI	1.1	Management of material topics: local communities	Please refer to pages 29-30 of this report.
GRI	413-1	Operations with local community engagement, impact assessments, and development programs	<p>Parkland has social investment programs across the enterprise. Key examples include:</p> <ul style="list-style-type: none"> <li>• Parkland Pledge and Community Driven: <a href="https://www.parkland.ca/en/sustainability/community">https://www.parkland.ca/en/sustainability/community</a></li> <li>• Burnaby Refinery's Community Advisory Panel and Social Investment Program: <a href="https://www.burnabyrefinery.ca/community/overview">https://www.burnabyrefinery.ca/community/overview</a></li> <li>• Sol Cares: <a href="https://solpetroleum.com/about-us/in-the-community/">https://solpetroleum.com/about-us/in-the-community/</a></li> <li>• Ultramar Foundation: <a href="https://www.ultramar.ca/en-on/community-involvement/ultramar-foundation/">https://www.ultramar.ca/en-on/community-involvement/ultramar-foundation/</a></li> </ul> <p>Please refer to pages 29-30 of this report for more information on Parkland's community engagement.</p>
GRI	1.1	Management of material topics: public policy	<p>Parkland's Policy, Sustainability, Indigenous Relations and Government Relations functions are integrated, helping to ensure consistency between activities with public policy implications in all regions where Parkland operates. Parkland's integrated Policy, Sustainability and Government Relations department – which is responsible for public policy engagement, including on climate-related issues – reports directly to Parkland's Chief Sustainability Officer who reports to Parkland's Board ESG Committee on sustainability-related matters on a quarterly basis.</p> <p>Public policy engagement throughout Parkland is undertaken to ensure compliance with changing regulatory environments is undertaken in the most responsible way possible. Further, all public policy professionals at Parkland who engage directly with governments are registered with the appropriate lobbying authorities and report on their activities on a regular cadence as required by the regulatory bodies.</p>
GRI	1.1	Management of material topics: customer privacy	<ul style="list-style-type: none"> <li>• Potential negative impacts arising from privacy violations include, among others, the breach of individuals' privacy rights, reputational impacts on Parkland, and regulatory actions.</li> <li>• Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships.</li> <li>• Parkland has a Privacy Policy, which addresses the ways in which the company manages sensitive data and ensures individuals' privacy is appropriately protected in accordance with our values and with applicable legislation.</li> <li>• The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made.</li> <li>• The organization targets zero instances of privacy violations.</li> <li>• Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with employees, suppliers, customers, and others.</li> </ul>

Methodology	Reference Code	Description	Data
GRI	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	The organization has not identified any material substantiated complaints during the reporting period.
GRI	1.1	Management of material topics: socioeconomic compliance	Parkland maintains an excellent overall compliance record, as well as compliance with specific laws or regulations in the social and economic area. No material instances of accounting and tax fraud, corruption, bribery, competition, the provision of products and services, or labour issues, have been experienced during the reporting period.
GRI	419-1	Non-compliance with laws and regulations in the social and economic area	The organization has not identified any material non-compliance with laws and/or regulations.
UN SDG	17	Partnerships for the Goals	Please refer to page 12 of this report as well as the Partners section on pages 29-32.
<b>Responsible Growth</b>			
GRI	2-1	Organizational details	<ul style="list-style-type: none"> <li>• Legal name: Parkland Corporation</li> <li>• Nature of ownership and legal form: Publicly traded corporation incorporated pursuant to the Alberta Business Corporations Act.</li> <li>• Location of headquarters: Calgary, Alberta, Canada.</li> <li>• Parkland operates in 25 countries. Countries of operation: Canada, United States, Anguilla, Antigua, Bahamas, Belize, French Guiana, Guyana, Haiti, Barbados, Bermuda, Dominican Republic, Guadeloupe, Suriname, British Virgin Islands, Cayman Islands, Puerto Rico, Martinique, Dominica, Jamaica, Grenada, St. Kitts &amp; Nevis, St. Lucia, St. Maarten, and St. Vincent &amp; Grenadines.</li> </ul>
GRI	2-2	Entities included in the organization's sustainability reporting	<p>Parkland's sustainability reporting is enterprise-wide. Any reporting boundaries specific to an individual disclosure are indicated for that disclosure.</p> <p>Parkland's subsidiaries are presented in the organization chart on page 5 of Parkland's AIF for the financial year ended December 31, 2021 (please note that this includes Parkland's material subsidiaries only, as defined on page 5 of the AIF): <a href="https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf">https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf</a></p>
GRI	2-3	Reporting period, frequency and contact point	Please refer to page 11 of this report.
GRI	2-4	Restatements of information	A restatement of information from the previous reporting period has been made to the following disclosures and is described therein: GRI 201-1 and GRI 305-2.
GRI	2-5	External assurance	Parkland recognizes the importance of external verification and aims to complete this in the coming years. Consistent with last year, Parkland's Risk & Controls team verified all numeric metrics documented in this report.



Methodology	Reference Code	Description	Data
GRI	2-9	Governance structure and composition	<p>Parkland's Board is comprised of 10 directors. Committees include the Audit Committee, Human Resources and Corporate Governance Committee, Strategic Initiatives &amp; Corporate Development Committee, and the Environment, Social Governance Committee. Each committee's respective mandate is set out in Schedules "C" through "D" of the Information Circular.</p> <p>The Human Resources and Corporate Governance Committee and the Environment, Social Governance Committee are primarily responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people. See Schedules "C" and "D" of the Information Circular for the specific mandates of these committees.</p> <p>Composition of the highest governance body and its committees:</p> <ul style="list-style-type: none"> <li>• See "Directors and Officers" on pages 57-59 of the Annual Information Circular for the list of directors and officers of Parkland.</li> <li>• Except for the President and Chief Executive Officer of Parkland, all of Parkland's Board members are independent.</li> <li>• As of December 31, 2021, Parkland's average Board tenure is 9 years.</li> <li>• See "Nominees for Election to the Board of Directors and Director Information" on pages 14-25 of the Information Circular for the number of other significant positions and commitments held by each member, and the nature of the commitments.</li> <li>• 30% of Parkland's Board seats are occupied by gender diverse directors. See "Nominees for Election to the Board of Directors and Director Information" on pages 14-25 of the Information Circular; see also "Enhancing Parkland's Commitment to Diversity" on page 31 of the Information Circular.</li> <li>• The Board of Directors of Parkland 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 (9%) and one LGBTQ+ individual on its executive team (10%). See "Nominees for Election to the Board of Directors and Director Information" on pages 14-25 of the Information Circular; see also "Enhancing Parkland's Commitment to Diversity" on page 31 of the Information Circular.</li> <li>• The Board has developed a skills matrix in order to identify its strengths as well as areas where it requires additional skills or expertise. The Board annually reviews this skills matrix along with the depth of skills and experience of its members. See "Nominees for Election to the Board of Directors and Director Information" on pages 14-25 of the Information Circular; see also the skills matrix in "Board Renewal" on page 27 of the Information Circular.</li> <li>• At the 2021 Annual General Meeting of Shareholders, the full slate of directors was elected.</li> </ul>

Methodology	Reference Code	Description	Data
GRI	2-10	Nomination and selection of the highest governance body	<p>The Board of Directors maintains an ongoing succession plan that takes into consideration the desired composition of the Board of Directors' strengths, skills and experience; the strategic direction of the organization; diversity; and the need for strong independent representation. The Board of Directors has used an executive recruiting organization to identify candidates meeting its specific requirements. The HR&amp;CG Committee, comprised entirely of independent directors, is responsible for maintaining a Board succession plan that is responsive to the priorities set out above. The Board of Directors is invited to attend all HR&amp;CG Committee meetings and receives minutes of all HR&amp;CG Committee meetings and is able to assess the independence and objectivity of the process. To encourage an objective nominating process, the Board of Directors utilizes a skills-gap questionnaire as a guide to assist in selecting nominees. The Board annually reviews this skills matrix along with the depth of skills and experience of its members. See Schedule "C" - Mandate of the Human Resources and Corporate Governance Committee on pages 92-95 of the Information Circular; see also "Nomination of Directors" on pages 14-25 of the Information Circular.</p> <p>Diversity is a key factor in Parkland's approach to identifying potential Board members. When the Board recruits for new members, it takes special care to ensure that the shortlist of candidates includes individuals with diverse backgrounds, ethnicity, age, business experience and other diverse attributes. See "Enhancing Parkland's Commitment to Diversity" on page 31 of the Information Circular; see also "Board Renewal" on page 27 of the Information Circular. Board succession is addressed on an annual basis. In addition to the criteria set out above, a nominee's character, integrity, judgment, independence, financial and business acumen, record of achievement and ability to devote appropriate time and resources to the role are all considerations in identifying potential successor Board members. The Board has also developed a skills matrix in order to identify its strengths as well as areas where it requires additional skills or expertise. The Board annually reviews this skills matrix along with the depth of skills and experience of its members. See "Board Renewal" on page 27 of the Information Circular.</p>
GRI	2-11	Chair of the highest governance body	The chair of the highest governance body is not a senior executive in the organization.
GRI	2-12	Role of the highest governance body in overseeing the management of 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.
GRI	2-13	Delegation of responsibility for managing impacts	



Methodology	Reference Code	Description	Data
GRI	2-14	Role of the highest governance body in sustainability reporting	Please see page 96 of Information Circular & Proxy Statement dated May 5, 2022 (the "IC") for the Board ESG Committee's mandate: <a href="https://www.parkland.ca/application/files/3016/4848/9620/222283_SEDAR.pdf">https://www.parkland.ca/application/files/3016/4848/9620/222283_SEDAR.pdf</a>
TCFD	Ga)	Governance: describe the board's oversight of climate-related risks and opportunities.	
GRI	2-15	Conflicts of interest	<p>Parkland has established a Code of Conduct and Conflict of Interest Guidelines (the "Code"). A copy of the Code is signed by each Director, officer and member of senior management annually. Under the Code, directors must declare any significant financial interest, either directly or through a relative or associate, or hold or accept a position as an officer or director in an organization which is in a relationship with Parkland, whereby virtue of his or her position in Parkland the Individual could in any way benefit the other organization by influencing the purchasing, selling or other decisions, related party transactions would be disclosed to the Board through these obligations. In addition to the Code, the directors and corporate officers of Parkland are required to complete annual questionnaires disclosing any related party transactions. These questionnaires assist Parkland in identifying and monitoring possible related party transactions. Furthermore, management reports to the Audit Committee on a quarterly basis the existence of any related party transactions. See "Ethical Business Conduct" on page 78 of the Information Circular; see also Schedule "A" - Mandate of the Board of Directors on pages 83-86 of the Information Circular.</p> <p>Parkland discloses the existence of interlocking directorships in its Information Circular. Parkland defines an "interlock" as two or more Board members serving as board members of another public company. None of Parkland's Board members serve together as directors or trustees of any public entity other than Parkland. Parkland has not found any need to adopt a formal policy limiting the number of interlocking directorships as none of the Board members serve together on the Board of another public company. The Board periodically reviews whether a formal policy with respect to interlocks is required. See "Board Matters" on pages 26-34 of the Information Circular.</p> <p>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 Parkland operates from time to time. As such, certain directors and officers of Parkland may become subject to conflicts of interest in administration of their duties with respect to Parkland from time to time. Such conflicts of interest would be disclosed in the Annual Information Circular.</p> <p>The existence of any controlling shareholders would be disclosed by Parkland in its Annual Information Circular. Parkland does not have any controlling shareholders.</p> <p>For related parties, their relationships, transactions, and outstanding balances, please refer to the first paragraph of this response; see "Related Party Transactions" on page 72 of the Information Circular; see also "Conflicts of Interest" on page 59 of the Annual Information Form.</p>

Methodology	Reference Code	Description	Data
			The Alberta 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.
GRI	2-16	Communication of critical concerns	<p>Opportunities to communicate critical concerns are provided at the Board's quarterly meetings and ad hoc meetings as required. Parkland has also established a Whistleblower Policy, which allows a person to report issues or critical concerns anonymously via a hotline, website or to an email address, which is independently run by Grant Thornton LLP. Issues are reported to the Audit Committee and the Board of Directors.</p> <p>Zero material concerns were reported to the Board during the reporting period.</p>
GRI	2-17	Collective knowledge of the highest governance body	<p>In 2019, Parkland's Board initiated a committee focused on Environment, Social and Governance ("ESG") issues. The ESG 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 matters including, but not limited to: Environment &amp; Sustainability, including low carbon and climate change impacts, GHG emissions, air quality and ecological impacts; and Social Capital, including community engagement, social investment, Indigenous engagement, human rights, and customer privacy.</p> <p>In 2021, the Board received education sessions from external experts on topics including ESG, renewable fuels, hydrogen, EV charging, carbon offset trading, trends in the retail and food industries and capital funding trends including sustainability linked funding. The Board is devoted to continuous learning and development where Parkland provides for reimbursement for applicable education, including but not limited to reimbursing 50% of the annual fees for the Institute of Corporate Directors.</p> <p>On an ongoing basis, Parkland ensures that Directors have timely access to materials and information required to properly discharge their responsibilities. Parkland also maintains a secure portal for prompt dissemination of quarterly and meeting related information as well as information related to the industry, ESG best practices and other relevant materials. Parkland also discusses with topics and issues for which they would like to receive a presentation, briefing or report.</p> <p>See "Continuing Education" on page 29 of the Information Circular; see also "Orientation and Continuing Education" on pages 77-78 of the Information Circular; see also "Environment, Social and Governance Committee" on pages 30-31 of the Information Circular.</p>

Methodology	Reference Code	Description	Data
GRI	2-18	Evaluation of the performance of the highest governance body	<p>The Board conducts formal assessments on the Board, Board Committees, the Chair and Committee Chairs every year. In 2021, Parkland's Board conducted an in-depth assessment process. The Chair of the Board met with each director individually for an individual 360° director assessment. The individual director assessments included a discussion of expectations for directors serving on our Board and provided specific feedback to each director on their performance as a member of the Board.</p> <p>In addition, all of the directors completed questionnaires in order to evaluate and provide constructive input regarding overall Board and Committee performance, Board composition, Board effectiveness, Board meetings, individual directors and the Board Chair, committee composition and Committee Chairs, and duties and responsibilities of the Board and Committee members.</p> <p>The Board has a policy of retaining an external third party to administer the Board effectiveness evaluation at least every three years. In 2021, the Board retained an external expert governance consultant to assist with the Board assessment process. The external consultant conducted individual in-depth interviews with each director which included questions about effectiveness, communication, personal and individual peer performance and solicited input from directors about areas for potential improvement. The interviews were open-ended to encourage discussion and seek specific input on topics such as risk, strategy and governance. Senior management was also interviewed by the external consultant for additional views and perspective.</p> <p>The Board discussed the results and recommendations arising out of this in-depth assessment process in camera during a roundtable discussion. The Board expects to conduct its next assessment in 2022 and expects to conduct individual 360° assessments every year.</p> <p>See "Assessments" on page 80 of the Information Circular; see also "Board Performance and Professional Development" on pages 28-29 of the Information Circular.</p>
GRI 2-19	2-19	Remuneration policies	<p>Parkland's compensation framework is comprised of both fixed and performance-based components. Base salary is fixed compensation paid in cash and reviewed annually. Performance-based compensation includes: (i) Annual Incentive Plan as variable compensation paid in cash; (ii) Long Term Incentive Plan comprised of 25% stock options vesting 1/3 per year on anniversaries of grant and 75% Performance Restricted Share Units settled in common shares with a three-year cliff vesting based on company performance. Parkland's compensation framework also includes an Employee Share Purchase Plan and a Group Benefits Plan. See "Compensation Discussion &amp; Analysis - Parkland's Compensation Framework" on pages 42-46 of the Information Circular.</p> <p>The majority of Parkland's executive compensation is linked to financial and operational key performance indicators that align to Parkland's strategy and to share performance. Annual incentive awards are linked to the achievement of Parkland's annual business plan objectives. Long-term incentive awards directly correlate to the creation of shareholder value. See "Compensation Governance" on pages 60-72 of the Information Circular.</p>

Methodology	Reference Code	Description	Data
GRI	2-20	Process to determine remuneration	<p>The HR&amp;CG Committee reviews, reports and provides recommendations to the Board of Directors on the compensation of the Chief Executive Officer, Chief Financial Officer and other executive officers of Parkland. The HR&amp;CG Committee also reviews and makes recommendations to the Board on succession plans for the Chief Executive Officer, the compensation for members of the Board, and the approval of all grants of Options, PSUs and DSUs. The Board of Directors receives and considers the reports and recommendations of the HR&amp;CG Committee and makes the final decisions on these matters. In 2021, the Board of Directors continued to administer compensation matters for directors in a manner substantially consistent with the preceding five years. The Board of Directors continually monitors compensation matters and introduced initiatives to further align Parkland's executive officer compensation with its compensation philosophy. The Chief Executive Officer typically attends meetings of the HR&amp;CG Committee to provide advice and recommendations regarding compensation of other executive officers. However, the President and Chief Executive Officer is not a member of the HR&amp;CG Committee and, as such, is not entitled to vote on any matter brought before the HR&amp;CG Committee. The Chief Executive Officer is not present during discussions on his own compensation, nor does he vote on any matters related to his own compensation, or matters related to executive compensation.</p> <p>The Board engages shareholder input relating to executive compensation through a "Say on Pay" advisory vote. Although the vote is non-binding, in considering its approach to compensation in the future, the Board of Directors considers the outcome of the vote as part of its ongoing review of executive compensation. See "Shareholder Advisory Vote on Approach to Executive Compensation" on page 13 of the Information Circular.</p> <p>To encourage an objective process for determining compensation, the HR&amp;CG Committee periodically retains an independent compensation consultant and/or obtains data from appropriate surveys to identify benchmarks and assist with developing a compensation scheme and it makes recommendations to the Board of Directors based upon approval of the members of the HR&amp;CG Committee. See "How We Comply With Corporate Governance Disclosure Guidelines - Compensation" on page 79 of the Information Circular.</p> <p>Parkland discloses the results of its "Say on Pay" advisory vote in its Information Circular. At Parkland's 2021 Annual General Meeting, the voting results on the non-binding advisory vote on executive compensation were 83,129,244 (95.50%) in favour and 3,914,437 (4.50%) against. See "Shareholder Advisory Vote on Approach to Executive Compensation" on page 13 of the Information Circular.</p>
GRI	2-22	Statement on sustainable development strategy	Please refer to pages 7-8 of this report.
GRI	2-23	Policy commitments	Parkland's commitments to responsible business conduct include our Code of Conduct and Anti-Corruption Policy, which were approved by the Board. These commitments affirm our adherence to legislation such as the US Foreign Corrupt Practices Act and the Canadian Corruption of Foreign Public Officials Act. In addition, we are implementing a Supplier Code of Conduct that requires adherence to anti-slavery and anti-child/forced labour practices.



Methodology	Reference Code	Description	Data
GRI	2-24	Embedding policy commitments	Policy commitments are embedded through the implementation and repeated re-certification of our Code of Conduct and other policies. Live training is conducted with respect to policies such as the Competition Act Policy throughout the business. Senior management regularly reinforces the company's core values, including our commitment to act with integrity, during meetings and calls with management and all employees. Finally, "BOLD" behaviours, which reinforce the company's values, are assessed as part of the performance management process.
GRI	2-26	Mechanisms for seeking advice and raising concerns	The organization has implemented numerous mechanisms for individuals to seek advice on implementing the organizations' policies and practices for responsible business conduct and to raise concerns about the organization's business conduct. In addition to each individual's supervisor, representatives from the company's People & Culture team are available for individuals to request advice or to raise concerns. The organization's General Counsel is prominent within the organization, and her direct contact information is provided in the Code of Conduct and similar policies. Concerns that are brought to the company through any of these mechanisms are investigated by members of the Legal, Risk & Controls, and People & Culture teams as required.  Finally, the Whistleblower Policy, which maintains a Whistleblower Hotline that is operated by a third party, provides individuals with a mechanism to anonymously raise concerns. Retaliation against good-faith reporters is not tolerated, as described in the Whistleblower Policy.
GRI	2-27	Compliance with laws and regulations	Zero significant instances of non-compliance with laws and regulations during the reporting period.
GRI 3-1	3-1	Process to determine material topics	Please refer to page 9 of this report.
GRI	3-2	List of material topics	
GRI	3-3	Management of material topics	Please refer to our Key Strategic ESG Issues in the following pages in this report: <ul style="list-style-type: none"> <li>• Climate Change: page 10, pages 19-28</li> <li>• Safety &amp; Emergency Preparedness: page 10, pages 13-16</li> <li>• Product Transportation &amp; Storage: page 10, page 21</li> <li>• Diversity &amp; Inclusion: page 10, page 17-18, 29-32</li> <li>• Governance &amp; Ethics: page 9, 10, pages 13-18, 19-28, 29-32, 33-36</li> </ul>

Methodology	Reference Code	Description	Data
GRI	201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>• Direct economic value generated (millions): revenues: \$21,497</li> <li>• Economic value distributed (millions): operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments: \$1,761</li> <li>• Economic value retained (millions): 'direct economic value generated' less 'economic value distributed': \$19,736</li> <li>• Direct economic value generated by segment (millions):                             <ul style="list-style-type: none"> <li>◦ International: \$4,886</li> <li>◦ Canada: \$8,726</li> <li>◦ USA: \$4,816</li> <li>◦ Supply: \$3,069</li> </ul> </li> </ul> <p>The direct economic value generated for the International segment in 2020 was inadvertently misstated in our previous Sustainability Report as being the same as that for Canada, namely \$6,443 million. The correct value is \$3,636 million.</p>
GRI	1.1	Management of material topics: anti-corruption	<ul style="list-style-type: none"> <li>• Potential negative impacts arising from corrupt behaviours include, among others, conducting business with sanctioned businesses or individuals, which may lead to the inadvertent support of regimes that do not respect human rights or that are otherwise sanctioned by US, Canadian, or other governments; and paying bribes to government officials or private individuals, leading to an unfair playing field and to the reduction of trust in the government.</li> <li>• Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships.</li> <li>• Parkland has an Anti-Corruption Policy and a Code of Conduct, which strictly prohibit the involvement in the described activities.</li> <li>• The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made.</li> <li>• The organization targets zero instances of corruption. Tracking is conducted by conducting regular audits of the company's books and records to ensure accurate reporting and to identify any instances of improper payments.</li> <li>• Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others.</li> </ul>
GRI	205-2	Communication and training about anti-corruption policies and procedures	All Board members and employees are required to review and agree to the company's Code of Conduct and Anti-Corruption policies. Training on these policies is provided to all new employees.
GRI	205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> <li>• Zero confirmed material incidents of corruption during the reporting period.</li> <li>• Zero confirmed incidents in which employees were dismissed or disciplined for material corruption during the reporting period.</li> <li>• Zero confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.</li> <li>• Zero public legal cases regarding corruption brought against the organization or its employees during the reporting period.</li> </ul>

Methodology	Reference Code	Description	Data
GRI	1.1	Management of material topics: anti-competitive behaviour	<ul style="list-style-type: none"> <li>Potential negative impacts arising from anti-competitive behaviours include, among others, lessening competition, reputational impacts on Parkland, and regulatory actions.</li> <li>Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships.</li> <li>Parkland has a Competition Act policy, which strictly prohibits involvement in the described activities.</li> <li>The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made.</li> <li>The organization targets zero instances of anti-competitive behaviours.</li> <li>Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others.</li> </ul>
GRI	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None
GRI	207-1	Approach to tax	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>Material tax adjustments are communicated quarterly with CFO and AC, allowing for senior leadership review of tax risks and GTF adherence.</li> <li>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.</li> <li>Tax disclosures are audited each quarter by our external auditor, PwC.</li> </ul>
GRI	207-2	Tax governance, control, and risk management	<ul style="list-style-type: none"> <li>Tax governance and control framework: Please see GRI 207-1.</li> <li>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 <a href="https://www.parkland.ca/application/files/9616/1711/6700/Whistleblower-Policy-2021-EN.pdf">https://www.parkland.ca/application/files/9616/1711/6700/Whistleblower-Policy-2021-EN.pdf</a></li> <li>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 &amp; Interim Filings)</li> </ul>
GRI	207-3	Stakeholder engagement and management of concerns related to tax	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.
SASB	EM-RM-520a.1	Pricing integrity and transparency	Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation: zero

Methodology	Reference Code	Description	Data
SASB	EM-RM-530a.1	Management of the legal and regulatory environment	<p>Parkland uses multiple mechanisms to identify and mitigate risks associated with government regulations and policy proposals. The company's Policy, Sustainability, and Government Relations team and Regulatory team engage 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 (e.g., Canadian Fuels Association). The company also engages external consultants to aid with compliance and awareness of planned and potential changes. Parkland seeks to support meaningful positive change with respect to environmental and social factors that affect the industry, while also encouraging positive economic outcomes.</p> <p>In addition, local teams engage regularly with levels of government within regional operating jurisdictions.</p>
TCFD	Sc)	Strategy: resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>Parkland launched an energy transition strategy in 2021 to drive sustainable growth and support a low carbon future. This strategy consists of three main pillars:</p> <ul style="list-style-type: none"> <li>Develop - growing our resilient conventional fuels business, including consolidation of the industry through mergers and acquisitions and investments in our supply advantage.</li> <li>Diversify - creating retail destinations (including convenience, food, car wash, fuel and EV charging) that will attract retail customers regardless of their choice of vehicle.</li> <li>Decarbonize - partnering with our customers through the energy transition through offers such as renewable fuels and lubricants, compliance and carbon offsets, fleet EV charging, commercial solar power, and other solutions as policy and technology evolve.</li> </ul> <p>For more information on our energy transition strategy, please refer to page 16 of the AIF for the financial year ended December 31, 2021: <a href="https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf">https://www.parkland.ca/application/files/5516/4761/4033/Parkland_-_Revised_2021_AIF_-_Final_English_SEDAR.pdf</a></p>



**FORWARD LOOKING STATEMENTS & NOTE ON SPECIFIED FINANCIAL MEASURES**

Certain statements contained herein constitute forward-looking information and statements (collectively, "forward-looking statements"). When used the words "expect", "will", "could", "would", "believe", "continue", "pursue" and similar expressions are intended to identify forward-looking statements. In particular, this report contains forward-looking statements with respect to among other things: Parkland's sustainability strategy and its goals, targets and plans relating thereto and the timings thereof, which are grounded in the following four pillars: (i) People, including Parkland's Drive to Zero ambition with respect to injuries and fatalities, incorporating ESG performance into executive compensation, setting diversity targets for Parkland's board and executive officer positions; (ii) Environment, including reducing Scope 1 and Scope 2 GHG emissions intensity, reducing spill volumes per litres sold while continuing Parkland's Drive to Zero ambition, reducing single-use items in C-stores, supporting government's goal to achieve net-zero emissions by 2050, reducing Parkland's customers' GHG emissions, Parkland's projections for the number of car equivalents that will be taken off the road annually from 2022 to 2026 through co-processing at the Burnaby Refinery, expanding its co-processing capability and building a stand-alone renewable diesel complex, the funding, completion, timing, benefits and impacts thereof, offering and encouraging low-carbon fuel options, Parkland's current and future carbon offsets and trading initiative and the expected growth and demand thereof, Sol Ecolution's current and future plans for developing solar photovoltaic (PV) systems in the Caribbean, including the number of sites and timing thereof, and the expected benefits and impact of solar PV systems; Parkland USA's plans relating to solar installations, management systems and decarbonization options relating thereto; Parkland Canada's hybrid vehicle pilot program and its plans to expand and incorporate hybrid options in the future; (iii) Partners, including enhancing existing community and Indigenous engagement by implementing best practices, enhancing employee participation in the Parkland Pledge program, developing sustainable supply chain standards and integrating these standards into Parkland's significant suppliers, increasing local and Indigenous procurement and job opportunities; and (iv) Responsible Growth, including conducting sustainability assessments as part of Parkland's due diligence for prospective acquisitions, applying Parkland's sustainability policies, goals and metrics for newly acquired companies and growing Parkland's low-carbon business; Parkland enhancing its future reporting and alignment with the recommendations of GRI, SASB, TCFD, and the UNSDG, Parkland's plan to undertake its next full materiality assessment and its next sustainability report and the timings and release thereof; and Parkland's energy transition strategy, including with respect to Developing, Diversifying and Decarbonizing its business, and its goals and plans with respect thereto.

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 presentation should not be unduly relied upon. These forward-looking statements speak only as of the date of this presentation. 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, including the duration and impact of the COVID-19 pandemic and the Russia-Ukraine conflict; Parkland's ability to execute its business strategies, including with respect to sustainability and energy transition; Parkland's ability to achieve its goals and targets relating to its sustainability and energy transition strategies; industry capacity; competitive action by other companies; refining and marketing margins; the ability of suppliers to meet commitments; actions by governmental authorities and other regulators including but not limited to increases in taxes or restricted access to markets; changes and developments in environmental and other regulations; and other factors, many of which are beyond the control of Parkland. See also the risks and uncertainties described in "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors" included in Parkland's Revised Annual Information Form dated March 17, 2022 and in "Forward-Looking Information" and "Risk Factors" included in the Q1 2022 Management's Discussion and Analysis dated May 4, 2022, each as filed on SEDAR and available on the Parkland website at [www.parkland.ca](http://www.parkland.ca).

**SPECIFIED FINANCIAL MEASURES**

This report refers to a supplementary financial measure, enterprise value. Enterprise value may not be comparable to a similar measure used by other issuers who may calculate this measure differently. Enterprise value is approximate market capitalization (as at Q1 2022 closing price and fully diluted shares outstanding as of Q1 2022) plus Net debt as at Q1 2022. Net debt is defined as total long-term debt plus accounts payable and accrued liabilities, dividends declared and payable and income taxes payable, less cash and cash equivalents, income taxes receivable and accounts receivable.



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