

2023 Sustainability Report

Parkland



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Highlights

Strengthening our commitment to ESG

In 2023, Parkland continued to progress our environment, social and governance (ESG) ambitions. We also refined our sustainability strategy to better reflect the strong connection between ESG considerations and our corporate strategy. We refreshed our priorities and targets for the management of our most material ESG topics within our business. This reflects our commitment to addressing critical ESG issues and driving long-term value for our stakeholders.

Environment

11% reduction in total Scope 1 and 2 greenhouse gas (GHG) emissions compared to 2022 due to refinery turnaround.¹

50 Electric vehicle (EV) fast-charging sites operational²

Over **570,000** tonnes of carbon dioxide equivalent (CO₂e) reduced for customers compared with traditional fuels through co-processing and low carbon fuels.³

Social

1,800+ HOURS OF DIVERSITY & INCLUSION (D&I) TRAINING PROVIDED

\$1.7 million (M) invested in local communities via Parkland Pledge

Governance

40% women on Board of Directors

Ongoing strategic **BOARD RENEWAL**

SUSTAINABILITY STRATEGY REFRESH

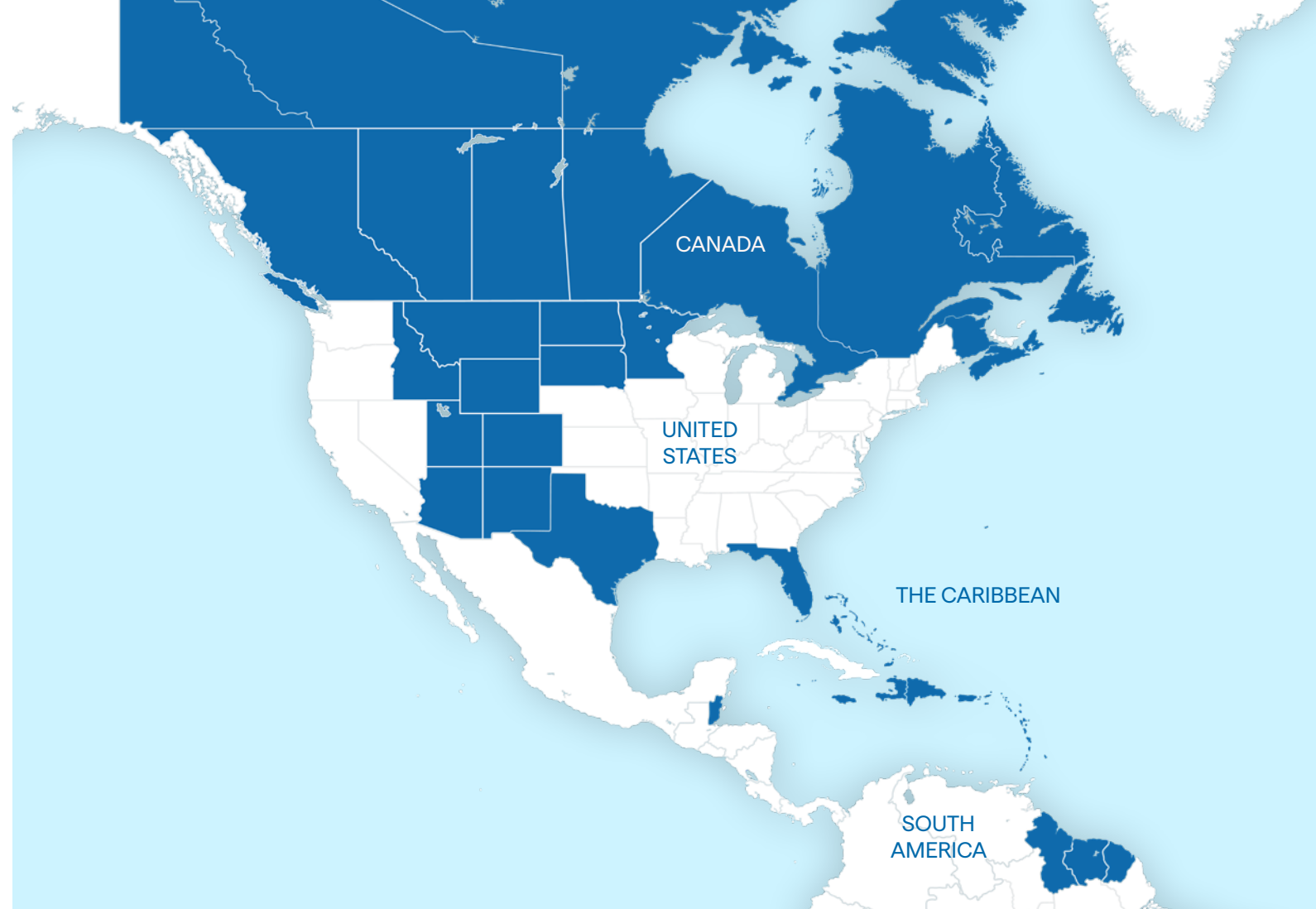
¹ Parkland's GHG emissions are calculated in alignment with the "Greenhouse Gas Protocol: A Corporate Accounting Standard" (GHG Protocol) and the reduction is calculated based on the year over year changes.

² As of December 31, 2023

³ Calculated using the methodology from the British Columbia Low Carbon Fuel Standard (BC LCFS). Please see footnote 2 on page 7 for more details on this methodology.

At a Glance

Parkland powers what moves people. Across 26 countries, we provide fuels, convenience items and quality foods that our customers rely on. We fuel our customers' journeys through an integrated business of retail operations, fuel distribution and marketing, and refining, serving over one million customers each day. People are at the core of our business, and our teams help provide products and services the world needs while living our values of Safety, Integrity, Community and Respect.



Our Brands and Partnerships



\$13.5 billion
enterprise value¹

~ 4,000
locations

6,000+
employees

27.6 billion
litres of fuel sold in 2023

~5.7 million
JOURNIE™ Rewards
loyalty program members

Over 91 million
litres of bio-feedstock
co-processed in 2023

¹ Specified financial measure. See "Note on Specified Financial Measures".

President & CEO Message



Advancing sustainability and refocusing our strategy

Each year, Parkland's sustainability report is an opportunity to demonstrate our efforts regarding our environmental, social, and governance objectives.

Adding a sustainability lens to Parkland's operations and strategy allows us to build a better company, one that provides shareholder value year after year amid changing conditions. It makes us better governed, more resilient and more attractive to investors, customers and our employees, current and future. It also drives resource efficiency, operational performance, innovation, and enhanced reputational value.

In 2023 we helped minimize environmental impact through initiatives like solar power in the Caribbean, EV fast-charging in Canada, and renewable fuels in the United States. As part of our commitment to being a positive partner where we operate, we provided \$1.7 million in donations to communities across Canada, the United States, and the Caribbean. Guided by our values of Safety, Integrity, Community and Respect, we continued our "drive to zero," which means striving to foster a safe, diverse, and inclusive workplace with zero tolerance for racism, discrimination, corruption and bribery. Accordingly, we saw strong results in our annual employee survey. Supported by sound governance from our Board and Management teams, I am proud of the progress the Parkland team made over the past year to advance sustainability.

Another important aspect of sustainability reporting is transparency, which includes sharing the challenges we have faced. Tragically, one of our employees was fatally injured in a workplace incident in 2023. This loss is unacceptable and it is critical that we learn from this tragedy. Our commitment to safety is unwavering and we remain steadfast in fostering our culture of care that supports our ambition for zero serious injuries and fatalities. Safety is and will always be our top priority.

We are committed to continuous improvement in our reporting. We are confident in our sustainability data, and we also strive

to improve our processes and procedures to support our sustainability reporting. Our reporting will evolve as standards, methodologies, and public policies change, and we continuously endeavour to provide our stakeholders with relevant information about our sustainability efforts.

In keeping with our commitment to continuous improvement, over the past year we took the opportunity to refresh and refocus our sustainability strategy. We refined our priorities and targets to better reflect our corporate priorities and address the topics most material to our stakeholders and our business. In doing so, we reaffirm our commitment to sustainability while meeting our customers' diverse needs. Our strategy prioritizes five focus areas:

- Promote healthy and safe operations
- Support our customers through the energy transition
- Reduce our operational climate impact
- Build a diverse team and inclusive workplace
- Invest in our communities

This report is structured under these focus areas, and I look forward to continuing to share our progress on these priorities in the years to come.

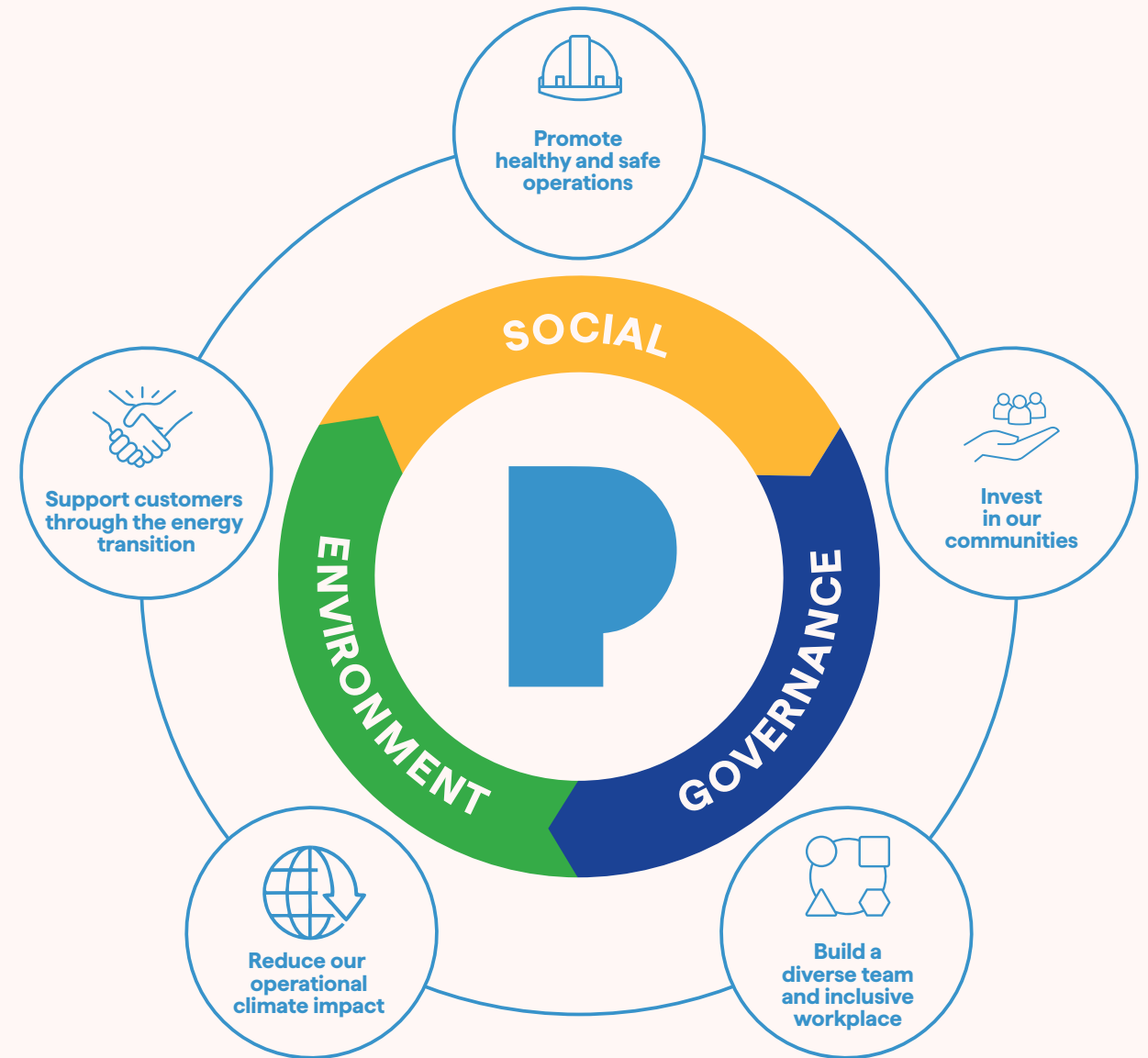
Looking ahead, we know that urgent and collective action is required to transition to a lower carbon economy that is equitable and meets diverse consumer needs. We also know that significant opportunity exists for Parkland in contributing to a lower carbon economy. By prioritizing innovation and our values we can generate shared value for all.

Bob Espey
President & CEO

Refreshed Sustainability Strategy

In 2023, Parkland conducted a comprehensive review of our Sustainability Strategy. As part of this exercise, including updating our Materiality Matrix, we carefully reassessed our priorities and targets within our Sustainability Strategy to reflect our most material ESG topics, our evolving corporate strategy, and the shifting landscape for corporate sustainability. We are pleased to share our updated strategy within this report. This refreshed strategy outlines our efforts to make positive contributions across our five priority areas to ultimately build a more resilient and profitable business.

This strategy supports our corporate strategy and helps us continue creating shareholder value while helping contribute to a future in which our customers, team members, environment and communities can thrive. Some of the targets within our previous strategy have been carried over and others have been redefined to better align with our operational processes.



Our Targets

| PREVIOUS TARGET | OUR JOURNEY | UPDATED TARGET |
|---|--------------|---|
| Offer low-carbon fuels in every market in which Parkland operates by 2026 | COMBINED >> | Provide customers with products and services that help reduce emissions compared to conventional alternatives ¹ |
| Grow Parkland's low-carbon business (retail diversification plus commercial decarbonization) | | Reduce customer CO ₂ e emissions by at least 1 million (M) tonnes ² |
| Reduce our customers' GHG emissions by up to 1 megatonne (MT) per year by 2026 through low-carbon fuels | CONTINUED >> | Burnaby Refinery to align with the British Columbia (BC) Government's Output-Based Pricing System's climate ambitions ³ |
| Reduce Scope 1 and 2 greenhouse gas (GHG) emissions intensity by 15% per barrel in refining operations by 2030 | REALIGNED >> | |
| Reduce Scope 1 and 2 GHG emissions intensity by 40% per site in marketing operations by 2030 | CONTINUED >> | Reduce Scope 1 and 2 GHG emissions from marketing facilities by 40% per site by 2030, compared to a 2019 baseline year. |
| Drive to Zero Ambition; ongoing ambition for zero injuries/fatalities | CONTINUED >> | Ambition for zero serious injuries and fatalities |
| Drive to Zero Ambition: Reduce spill volume per litre sold by 50% by 2025 | REALIGNED >> | Establish processes to help safeguard assets and workforce from climate-related weather events |
| 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 | | Maintain a minimum 30% of women on Board, while aspiring to achieve 50% representation. Achieve and maintain 30% representation by women in management. |
| 30% Board gender diversity target by 2023 | COMBINED >> | Strengthen culture of employee inclusion through leadership training programs for women |
| 30% executive officer gender diversity target by 2025 | REALIGNED >> | |
| Maintain minimum 10% representation of Black, Indigenous and People of Colour (BIPOC) and Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ+) on Board and executive positions | COMBINED >> | Achieve Partnership Accreditation in Indigenous Relations (PAIR) Bronze certification through the Canadian Council for Indigenous Business (CCIB) |
| Enhance Indigenous and community engagement by implementing best practices: commit to PAR certification through the Canadian Council for Aboriginal Business (CCAB) | | Invest for impact in local communities (1% of net earnings (loss)) |
| Increase local and Indigenous procurement and job opportunities in each operating jurisdiction | ACHIEVED >> | <p>¹ Helping customers to reduce their emissions includes providing retail customers with EV charging opportunities to reduce their Scope 1 emissions, co-processing and blending of low-carbon fuels at the Burnaby Refinery to provide opportunities for commercial customers to reduce their Scope 1 emissions, and installing solar projects for customers as part of our Sol Ecolution business based in the Caribbean to provide opportunities for customers to reduce their Scope 2 emissions.</p> <p>² This target aims to provide a greater volume of low-carbon intensity fuels from blending and co-processing to commercial customers of the Burnaby Refinery for them to reduce their Scope 1 GHG emissions. The customer reduction is calculated using the methodology outlined in the BC LCFS, where one compliance unit is equal to one tonne of CO₂e for customers. For a sample calculation, please see page 12 of this guidance from the BC government: https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/electricity-alternative-energy/transportation/renewable-low-carbon-fuels/lcfs_info_sessions_nov2023_final.pdf The target carbon intensity and energy content is provided in the regulation, the energy effectiveness ratio is 1 for our fuel classes, and the recorded carbon intensities for blended biofuels are provided by the suppliers and approved by the BC Ministry of Energy, Mines, and Low Carbon Innovation.</p> <p>³ More information on the BC Output-Based Pricing System can be found here: https://www2.gov.bc.ca/gov/content/environment/climate-change/industry/bc-output-based-pricing-system</p> |
| Enhance Indigenous and community engagement by implementing best practices: target support for rural and remote communities | ACHIEVED >> | |
| Enhance eligible employee participation in Parkland Pledge to 60% | ACHIEVED >> | |
| Incorporate Environmental, Social, and Governance (ESG) performance into executive compensation by 2022 | ACHIEVED >> | |
| Develop sustainable supply chain standards for suppliers by 2022 and integrate these standards into all new and significant spend suppliers by 2023 | ACHIEVED >> | |
| Conduct sustainability assessments for all acquisitions from 2022 | ACHIEVED >> | |
| Identify opportunities to reduce single-use plastic items in convenience stores (C-Stores) in 2022 and implement reductions by 2023 | ACHIEVED >> | |

Priorities and Progress

We are advancing our updated targets within the sustainability strategy and look forward to continuing to share our progress.

Priorities



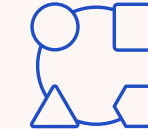
Promote healthy and safe operations



Support customers through the energy transition



Reduce our operational climate impact



Build a diverse team and inclusive workplace



Invest in our communities



Targeted Outcomes

Pages 11-14 Ambition for zero serious injuries and fatalities

Page 14 Establish processes to help safeguard assets and workforce from climate-related weather events

Pages 15-17 Provide customers with products and services that help reduce emissions compared to conventional alternatives

Page 17 Reduce customer CO₂e emissions by at least 1M tonnes

Page 21 Reduce Scope 1 and 2 GHG emissions from marketing facilities by 40% per site by 2030, compared to a 2019 baseline year.

Page 22 Burnaby Refinery to align with the BC Government's Output-Based Pricing System's climate ambitions.

Pages 25-26 Maintain a minimum 30% of women on Board, while aspiring to achieve 50% representation. Achieve and maintain 30% representation by women in management.

Pages 25-26 Strengthen culture of employee inclusion through leadership training programs for women

Page 28 Invest for impact in local communities (1% of net earnings (loss))

Page 29 Achieve PAIR Bronze certification through the CCIB



Sustainability Governance

Our sustainability and corporate strategies are grounded in strong governance practices that emphasize transparency and continuous improvement.

Sustainability is ingrained throughout our organization. This is reflected in our sustainability governance structure, which spans across our Board and its Environment, Safety and Sustainability (ESS Committee), Parkland’s management team, and employee leadership teams. More information on Parkland’s corporate governance practices can be found in the [Governance](#) section of this report.



Parkland Board of Directors

Oversees strategy and risk oversight

Environment, Safety and Sustainability Committee

Oversees ESG matters including health and safety, environment, and sustainability

Parkland’s Senior Leadership Team

Develops and implements strategy, identifies risks

Senior Vice President, People & Culture, Health, Safety, Environment, and Sustainability

Develops and advises Board and Senior Leadership Team on sustainability strategy

Vice President, Health, Safety & Environment

Provides approaches to health, safety and environmental strategy.

Sustainability Task Force

Supports development of sustainability strategy and tactics for implementation

We have recently updated our [Sustainability Policy](#) to reflect our refreshed strategy. This document guides our approach to sustainability and is updated regularly to ensure alignment with corporate priorities.

Sustainability Reporting Frameworks

Parkland’s sustainability reporting is guided by international ESG reporting standards, including Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals (UN SDGs). This year’s report and accompanying Sustainability Framework Mapping document highlights ESG issues and data from our 2023 operations.



Global Reporting Initiative



Sustainability Accounting Standards Board

TCFD

Task Force on Climate-related Financial Disclosures



United Nations Sustainable Development Goals

Parkland looks forward to future reporting guided by applicable forthcoming regulatory and methodology updates, including transitioning from TCFD to the International Sustainability Standards Board (ISSB) framework and is actively monitoring sustainability related reporting requirements, such as the Canadian Sustainability Standards Board (CSSB), US Securities and Exchange Commission (SEC), and the European Union's Corporate Sustainability Reporting Directive (CSRD).



Several of the UN SDGs inform Parkland's approach to sustainability. Our efforts towards diversity and inclusion, zero serious injuries and fatalities, emissions reductions, providing low-carbon solutions¹ to customers, and partnering with like-minded organizations on sustainability-related matters support the following SDGs:



We are also a proud participant in the UN Global Compact. The Global Compact is the world’s largest corporate sustainability initiative, which calls on companies to align strategies and operations with universal principles on human rights, labour, environment, and anti-corruption, and take actions that advance societal goals.

¹ Low-carbon solutions refers to fuels that have a lower carbon intensity than conventional fuels (such as gasoline, diesel) and renewable energy sources such as solar, wind and others that reduce GHG emissions, as outlined by the US Department of Energy at the following link: <https://www.energy.gov/eere/ledo/low-carbon-fuels-and-energy-sources-basics>.



Promote healthy and safe operations

Safety is our top core value and we remain deeply committed to reinforcing our strong safety culture which protects our people, planet, community and assets.



Targets:

Ambition for

0

serious injuries and fatalities



Establish processes to help safeguard assets and workforce from climate-related weather events



2023 Highlights:

59%

increase in reporting of leading indicators from 2022 (hazard IDs, observations, inspections, site visits)

35%

decrease in spill volume from 2022

1.07

2023 Total Recordable Injury Frequency (TRIF)

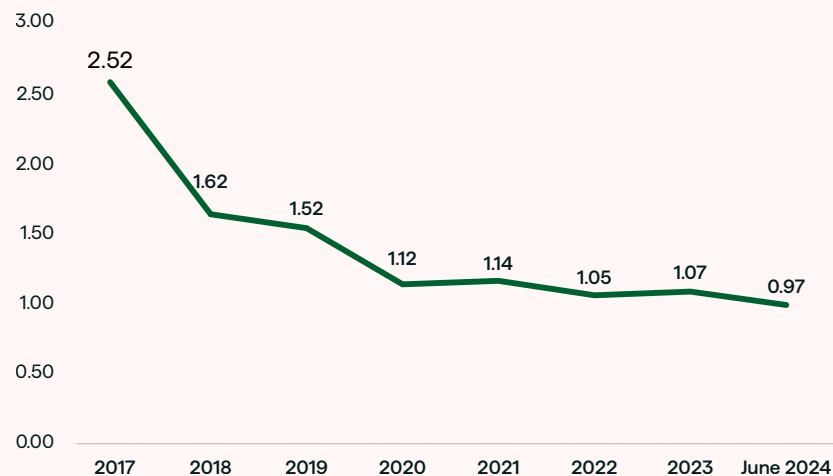
0.23

2023 Serious Injury Frequency (SIF) ¹

¹ SIF follows the same calculation formula as TRIF, however only includes injuries that are defined as serious.

Health & Safety Performance

Parkland Injury Performance (TRIF) (injuries per 200,000 hours worked)



Since 2017, total recordable injury frequency rate has declined by 57 per cent. Parkland is prioritizing high-risk activities and focus on life-saving rules and critical controls to support our ambition for zero serious injuries and fatalities. We are also working to reduce the frequency and severity of workplace injuries through supervisor and front line employee safety training initiatives.



Training, Awareness and Continuous Improvement

Parkland has robust employee onboarding and training programs that support the ongoing development of employee awareness and competency, including:

- Online mandatory Health, Safety and the Environment (HSE) Training
- Instructor/facilitator-led training
- Intranet document database
- HSE Alerts and Bulletins
- Hazard Hunters program
- HSE Hero program

Tragically, in 2023 Parkland lost one of our employees as a result of a fatal workplace incident. This heartbreaking loss had us collectively pause and reflect. Such losses are unacceptable, and we immediately investigated to understand what happened and to identify and implement learnings. It is imperative that we learn from this tragedy, and we continue to be purposeful in our commitment to safety and proactive elimination of hazards.



Parkland's Operational Excellence Management System

Parkland's Operational Excellence Management System (POEMS) establishes our approach to Health, Safety, and the Environment (HSE) across the organization. Guided by our HSE Policy, POEMS establishes organizational performance standards and accountability for safe operations to help us achieve our sustainability goals. We take a risk-based management approach to HSE exposures; supported by our 8 Life Saving Rules, POEMS establishes the foundation and layers of protection to identify and mitigate HSE risk and assure continuous improvement of operational performance.

Overall implementation of POEMS is led by Parkland's VP, HSE, reporting to the SVP, People & Culture, Health, Safety, Environment, and Sustainability.



POEMS Layers of Protection



Asset Integrity

Parkland strives to protect communities and assets through asset integrity initiatives. We ensure equipment is properly designed, manufactured, installed, operated, maintained and retired per regulatory requirements. Our asset integrity program also helps us prepare against emerging physical risks associated with climate change.

Our business units manage asset integrity throughout an asset's lifecycle as follows:

- Asset Integrity/Maintenance Strategy
- Asset Information Management Systems
- Asset Deficiency/Improvement Processes

We established standardization and governance of Asset Integrity management programs in 2024 to drive a continuous improvement focus.



Emergency Management

Emergency Management is Element 4 of the POEMS framework. Parkland manages emergency preparedness through a combination of planning, training, exercises and response effectiveness reviews.

Parkland utilizes a dedicated telephone number for internal and external stakeholders to report emergency events involving our products, services and operations.

Parkland's Business Units develop emergency response capability within each region by training our leaders in the internationally recognized Incident Command System (ICS). The ICS establishes protocols for the efficient coordination of resources and effective communication between stakeholders during emergency events.

Incident Command System in Action

In January 2024 the Burnaby Refinery experienced an operational incident involving the Fluid Catalytic Converter (FCC) Unit that resulted in a plume of smoke and odours. The facility was temporarily shut down and the refinery's emergency response team responded swiftly and effectively using the ICS. The facility returned to normal operations a few weeks later after completing previously scheduled maintenance. After a thorough investigation, the Refinery team captured all the learnings to help prevent a recurrence.

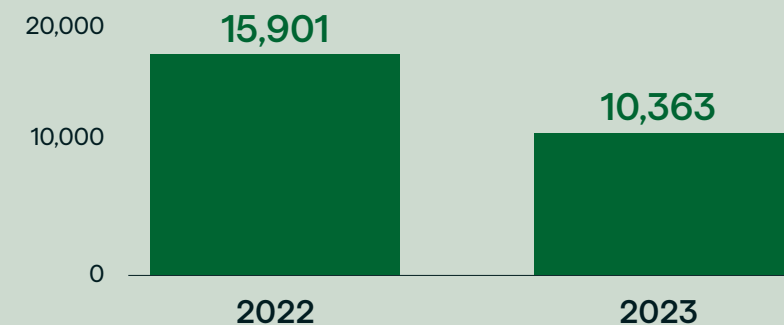
As our expert teams responded to the incident and then carried out the planned maintenance, the local community remained top of mind. Additional measures to mitigate potential operational impacts were implemented during this time, including supplemental third-party air quality monitoring. The refinery also hosted a community information session to engage with members of the local community, First Nations representatives, the media, and local government about this incident and ongoing refinery operations.



Spills

Total Spill Volume (litres) ¹

For the years ended December 31, 2023



In 2023, spill volume decreased 35 per cent due to variety of initiatives including distribution of lessons learned, discussion of spill incidents during monthly review calls, and increasing the number of workplace observations. Our spill volume per billion litres sold was 273 in 2023, down 53 per cent from 2022.

Even with the important initiatives we implemented, our improvements on spills may move up and down in a given year even with a long-term downward trend.

¹ See spills footnote 15 in the Sustainability Performance Data for more information on how spills information is collected.



Support customers through the energy transition

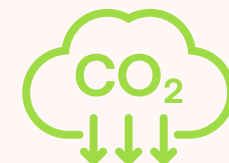
The transition to a lower carbon economy is underway and Parkland is supporting our customers' evolving needs. From renewable fuels and energy to EV charging and carbon offsets, we provide opportunities for our customers to lower their environmental impact.



Targets:



Provide customers with products and services that help reduce emissions compared to conventional alternatives



Reduce customer CO₂e emissions by at least 1M tonnes

2023 Highlights:

Over **570,000** tonnes of CO₂e in emissions reductions provided for our customers compared to traditional fuels through co-processing and the blending of renewable fuels at the Burnaby Refinery^{1,2}

50 EV charging locations have been installed in Canada²

56 retail sites with solar photovoltaic (PV) systems in the Caribbean through Sol Ecolution²

¹ Calculated using the methodology from the British Columbia Low Carbon Fuel Standard (BC LCFS). Please see footnote 2 on page 7 for more details on this methodology.

² As at December 31, 2023

Parkland's Growing EV Network

Parkland's EV network continues to grow. In 2023, 27 locations were put into operation, for a grand total of 50 charging locations, primarily in British Columbia which has the highest proportion of EV drivers in Canada. Parkland also secured up to \$210 million financing from Canada Infrastructure Bank to help de-risk and fund future investment in EV charging. While many people can charge at home, EV drivers need public charging options. Parkland is a natural player in EV charging – we've been serving the needs of travellers for over 50 years. We are strategic in the implementation of our EV charging network, targeting provinces with higher demand and adoption rates (BC, Ontario, and Québec). Between us and our dealers, we have approximately 4,000 locations that already serve vehicles.

50 EV charging locations as of the end of 2023

Over **4.2M** kilowatt-hours (kWh) of total energy transferred in 2023



Sustainable Energy Solutions via Sol Ecolution

Sol Ecolution¹ is the largest independent energy provider in the Caribbean, with operations in the Caribbean, Central and South America. The Ecolution team is helping decarbonize and expand the region's energy system and supply through retail, commercial and utility-scale solar projects. In 2023, the Ecolution team constructed PV systems on 35 Parkland-owned sites, for a total of 56 retail sites completed to date. Parkland's work supports local communities in the energy transition, providing low-carbon, reliable energy today and into the future.

Over **2,277** megawatt-hours (MWh) of energy produced in 2023²

Over **1,400** tonnes of CO₂e reduced for customers in 2023³

¹ Parkland's interest in Sol Ecolution is included in Investments in associates and joint ventures within the consolidated financial statements at December 31, 2023 and for the year then ended, and is accounted for using equity method

² Calculated using data from country-specific inverter platforms for the solar PV systems at 56 retail sites.

³ Calculated by converting MWh produced to carbon dioxide equivalent using International Energy Agency (IEA) emission factors.



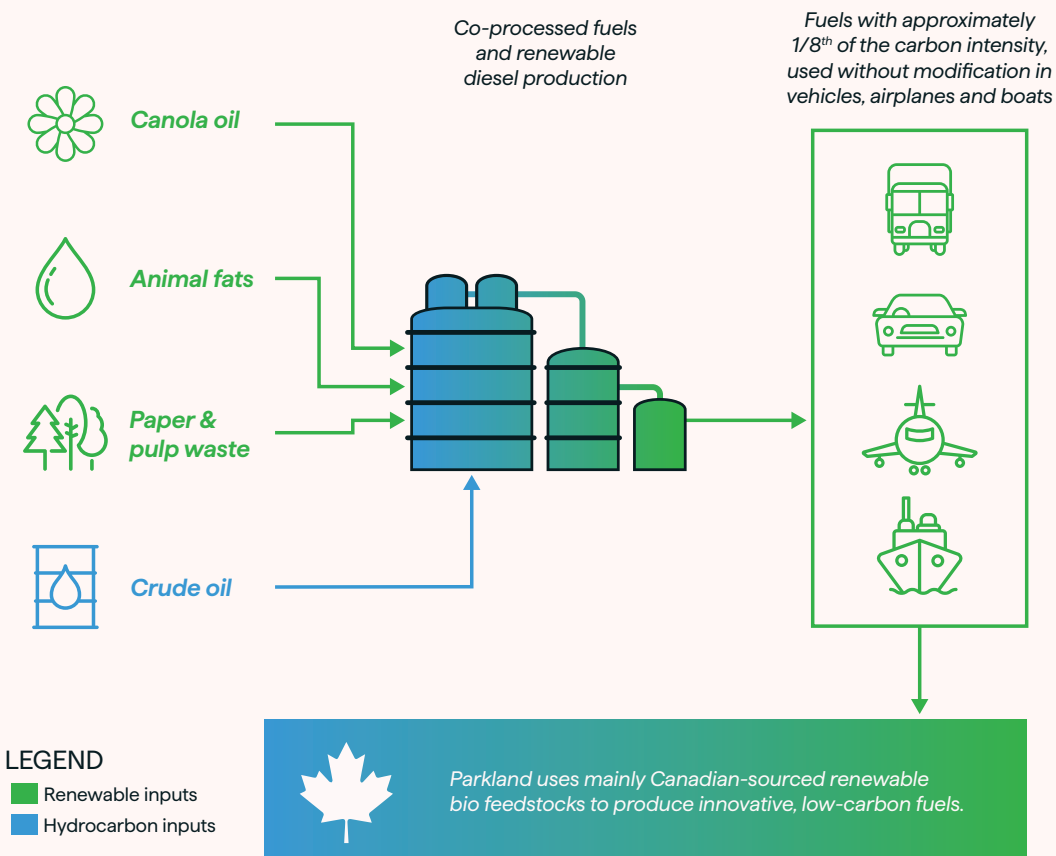
Co-Processing and Blending Low-Carbon Fuels

Liquid fuels play a critical role in the energy transition. These fuels will be part of our energy systems for decades to come, particularly in sectors and geographies that will take longer to electrify at-scale. A significant increase in biofuels, especially, is needed to get on track with the Net Zero Emissions by 2050 (NZE) Scenario and deliver the associated emission reduction¹. We meet our customers' diverse needs by providing a range of options to power their journeys, including biofuels. We have set an ambitious target to reduce customer CO₂e emissions by at least 1 million tonnes. While we strive to make emissions reductions in our own operations, fuel production results in GHG emissions that are challenging to abate. However, the production of low-carbon fuels is a critical element of the energy transition and we are committed to providing our customers the opportunity to access the fuels they need with a lower carbon intensity. According to IEA Bioenergy, substantial volumes of sustainable feedstock could be made available for biofuels production, sufficient to replace up to 30% of transport fuel demand in 2060.²

Parkland is the largest manufacturer of co-processed fuels in Canada, and we also blend and source renewable fuels across our operations. We are already well on our way to exceeding this goal and meeting BC's Low Carbon Fuel Standard ("LCFS") through co-processing bio-feedstocks and blending ethanol and renewable diesel to produce low-carbon-intensity fuels. In 2023, we achieved a reduction of over 570,000 tonnes of CO₂e for our customers compared with traditional fuels through co-processing and the blending of renewable fuels, approximately 57 per cent towards our goal of 1 million tonnes³.

In 2023, the Burnaby Refinery manufactured over 91 million litres of co-processed fuel. Our low-carbon fuel plans include expanding co-processing to 5,500 barrels per day by 2026, and then increasing this to 7,500 barrels per day by 2028. To help achieve this, Burnaby Refinery has begun a preliminary engineering study that targets phased increased co-processing through the facility's Fluid Catalytic Converter unit to 7,500 barrels per day. This project will progress in stages with completion planned for 2028. We anticipate this project will require changes to several refinery units.

We also announced that Parkland would not be proceeding with the stand-alone renewable diesel complex at the Burnaby Refinery, but we continue to expand the facility's co-processing volumes.



Innovating the Future of Fuels

Blended and co-processed fuels can be safely used in existing vehicles without modification. To date, we have co-processed canola oil, tallow, yellow grease (a blend of used cooking oil and other animal fats), and tall oil (a forestry industry residual) as feedstocks. Parkland's co-processed fuels have approximately one eighth of the carbon intensity⁴ of conventional fuels and can be used in existing vehicles without modification. Additionally, Parkland has produced small quantities of Sustainable Aviation Fuel (SAF) at the Burnaby Refinery to test processes and production capabilities.

¹ According to the International Energy Agency (IEA), biofuels play a particularly important role in decarbonising transport by providing a low-carbon solution for existing technologies, such as light-duty vehicles in the near term and heavy-duty trucks, ships and aircraft with few alternative and cost-effective solutions in the long term...a significant increase in biofuel production is needed to get on track with the Net Zero Emissions by 2050 (NZE) Scenario and deliver the associated emission reductions. (Source: <https://www.iea.org/energy-system/low-emission-fuels/biofuels>)

² Source: <https://www.ieabioenergy.com/wp-content/uploads/2020/11/IEA-Bioenergy-2-page-summary-Task-41-10.pdf>

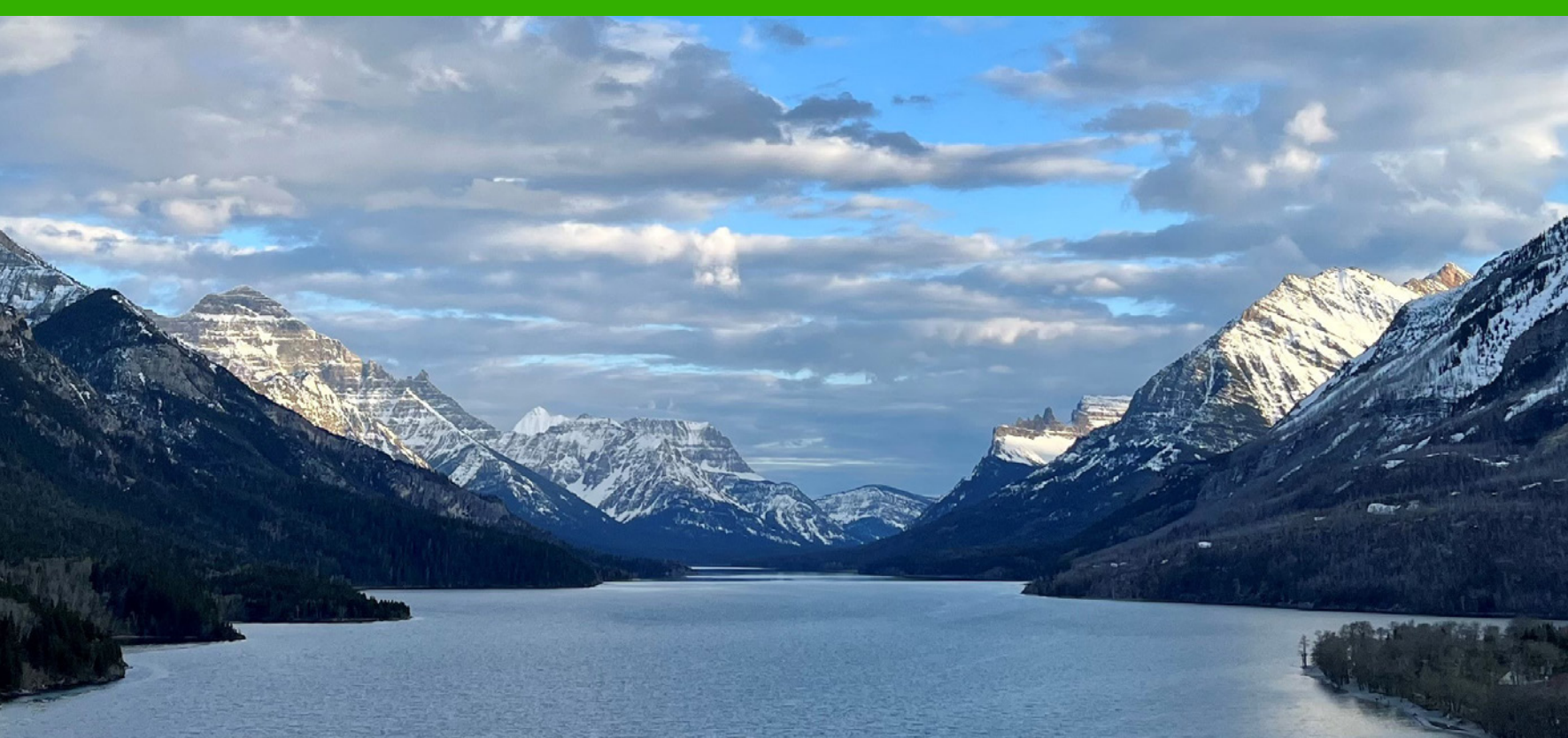
³ Please see footnote 2 on page 7 for more detail on the methodology used to calculate the customer emissions reductions from co-processing of renewable fuels. The methodology is outlined in the BC LCFS.

⁴ Please see Parkland's Approach to Climate Change for a more detailed explanation on how Parkland uses Life Cycle Analysis to calculate the amount of GHGs generated from extraction to combustion.

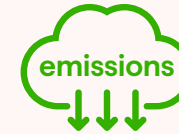


Reduce our operational climate impact

Climate change presents significant risks and challenges to our business, and to societies and economies across the world. Parkland's strategy to decarbonize our business supports global sustainability efforts while helping improve our own energy efficiency.



Targets:



Reduce Scope 1 and 2 GHG emissions from marketing facilities by

40%
per site by 2030,
compared to a 2019
baseline year.



Burnaby Refinery to align with the BC Government's

OUTPUT-BASED PRICING SYSTEM'S CLIMATE AMBITIONS.

2023 Highlights:

182

marketing sites underwent energy efficiency upgrades

SCOPE 3 EMISSIONS

added to GHG inventory

Parkland's Decarbonization Pathway

Navigating the energy transition requires a variety of decarbonization tactics. Parkland is employing a range of solutions that can help us reduce emissions and generate efficiencies.

Energy Efficiency

- Light-emitting diodes (LED)
- Asset Upgrades
- Energy Management Systems

Renewables

- Solar Panels

Low Carbon Fuels

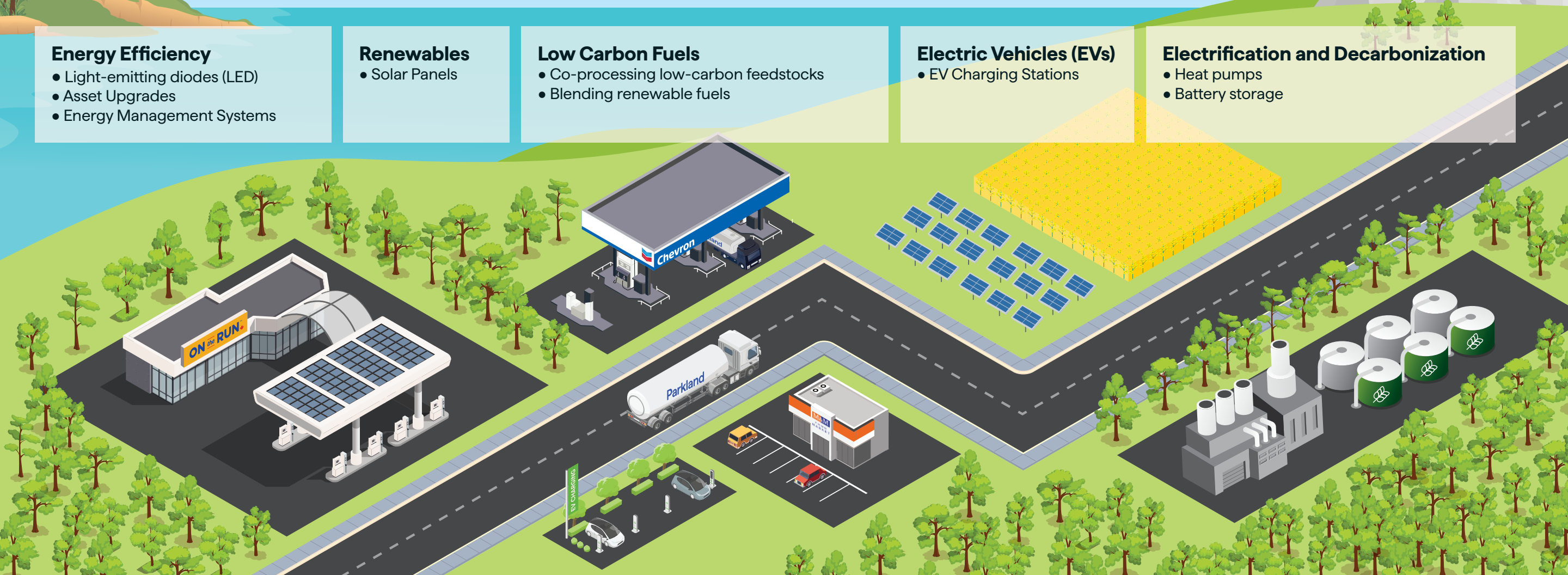
- Co-processing low-carbon feedstocks
- Blending renewable fuels

Electric Vehicles (EVs)

- EV Charging Stations

Electrification and Decarbonization

- Heat pumps
- Battery storage



Climate Approach

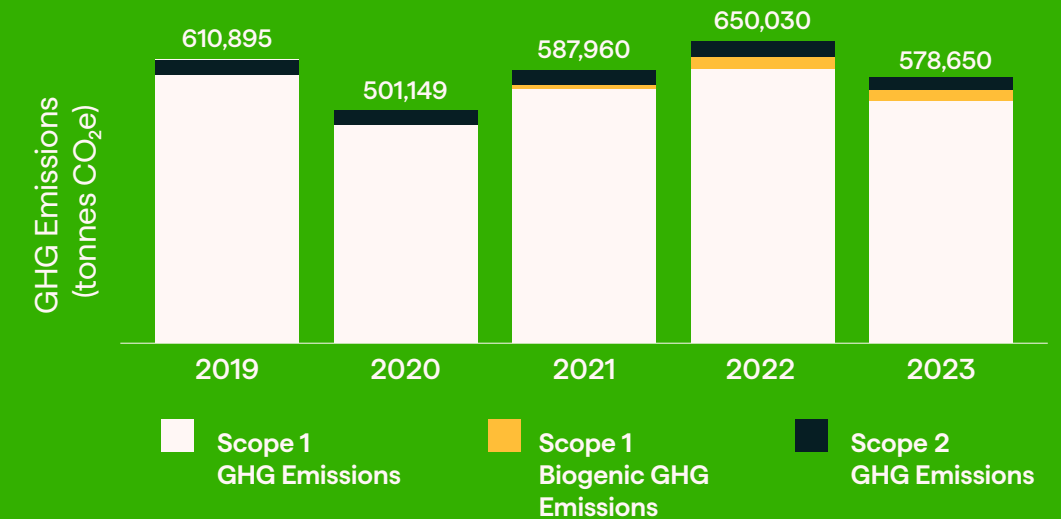
Parkland recognizes the importance of collective climate action to reduce global GHG emissions, as indicated in the Intergovernmental Panel on Climate Change (IPCC) and the United Nations Paris Agreement. Industry, governments and consumers must work together to minimize our environmental impact. Parkland is committed to collaborating with governments where we operate to help them achieve their emissions reductions goals. To learn more, please see [Parkland's Approach to Climate Change](#).

2023 GHG Emissions Profile and Performance: Scope 1 and 2

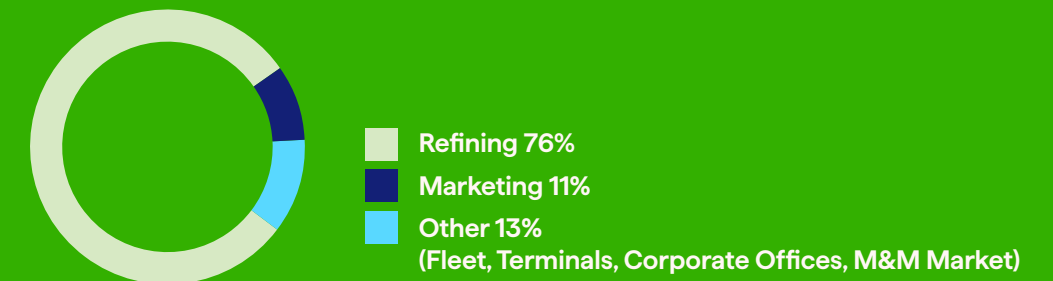
As a producer and supplier of transportation fuel, Parkland's GHG emissions are the result of manufacturing fuels among other things at the Burnaby Refinery, delivering fuel across the Parkland network and supplying customers with energy at retail and commercial sites in 26 countries. Similar to 2022, the Burnaby Refinery accounted for the majority of our emissions, 76 per cent of Parkland's total emissions.

Parkland conducts an annual emissions inventory to track our Scope 1 and 2 GHG emissions across our operations. In 2023, Parkland's GHG emissions decreased by 11 per cent compared to 2022. The reduction in our overall emissions was largely due to lower refining output because of the completion of a turnaround at the Burnaby Refinery in 2023. Biogenic emissions, or emissions from natural sources like biogas, resulting from our co-processed renewable feedstocks, decreased in 2023 but may increase in the future as we continue to expand co-processing at the refinery to deliver on providing our customers with lower-carbon fuel options when compared to conventional fuels such as gasoline and diesel.

Enterprise-Wide Scope 1 and 2 GHG Emissions



Breakdown of Emissions



Climate Scenario Planning

Parkland recognizes the importance of understanding climate-related risks in the short-, medium- and long-term. As such, in complement to our established enterprise risk management program, we plan to undertake further evaluation of climate risk scenarios. This will further develop our existing analysis and drive greater insight into risks under various climate scenarios associated with the energy transition as well as physical climate risks which may impact our business. This is an important step to further integrating climate risks into our corporate strategy, so we can continue to serve our customers as we collectively navigate the energy transition including the risks associated with climate change.

Emissions Reductions Initiatives and Opportunities: Marketing

In 2023, our marketing emissions intensity¹ decreased by five per cent compared to 2022, and 16 per cent compared to the 2019 baseline. Parkland continued implementing reduction initiatives to make progress towards achieving our target to reduce Scope 1 and 2 GHG emissions from marketing facilities by 40% per site by 2030, compared to a 2019 baseline, with an initial focus on our Canadian operations.

Some of the projects we completed in 2023 to help Parkland meet this goal include:



Developed a framework and action plans to increase energy efficiency, electrification and decarbonization, and renewable energy



Completed LED lighting upgrades at 150 sites across Canada. To date, 63 per cent of our retail sites in Canada have completed the conversion to LED lighting.



Installed new, more efficient natural gas heating equipment at 21 sites, plus 11 more efficient electricity heating systems.

Looking ahead, electrification across sites will continue to be a focus, including projects such as installing air and ground heat pumps, electric water heaters, boilers, and hybrid equipment for heating and cooling.



Pilot Projects in our Marketing Division

In addition to the work completed in 2023, we have a variety of pilot projects underway to help us achieve our emissions reduction target:

- Energy Efficiency:** We are commissioning an Energy Management System (EMS), based around artificial intelligence (AI) heating and cooling controls.
- Decarbonization and Electrification:** We are commissioning a unique carbon capture, usage and storage (CCUS) technology on natural gas heating systems in our retail operations. Using energy integration of water softeners to capture carbon dioxide, we will be able to reduce our Scope 1 GHG emissions and create household products such as soap.
- Renewables:** We are evaluating the use of solar PVs, thermal and renewable fuels.

¹ Marketing emissions intensity is calculated by dividing Scope 1 and 2 GHG emissions from marketing sites (retail and commercial) in Canada, the USA and internationally by the total number of corporate sites included in the GHG inventory.

Emissions Reductions Initiatives and Opportunities: Refining

Parkland's Burnaby Refinery provides 25 per cent of BC's transportation fuel, supporting everyday drivers as well as key community services including TransLink buses and BC Ferries. In 2023, our refining emissions intensity remained consistent, with a two per cent reduction from 2022. We updated our refining emissions target to reflect our alignment with the BC Government's path to "net-zero-by-2050" and BC's new industrial carbon pricing system, the Output-Based Pricing System. This highlights the constructive collaboration between industry and policy makers and provides opportunities to implement decarbonization technology as it matures over time. Refining is a challenging industry to decarbonize. Parkland is committed to implementing refinery energy efficiency initiatives and offsetting emissions and is evaluating the economic feasibility and customer benefits across the short-, medium- and long- term. Approaches being reviewed to reduce refinery emissions include using renewable natural gas (RNG) and integrating energy reduction projects into planned maintenance events. Co-processing of low-carbon feedstocks and blending of renewable fuels remain core to the Burnaby Refinery's strategy of enabling reduction in customers' emissions; please refer to the ['Support customers through the energy transition'](#) section for more information on these projects.



Scope 3 GHG Emissions

Scope 3 GHG emissions are all indirect emissions that occur in a company's value chain (both upstream and downstream), excluding Scope 2 GHG emissions. We engaged a third-party to conduct a Scope 3 materiality review in 2023, and began with reporting one of our materially identified categories, Category 11: Use of Sold Products¹, per the Greenhouse Gas Protocol and International Petroleum Industry Environmental Conservation Association (IPIECA) guidance. We look forward to continuing to assess and report GHG emissions across our value chain. For more information on methodologies and assumptions, please see the [Sustainability Performance Data](#) section of this report.

Parkland recognizes as a fuel refiner, retailer and distributor, that value chain and customer emissions represent a large portion of our GHG footprint and therefore a significant opportunity for emissions reductions. Through co-processing and blending of renewable fuels at our Burnaby Refinery and expanding our EV charging network across Canada, Parkland is providing customers with lower emissions alternatives and playing a role in supporting the transition to a low-carbon economy.

Totals (Category 11)

5.6M
tonnes CO₂e refining

Methodology and Assumptions ²

- Uses refinery throughput method. Represents amount of product moved through Burnaby Refinery.
- Assumes all product was fully combusted. Excludes emissions from biogenic feedstocks and renewable blended fuels.

62.5M
tonnes CO₂e marketing and supply

- Uses total fuel sold method (volume of product sales) for Canada, United States (US) and International supply and marketing businesses.
- Assumes all product was fully combusted. Excludes all renewable fuels.

¹ The GHG Protocol's Scope 3 Standard has 15 categories, Parkland's initial reporting focuses only on Category 11.

² Please see Sustainability Performance Data note numbers 10 and 11 for more detail on the methodology.



Non-GHG Air Emissions

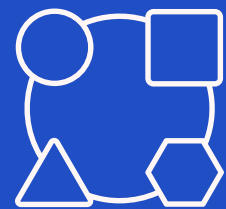
Parkland's most significant source of non-GHG air emissions is the Burnaby Refinery. This facility has robust measures in place to reduce such emissions, and these are reinforced by its latest air permit which contains reduced emissions limits. Burnaby Refinery's air quality is regulated by Metro Vancouver and we prioritize transparent, effective communication with our neighbours. The air permit also includes continuous improvement measures with requirements to conduct emission reduction studies over the years. These studies include a flare minimization report, a volatile organic compound (VOC) and methane reduction study, and a nitrogen oxides reduction study, and will inform planning of future non-GHG air emissions reductions at the refinery. Parkland's non-GHG air emissions are reported in the [2023 Sustainability Framework Mapping](#).

Parkland's Commitment to Environmental Stewardship

Our mission is to power what moves people, and we aim to do this while working to mitigate our impact on the environment. Parkland's enterprise-wide [Health, Safety and Environment Policy](#) applies across our operations. Within this, we have clear commitments, including:

- encouraging safe work practices to help:
 - protect the environment and enhance environmental awareness within our teams;
 - mitigate our environmental impact
- monitoring environmental performance and reporting regularly on environmental issues as required
- consulting with Indigenous and local communities and other stakeholders on environmental issues as required





Build a diverse team and inclusive workplace

Our people are the heart of our business. Our aim is to foster a diverse and inclusive workplace that reflects the diverse communities in which we operate, and that supports employee growth and advancement.



Targets:

Achieve and maintain

30%
representation by women
in management¹



Strengthen culture
of employee inclusion
through leadership training
programs for women



2023 Highlights:

6,000+
employees

26%
of management
positions held
by women

82%
of employees surveyed
believe that Parkland values
diversity and inclusion

¹ Management defined as roles at Director-level and above

Parkland's approach to diversity, equity and inclusion

Belonging matters. Our strong focus on diversity and inclusion is in service of creating and celebrating a workplace where every Parklander can safely and proudly be their authentic self.

Parkland's [Diversity & Inclusion Strategy](#) helps set the stage to make Parkland the employer of choice for the communities where we operate by driving a proactive culture of equity, inclusion and belonging. We aim to embed equitable treatment into systems, practices, and processes.

2019

- Instituted Parkland's first enterprise-wide D&I Council with three guiding principles, including:
 - Two-way communication
 - Providing guidance on D&I challenges and opportunities and
 - Strategy building and execution

2020

- Established a Black Action Committee to proactively support the inclusion of our Black team members
- Conducted first annual enterprise-wide diversity and inclusion survey and embedded D&I strategic pillars throughout the organization
- Enhanced D&I training for leaders
- Women's Network established

2021

- D&I training for 110 leaders across the organization
- Delivered eight educational D&I events
- 300 hours of employee training
- Established DIALdN - Diversity Inclusion Allyship Leadership Network at Burnaby Refinery

2022

- 2022-2025 Diversity & Inclusion Strategy sets the plan to drive a proactive culture of equity, inclusion, and belonging
- Achieved 30 per cent target for women on Board and 10 per cent BIPOC, LGBTQ+ representation on Board and Executive Team
- Continuous improvement in enterprise-wide D&I survey:
 - Over 1,300 hours of employee training
 - Established Latino Network

2023

- Revised D&I governance structure, including Employee Resource Groups, and developed governance documentation
- Integrated inclusive practices into recruitment and selection processes to help remove unconscious bias
- 914 employees completed 1810 hours of D&I training collectively
- Inaugural participation in Calgary Pride Parade
- 43 per cent of salaried employees attended D&I events
- Continued strong results and improvement in enterprise-wide D&I survey

2023 SpeakUp Survey



82%

of Parkland survey participants believe that Parkland values D&I (no change vs. 2022)



86%

of Parkland survey participants feel comfortable being themselves at work in front of their team (+7% vs. 2022)



94%

of Parkland survey participants read/heard D&I communications (+4% vs. 2022)



63%

of Parkland survey participants visited the D&I section of the intranet (+9% vs. 2022)



74%

of Parkland survey participants took part in D&I training (+12% vs. 2022)

Investing in our workforce

People are at the heart of Parkland, and it is important that we invest in our team members to enable a positive, empowered, and collaborative work environment. In 2023 we made strides in the way we recruit, retain, and develop our teams:

Recruitment

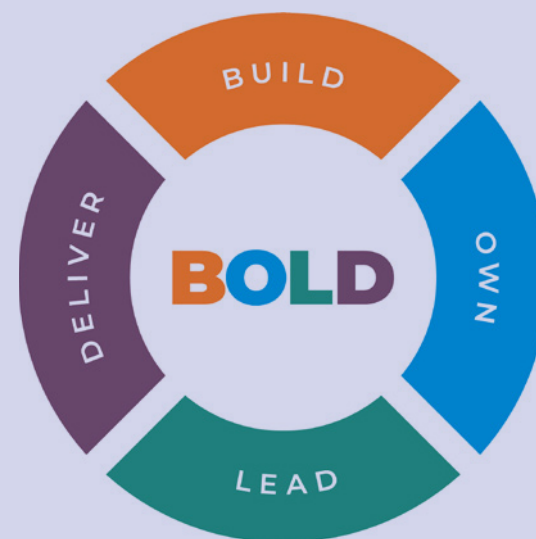
- Awarded one of Alberta's Top 80 Employers
- Top Fleet Employer by Trucking HR Canada
- Developed Recruitment 101 training
- Developed BOLD Interview Guides
- Developed Candidate selection form

Retention

- Facilitated annual SpeakUp Employee Engagement Survey
- Enhanced Driver Appreciation Week
- Annual BOLD Week celebration
- Relunched the D&I Council and Employee Resource Groups as part of the Parkland D&I Strategy
- Talent Planning down to Manager level (incl. succession and talent identification processes)

Development

- Leading Parkland Development Program for Vice Presidents and high potential Directors
- Leading Beyond Any Title Leadership Program for Directors
- Out Front Leadership Program for front line leaders
- Parkland Mentorship Program
- Prosci Change Management training for employees and leaders
- Expanded Parkland 101 employee development program



BUILD

I build collaborative teams across Parkland.

OWN

I own my mandate.

LEAD

I lead by embracing change and continuous improvement.

DELIVER

I deliver exceptional results through customer service.



Invest in our communities

Community is one of Parkland's core values and we strive to generate positive change for the people and environment in local and Indigenous communities.

Targets:



INVEST FOR IMPACT IN LOCAL COMMUNITIES

(1% of net earnings (loss))



Achieve **PAIR BRONZE CERTIFICATION** through the CCIB



2023 Highlights:

\$1.7M

in employee-directed donations provided through the Parkland Pledge program

Indigenous Cultural Awareness Training for leadership and

400+ EMPLOYEES

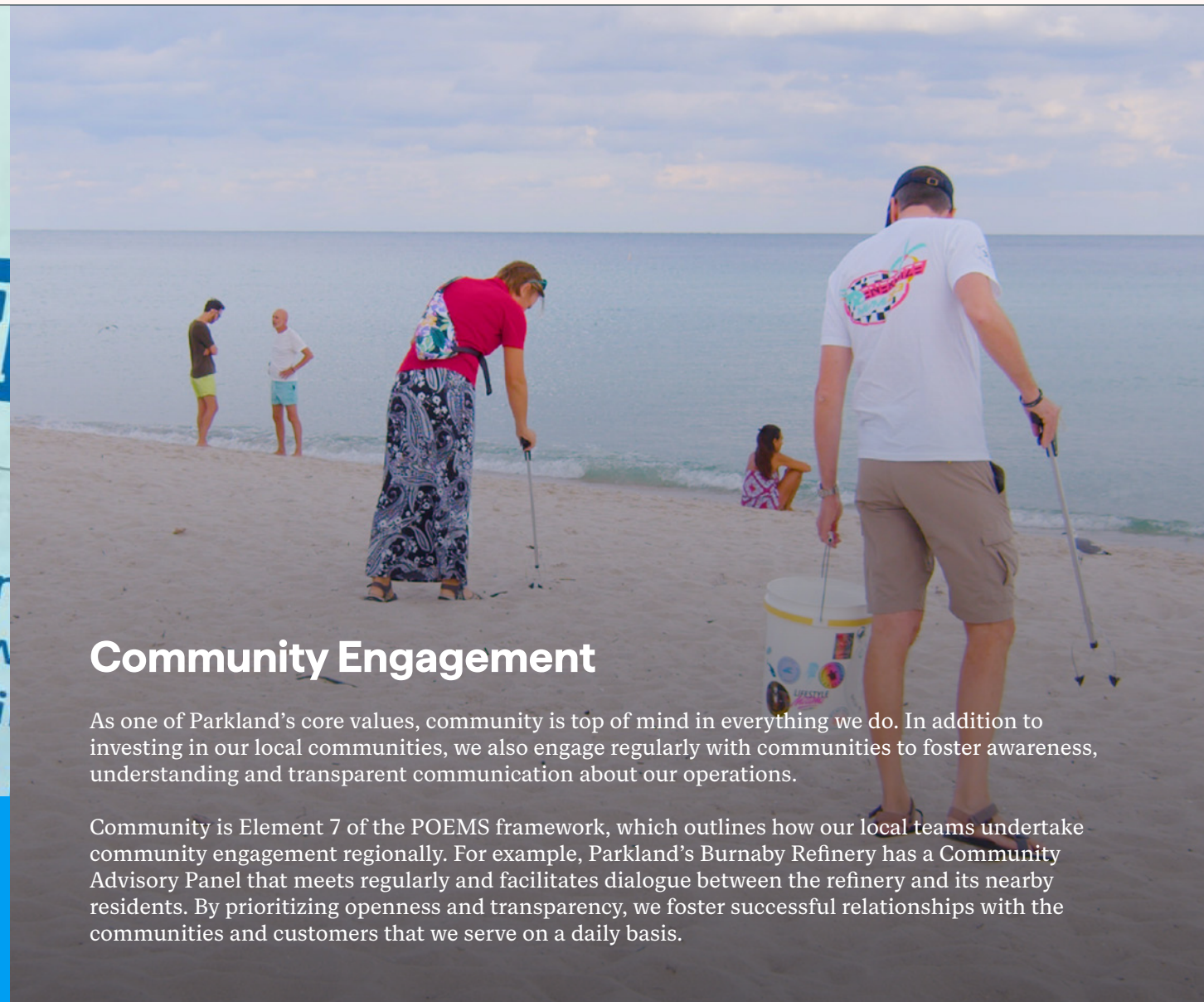


Social Investment

In support of our refreshed target to invest for impact in local communities, Parkland is developing an enterprise-wide social investment strategy that will refine our corporate giving priorities to generate the most positive impact in our operating jurisdictions. We look forward to sharing more about this strategy in our next sustainability report. Our Parkland Pledge program will remain, which will ensure that our team members have the opportunity to support the causes most meaningful to them. In 2023, over \$1.7 million was donated to more than 2,015 worthy causes.

Some of the top causes Parklanders supported include:

- BGC Canada
- St. Jude's Children's Research Hospital
- Canadian Cancer Society
- Dakota Childrens Advocacy Centre



Community Engagement

As one of Parkland's core values, community is top of mind in everything we do. In addition to investing in our local communities, we also engage regularly with communities to foster awareness, understanding and transparent communication about our operations.

Community is Element 7 of the POEMS framework, which outlines how our local teams undertake community engagement regionally. For example, Parkland's Burnaby Refinery has a Community Advisory Panel that meets regularly and facilitates dialogue between the refinery and its nearby residents. By prioritizing openness and transparency, we foster successful relationships with the communities and customers that we serve on a daily basis.

Supporting Communities Impacted by Natural Disasters

In 2023, parts of Canada were tragically impacted by wildfires. Communities were displaced, homes and businesses were lost, and emergency services worked tirelessly to keep people safe. In this time of need Parkland and its team members stepped up to provide \$200,000 to the Red Cross to support relief efforts. We are proud of the resiliency of the impacted communities and of those able to support these communities through these challenges.

Canadian Indigenous Relations

Parkland is committed to building and enhancing relationships with Indigenous Peoples on whose traditional territories we operate. We have formalized this commitment in a [Commitment Statement](#) which outlines our efforts to help advance reconciliation. This work is guided in part by Section 35 of the Canadian Constitution, the United Nations Declaration on the Rights of Indigenous Peoples, and the Truth and Reconciliation Commission and its 94 unique Calls to Action. Our work is also guided by the Canadian Council for Indigenous Business' Partnership Accreditation in Indigenous Relations (PAIR) certification program (formerly the Canadian Council for Aboriginal Business' Progressive Aboriginal Relations (PAR) program). Parkland is PAIR-Committed and we look forward to becoming certified in the future. Our Phase 1 submission has been approved by an independent verifier, and we have started Phase 2 activities.

In 2023 we updated our [Indigenous Relations Strategy](#). To reflect our efforts towards PAIR certification, we have aligned the pillars of our strategy with the pillars of PAIR:



Leadership

Education & Employment

Business Development

Community Relations



Cultural Awareness Training

Parkland hosted a number of Indigenous Cultural Awareness training sessions in 2023. Notably, our Senior Leadership Team completed a half-day in-person cultural awareness session, and over 400 employees participated in an Indigenous History 101 presentation, which included an overview of Parkland's PAIR commitments.

Governance

Parkland prides itself on upholding strong corporate governance and ethical business conduct. Foundational to this is having systems and policies in place to ensure we are operating responsibly.

Parkland's policy database is located on [our website](#).



Targets:

50%
representation by women on the Board

2023 Highlights:

40% women on the Board of Directors



Published inaugural report for Fighting Against Forced Labour and Child Labour in Supply Chains Act



Risk Management

Parkland’s established Enterprise Risk Management (ERM) process enables the organization to identify, evaluate and mitigate risks, including climate change risk. This program consists of an annual enterprise risk assessment as well as quarterly reviews. Our Risk and Controls team engages with all levels of the business, from the Board of Directors to individual business units, to perform these assessments and conduct quantitative analysis. Please see [Parkland's 2023 AIF](#) and [Q4 MD&A](#) for a list of identified climate change and ESG-related risks identified through the ERM process in 2023.

Parkland has identified the following climate-related risks and opportunities:

| Climate-related risks | Climate-related opportunities |
|---|---|
| Climate Change Regulation (e.g. Regulation of existing and emerging products and services, exposure to litigation) | Energy Sources (e.g. Increased demand for decentralized, clean energy with lower investment costs) |
| Technological Developments (e.g. Substitution of products and services such as rapid shifts to EVs, energy transition costs) | Efficiency (e.g. Cost savings through lower resource use for customers and companies) |
| Reputation (e.g. Brand and sector stigmatization, shift in consumer preferences) | Resilience (e.g. Better able to adapt to extreme events by building systems and processes to manage the expected risks of climate change, including more frequent and severe storms, floods and wildfires) |
| Extreme Weather Risks (e.g. Wildfires, floods, storms) | Products and Services (e.g. Competitive advantage through innovation and new low-carbon products and services) |



Human Rights

Parkland is committed to respecting human rights and to ensuring an organizational culture which recognizes and avoids complicity in human rights abuses. We abide by applicable human rights legislation in every jurisdiction in which we operate and have relationships. Our [Human Rights Policy](#) is regularly reviewed and updated with input from stakeholders.

Prohibition of Bribery, Corruption and Discrimination

Parkland’s [Code of Conduct](#) and [Preventing Workplace Discrimination, Harassment and Bullying policy](#) outline our zero tolerance approach for any form of bribery, corruption and discrimination. We are dedicated to providing a healthy, safe, and ethical workplace that is inclusive of everyone.

Board Governance

Our Board of Directors provides sound oversight and upholds strong governance practices. The Board, with the assistance of the ESS Committee, is responsible for oversight and monitoring of progress towards our sustainability targets. Our Board members include senior leaders from finance, energy, human resources and sustainability to help guide our sustainability strategy in alignment with our corporate goals to provide ongoing shareholder value.

Parkland's Board receives quarterly presentations by senior management on current ESG topics, including ratings, disclosure and decarbonization trends and Parkland's progress on strategic sustainability initiatives. For more information on the management of sustainability and climate-related issues, please see the [ESS Committee Mandate](#), [Annual Information Form](#), [Management's Discussion & Analysis](#), and [Management Information Circular](#).

Parkland is committed to ongoing Board renewal and we continue adhering to a prudent refreshment of our Board, blending continuity with fresh perspectives to ensure a governance structure that supports our long-term objectives.

Sustainability Task Force

In complement to the oversight provided by the Board, ESS Committee, and executive leadership, Parkland's Sustainability Task Force plays a key role in the execution of our sustainability strategy and reporting. Comprised of leaders across the business, Task Force members help identify Parkland's material ESG topics and priorities. They also support sustainability data gathering, including the internal verification process carried out by our Risk and Controls team.



Supply Chain Management

Parkland recognizes the importance of sound governance throughout our supply chain. [Our Supplier Code of Conduct](#) is an extension of our own internal standards of conduct, and we expect our suppliers to respect and support these values.

Canada recently passed its Fighting Against Forced Labour and Child Labour in Supply Chains Act. Parkland has published its first report in accordance with this act, located on [our website](#).

Stakeholder Engagement

Parkland frequently engages with our diverse set of stakeholders. We rely on their input to help us understand how we can contribute to environmental, social and economic prosperity in all of our operating regions. Stakeholder engagement is critical to our success and core to our sustainability strategy.

Parkland's Engagement

| | |
|-----------------------------------|--|
| Employees | We engage our employees regularly through all-employee calls, Town Halls, surveys, newsletters, intranet updates, e-mails, and more. We foster an open feedback culture in which employees feel empowered to bring their full and best selves to work. |
| Customers | To understand how we can best serve our customers, we engage them through surveys, focus groups, and face-to-face interactions. |
| Communities | We engage with the communities in which we operate through social investments, community events, open houses, social media, newsletters, and our regional community relations teams. |
| Suppliers | Our suppliers play a key role in helping us advance sustainability. We engage our suppliers through our Supplier Code of Conduct, supplier audits, and supplier surveys to ensure alignment with our sustainability values. |
| Regulators and Governments | Parkland engages regularly with governments and regulators across the jurisdictions in which we operate to ensure positive and robust relationships. |
| Indigenous Nations | As part of our commitment to help advance reconciliation with Indigenous Peoples in Canada, Parkland aims to build mutually-beneficial relationships with Indigenous Nations on whose territories we operate. |
| Investors | We actively engage with our shareholders on an ongoing basis through a variety of channels, including direct outreach to investors and their ESG teams, participation at third-party conferences and providing asset tours, in order to communicate company strategy, maintain open dialogue and incorporate their feedback. |
| Industry Associations | We strategically engage with like-minded organizations and associations in jurisdictions where we operate to ensure policy alignment and thought leadership on issues of impact to our operations. |

Materiality Matrix

Parkland conducted a Materiality Assessment in 2023 to identify issues deemed most relevant to Parkland and its sustainability strategy. We engaged both internal and external stakeholders and asked them a series of questions to gauge the importance of different sustainability topics as they pertain to Parkland's business. Our key ESG issues remained the same with the exception of energy transition which has been added as a dimension of our approach to climate change.

This updated assessment informed the development of our refreshed sustainability strategy and the targets therein. We are committed to regular reviews of our key ESG issues to ensure materiality is aligned as our business evolves.





2023 Sustainability Performance Data

Parkland strives to provide stakeholders with accurate, complete and transparent information. The Sustainability Report publication followed well established processes, with reviews completed by subject matter experts, Task Force Leads, the Senior Leadership team and the Board of Directors. All quantitative data in the performance table and framework index, as well as select data points in the report body have been validated by our internal Risk & Controls team for accuracy and completeness. We recognize the need for continuous improvement in our disclosure and are actively working to improve our processes and procedures.

| Metric ¹ | Measurement | 2023 | 2022 | 2021 | 2020 | 2019 | FRAMEWORK REFERENCE (GRI, IPIECA, SASB, TCFD) |
|--|---|----------------|----------------|----------------|----------------|----------------|---|
| ENVIRONMENT ² | | | | | | | |
| Total GHG Emissions (Scope 1 and 2) ^{3,4} | tonnes CO₂e | 578,650 | 650,030 | 587,960 | 501,149 | 610,895 | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Scope 1 GHG Emissions | | | | | | | |
| Burnaby Refinery Biogenic GHG Emissions | tonnes CO ₂ e | 28,272 | 32,759 | 8,914 | – | – | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Biodiesel GHG Emissions | tonnes CO ₂ e | 17 | 11 | 17 | – | – | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Scope 1 GHG Emissions (excl. biogenic emissions) | tonnes CO ₂ e | 507,392 | 577,432 | 546,143 | 475,754 | 582,819 | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Scope 1 GHG Emissions Total ⁵ | tonnes CO ₂ e | 535,681 | 610,202 | 555,074 | 475,754 | 582,819 | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Scope 1 GHG Emissions-Limiting Regulations ⁶ | tonnes CO ₂ e | 444,133 | 521,510 | 497,912 | 443,969 | 547,444 | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Per cent Covered Under Emissions-Limiting Regulations | % | 83 | 85 | 90 | 93 | 94 | GRI 305-1, SASB EM-RM-110a.1, TCFD Mb |
| Scope 2 GHG Emissions ^{7,8} | | | | | | | |
| Scope 2 GHG Emissions (Market-Based) | tonnes CO ₂ e | 42,970 | 39,828 | 32,886 | 25,395 | 28,076 | GRI 305-2, SASB EM-RM-110a.1, TCFD Mb |
| Scope 2 GHG Emissions (Location-Based) | tonnes CO ₂ e | 43,050 | 38,988 | 51,479 | 41,146 | 48,107 | GRI 305-2, SASB EM-RM-110a.1, TCFD Mb |
| Scope 1 & 2 GHG Emissions Intensity, Refining | tonnes CO ₂ e per barrels per day of crude & bio-feed-stock throughput | 9.3 | 9.5 | 10.1 | 10.2 | 9.6 | GRI 305-4 |
| Scope 1 & 2 GHG Emissions Intensity, Marketing ⁹ | tonnes CO ₂ e per site | 43.6 | 46.0 | 39.6 | 48.3 | 51.6 | GRI 305-4 |
| Scope 3 GHG Emissions | | | | | | | |

1. Reported data covers the annual periods from January 1 to December 31 for Parkland Corporation (PKI.TO). Performance data is reported from 2019-2023 where available. The "-" symbol indicates data was not reported for that particular year.

2. Parkland follows an operational control consolidation approach as defined by the "GHG Protocol Corporate Accounting and Reporting Standard."

3. Parkland acquisitions from 2022, including Crevier Petroleum Inc., M&M Food Market, Vopak Terminals of Canada Inc. and Vopak Terminals of Eastern Canada Inc., GB Group's Jamaica business and 163 Husky-branded sites, were included for their first full year of operation in 2023. Parkland has an internal re-baseline policy that outlines the threshold for a base year recalculation, the threshold has not yet been met. Parkland has identified its base year as 2019.

4. Consistent with previous reporting periods, the Scope 1 and 2 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: CO₂ (499,489.16 tonnes), CH₄ (176.12 tonnes), N₂O (492.45 tonnes), HFCs (2,029.93 tonnes). Emission factors were sourced from the Canadian National Inventory Report (NIR), 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.

5. Parkland's Scope 1 GHG emissions decreased 12% in 2023 mainly due to the scheduled turnaround at the Burnaby Refinery. The Scope 1 total includes biogenic emissions from the Burnaby Refinery, but note that biogenic emissions are also reported as a separate line item.

6. Specifically, 402,083 tonnes CO₂e (98.7% of the 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 42,050 tonnes CO₂e.

7. 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 because the Burnaby Refinery comprises the majority of Parkland's emissions, and a BC Hydro emission factor was used for the site. Please note that Parkland's targets will be tracked against market-based emissions values.

8. In 2022, an updated methodology was used for Scope 2 GHG Emissions (Location-Based), where emission factors for sites in Canada were updated from federal factors to provincial factors to improve accuracy. This methodology was used in 2023 as well.

9. Changes in Marketing emissions performance in 2023 are primarily driven by our continued improvement in data collection and the addition of acquisitions from 2021 from Husky, M&M Market and Crevier. 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.



| Metric ¹ | Measurement | 2023 | 2022 | 2021 | 2020 | 2019 | FRAMEWORK REFERENCE (GRI, IPECA, SASB, TCFD) |
|--|----------------------------------|---------|---------|---------|---------|---------|--|
| ENVIRONMENT ² | | | | | | | |
| Category 11: Use of Sold Products | | | | | | | GRI 305-3, TCFD Mb) |
| Refining - Throughput Methodology ¹⁰ | million tonnes CO ₂ e | 5.6 | - | - | - | - | GRI 305-3, TCFD Mb) |
| Marketing and Supply (Canada, US, International) - Fuel Sold Methodology ¹¹ | million tonnes CO ₂ e | 62.5 | - | - | - | - | GRI 305-3, TCFD Mb) |
| Energy Consumption¹² | Terajoules | 8,910 | 10,525 | 9,738 | 8,899 | 12,528 | GRI 302-1 |
| Air Pollutants ¹³ | | | | | | | |
| Nitrogen Oxides (NOx) | kilograms | 155,623 | 202,543 | 203,345 | 178,296 | 206,371 | GRI 305-7, SASB EM-RM-120a.1 |
| Sulphur Oxides (SOx) | kilograms | 419,990 | 358,578 | 427,461 | 495,646 | 227,421 | GRI 305-7, SASB EM-RM-120a.1 |
| Volatile Organic Compounds (VOCs) | kilograms | 210,861 | 196,038 | 167,366 | 163,738 | 148,433 | GRI 305-7, SASB EM-RM-120a.1 |
| Hazardous Air Pollutant (HAP) - H2S | kilograms | 2,821 | 1,663 | 2,951 | 3,667 | 1,728 | GRI 305-7, SASB EM-RM-120a.1 |
| Hazardous Air Pollutant (HAP) – Benzene | kilograms | 578 | 637 | 508 | 544 | 648 | GRI 305-7, SASB EM-RM-120a.1 |
| Particulate Matter (PM) | kilograms | 43,760 | 46,474 | 44,346 | 34,631 | 30,412 | GRI 305-7, SASB EM-RM-120a.1 |
| PM10 | kilograms | 40,768 | 38,783 | 41,404 | 31,666 | 26,217 | GRI 305-7, SASB EM-RM-120a.1 |
| Ozone Depleting Substances ¹⁴ | kilograms | - | - | - | - | - | GRI 305-7, SASB EM-RM-120a.1 |
| Number of Incidents of Non-compliance Associated with Water Quality Permits, Standards, and Regulations | count | 0 | 0 | 1 | - | - | SASB EM-RM-140a.2 |
| Spills ¹⁵ | | | | | | | |
| Spill Count | count | 13 | 17 | 12 | - | - | IPECA Module 4 Environment ENV-6 A2 |
| Significant Spills | count | 0 | 0 | 0 | 0 | 0 | GRI 306-3 |
| Total Spill Volume | litres | 10,363 | 15,901 | 4,651 | - | - | IPECA Module 4 Environment ENV-6 A2 |
| Spill Volume per Billion Litres Sold | litres | 273 | 586 | 194 | - | - | |
| Burnaby Refinery Throughput | | | | | | | |
| Crude | barrels per day | 42,200 | 49,297 | 44,716 | 37,868 | 51,500 | SASB EM-RM-000.A |
| Bio-feedstock | barrels per day | 1,600 | 1,918 | 1,492 | 744 | 312 | SASB EM-RM-000.A |
| Total | barrels per day | 43,800 | 51,215 | 46,208 | 38,613 | 51,812 | SASB EM-RM-000.A |
| Refining Operating Capacity | barrels per day | 55,000 | 55,000 | 55,000 | 55,000 | - | SASB EM-RM-000.B |
| Number of Refineries In or Near Areas of Dense Population ¹⁶ | count | 2 | 2 | 2 | 2 | - | SASB EM-RM-120a.2 |

10. Calculated in alignment with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and IPECA/API Estimating petroleum industry value chain (Scope 3) greenhouse gas emissions. Barrels of product that have moved through the Burnaby Refinery including diesel, gasoline and jet fuel. Excludes bio-feedstock throughput and production.

11. Calculated in alignment with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and IPECA/API Estimating petroleum industry value chain (Scope 3) greenhouse gas emissions. Fuel sold from retail, supply and commercial businesses in Canada, USA and internationally. Excludes asphalt and renewable products.

12. 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. Of the total energy consumption for 2023, 7,550 terajoules was related to fuel consumption from non-renewable sources and 1,360 terajoules was related to electricity consumption.

13. 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. Parkland's air emissions reported only include the Burnaby Refinery.

14. Parkland does not report on ozone and there were no persistent organic pollutants to report on.

15. Spills are reported in alignment with IPECA's definition, uncontained liquid hydrocarbon spills over 159 litres. They are recorded in the Cority software by Operations teams and reviewed by the Environment team each week for quality control. Parkland is currently training drivers and operators in spill prevention, reviewing and sharing lessons learned from recent spills and developing other mitigation strategies to avoid further increases in spill volumes.

16. Parkland's Burnaby Refinery is located in Burnaby, British Columbia, Canada. Additionally, we have a 29% non-operating ownership interest 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, refining operating capacity, etc.) on the SARA Refinery due to it being outside of Parkland's operational control.



| Metric ¹ | Measurement | 2023 | 2022 | 2021 | 2020 | 2019 | FRAMEWORK REFERENCE (GRI, IPECA, SASB, TCFD) |
|--|---|------------|------------|------------|-----------|-------|--|
| SOCIAL | | | | | | | |
| Occupational Health & Safety | | | | | | | |
| Fatalities ¹⁷ | count | 1 | 0 | 0 | – | – | GRI 403-9, SASB EM-RM-320a.1 |
| Number of High-consequence Work-related Injuries | count | 2 | 0 | 0 | 0 | – | GRI 403-9, SASB EM-RM-320a.1 |
| Recordable Work-Related Injuries | count | 67 | 64 | 60 | 47 | – | GRI 403-9, SASB EM-RM-320a.1 |
| Exposure Hours | hours | 12,492,592 | 12,229,397 | 10,509,428 | 8,411,779 | – | GRI 403-9, SASB EM-RM-320a.1 |
| Total Recordable Injury Frequency (TRIF) ¹⁸ | number of injuries per 200,000 hours worked | 1.07 | 1.05 | 1.14 | 1.12 | 1.52 | GRI 403-9, SASB EM-RM-320a.1 |
| Lost Time Injury Frequency (LTIF) | number of injuries per 200,000 hours worked | 0.26 | 0.16 | 0.15 | 0.21 | 0.17 | GRI 403-9, SASB EM-RM-320a.1 |
| Serious Injury Frequency (SIF) | number of serious injuries per 200,000 hours worked | 0.23 | – | – | – | – | GRI 403-9, SASB EM-RM-320a.1 |
| Total Number of Full- and Part-time Employees¹⁹ | count | 6,181 | 6,284 | 5,946 | 4,389 | 4,635 | GRI 2-7 |
| Women in Management | | | | | | | |
| Women in Management ²⁰ | % | 26 | – | – | – | – | GRI 405-1 |
| Executive Officer Diversity | | | | | | | |
| Gender Diverse (Women) | % | 11 | 22 | 20 | 20 | 30 | GRI 405-1 |
| Collective Bargaining Agreements | | | | | | | |
| International ²¹ | % | 10 | 15 | 17 | 12 | – | GRI 2-30 |
| Canada | % | 9 | 7 | 7 | 9 | – | GRI 2-30 |
| USA | % | 0 | 0 | 0 | n/a | – | GRI 2-30 |
| Incidents of Non-compliance Concerning the Health and the Safety Impacts of Products and Services | count | 0 | 0 | 0 | 0 | – | GRI 416-2 |

17. In 2023, one of our employees was fatally injured in a workplace incident. We immediately investigated to understand what happened and to identify and implement learnings. Our commitment to safety is unwavering and we remain steadfast in fostering our culture of care that supports our ambition for zero injuries and fatalities.

18. 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.

19. Please note that unless otherwise indicated, the head counts do not include contractors or M&M Food Market employees.

20. Women in management include titles Director level and above. Note that Parkland historically reported Manager level and above but updated in 2023 to align with the strategic refresh.

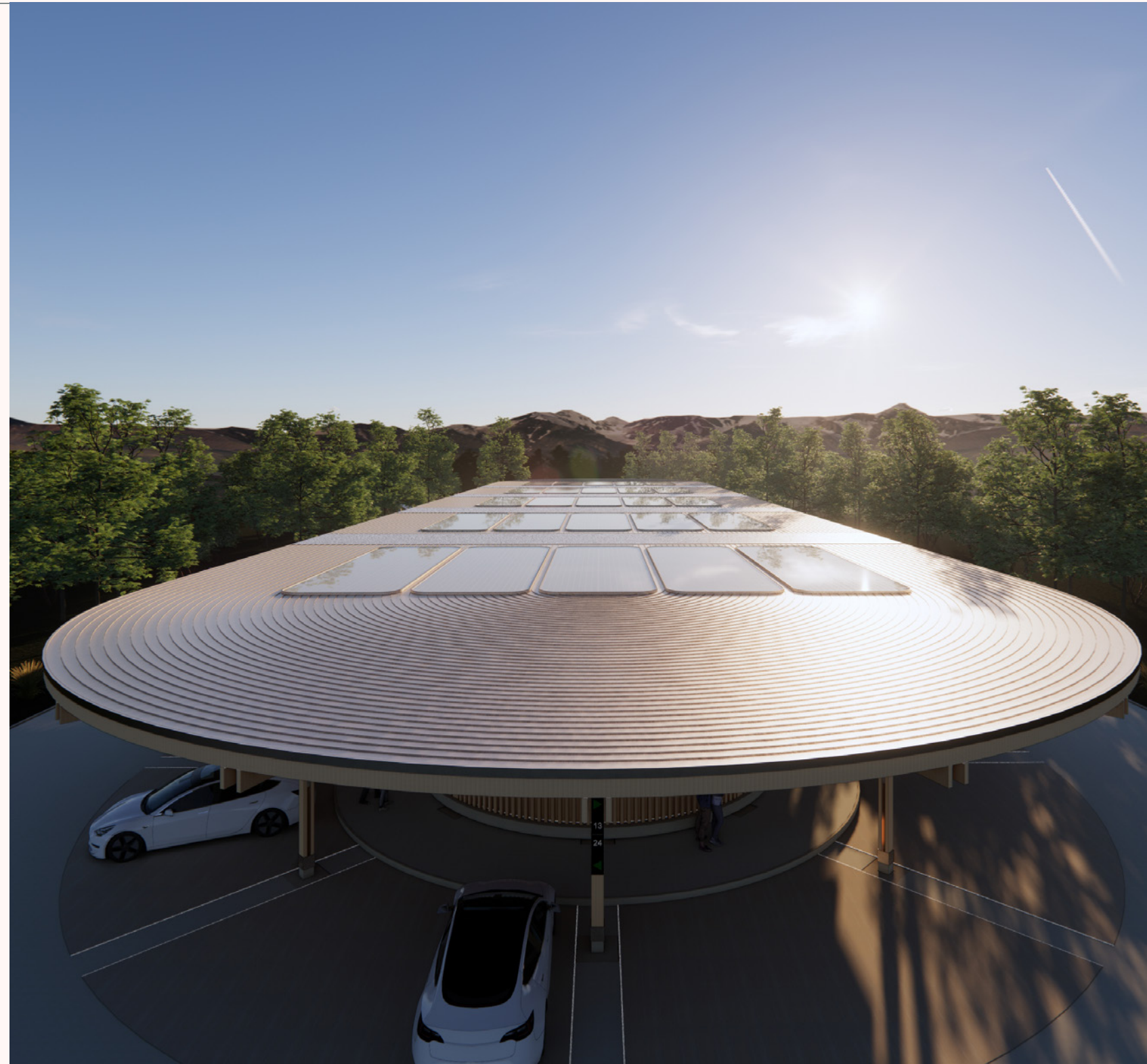
21. An error was found in the 2022 International Collective Bargaining Agreements total, the total was restated from 3% to 15%.

| Metric ¹ | Measurement | 2023 | 2022 | 2021 | 2020 | 2019 | FRAMEWORK REFERENCE (GRI, IPECA, SASB, TCFD) |
|---|----------------|--------|--------|--------|--------|------|--|
| GOVERNANCE | | | | | | | |
| Incidents of Non-compliance Concerning Product and Service Information and Labelling | count | 0 | 0 | 0 | – | – | GRI 417-2 |
| Incidents of Non-compliance Concerning Marketing Communications | count | 0 | 0 | 0 | 0 | – | GRI 417-3 |
| Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data | count | 0 | 0 | 0 | 0 | – | GRI 418-1 |
| Non-compliance with Laws and Regulations in the Social and Economic Area | count | 0 | 0 | 0 | 0 | – | GRI 419-1 |
| Direct Economic Value Generated | millions \$CAD | 32,531 | 35,492 | 21,497 | 14,040 | – | GRI 201-1 |
| International | millions \$CAD | 9,497 | 8,730 | 4,886 | 3,636 | – | GRI 201-1 |
| Canada | millions \$CAD | 15,375 | 16,838 | 8,726 | 6,443 | – | GRI 201-1 |
| USA | millions \$CAD | 6,530 | 8,653 | 4,816 | 1,857 | – | GRI 201-1 |
| Refining (formerly part of “Supply”) | millions \$CAD | 1,129 | 1,271 | 3,069 | 2,104 | – | GRI 201-1 |
| Economic Value Distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments | millions \$CAD | 2,624 | 2,348 | 1,761 | 1,607 | – | GRI 201-1 |
| Economic Value Retained | millions \$CAD | 29,907 | 33,144 | 19,736 | 12,433 | – | GRI 201-1 |
| Board Diversity²² | | | | | | | |
| Gender Diverse (Women) | % | 40 | 30 | 30 | 20 | – | GRI 2-9 |
| Black, Indigenous, and People of Colour (BIPOC) | % | 10 | 10 | 10 | 10 | – | GRI 2-9 |
| Non-compliance with Laws and Regulations | count | 0 | 0 | 0 | – | – | GRI 2-27 |
| Confirmed Incidents of Corruption²³ | count | 0 | 0 | 0 | 0 | 0 | GRI 205-3 |
| Legal Actions for Anti-competitive Behaviour, Anti-trust and Monopoly Practices | count | 0 | 0 | 0 | 0 | – | GRI 206-1 |

22. See “Nominees for Election to the Board of Directors and Director Information” on pages 21-42 of the Information Circular; see also “Enhancing Parkland’s Commitment to Diversity” on page 52 of the Information Circular.

23. Zero confirmed material incidents of corruption during the reporting period. Zero confirmed incidents in which employees were dismissed or disciplined for material corruption during the reporting period. Zero confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption. Zero public legal cases regarding corruption brought against the organization or its employees during the reporting period.

2023 Sustainability Framework Mapping



2023 Global Reporting Initiative (GRI) Index

| GRI Reference Code | Description | 2023 Response |
|--------------------|--|---|
| 2-1 | Organizational details | a) Parkland Corporation b) A publicly-traded corporation incorporated pursuant to the Alberta Business Corporations Act. c) Headquarters are located in Calgary, Alberta, Canada. d) Parkland operates in 26 countries. Countries of operation: Anguilla, Antigua, Bahamas, Barbados, Belize, Bermuda, British Virgin Islands, Canada, Cayman Islands, Dominica, Dominican Republic, French Guiana, Grenada, Guadeloupe, Guyana, Haiti, Jamaica, Martinique, Puerto Rico, St. Kitts & Nevis, St. Lucia, St. Maarten, St. Vincent & Grenadines, Suriname, the United States, the US Virgin Islands. |
| 2-2 | Entities included in the organization's sustainability reporting | Parkland's sustainability reporting is enterprise-wide. Any reporting boundaries specific to an individual disclosure are indicated for that disclosure. Parkland's subsidiaries are presented in the organization chart on page 7 of the Annual Information Form (AIF) (please note that this includes Parkland's material subsidiaries only, as defined on page 7 of the AIF). |
| 2-3 | Reporting period, frequency and contact point | Please refer to page 10 of the 2023 Sustainability Report. |
| 2-4 | Restatements of information | A restatement of information from the previous reporting period has been made to the following disclosure and is described therein: GRI 2-30 |
| 2-5 | External assurance | Please see the end of the 2023 Sustainability Report for the assurance statement over Scope 1 and 2 GHGs. Consistent with last year, Parkland's Risk & Controls team verified all numeric metrics documented in this report. |
| 2-6 | Activities, value chain and other business relationships | For a description of the business of the corporation, please refer to Parkland's Annual Information Form for the financial year ended December 31, 2023 (the "AIF") on pages 7-23: https://assets.ctfassets.net/tatgxeb-mkmwo/5e8UkEnzWg2cWajUDdVWkp/f7c77d0f8c09d70e47f9c74197be510f/Annual_Information_Form.pdf 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. |
| 2-7 | Employees | Total number of employees: 6,181 Total number of employees by region and gender: <ul style="list-style-type: none"> • International: Women 40%, Men 60% • Canada: Women 34%, Men 66% • USA: Women 43%, Men 57% Total number of employees by region, employment contract type (permanent and temporary) and gender: <ul style="list-style-type: none"> • International: Permanent: Women - 279, Men - 419 • International: Temporary: Women - 2, Men - 7 • Canada: Permanent: Women - 896, Men - 1,722 • Canada: Temporary: Women - 39, Men - 90 • USA: Permanent: Women - 1,172, Men - 1,555 • USA: Temporary: Women - 0, Men - 0 Total number of employees by region, employment type (full-time and part-time) and gender: <ul style="list-style-type: none"> • International: Full-time: Women - 281, Men - 426 • International: Part-time: Women - 0, Men - 0 • Canada: Full-time: Women - 898, Men - 1,721 • Canada: Part-time: Women - 37, Men - 91 • USA: Full-time: Women - 921, Men - 1,343 • USA: Part-time: Women - 251, Men - 212 Total number of employees by age group: <ul style="list-style-type: none"> • Under 30 years old: 920 • Between 30 and 50 years old: 3,242 • Over 50 years old: 2,019 Please note that we are currently only reporting women and men as part of our external disclosure. M&M Food Market is currently excluded from the totals as their systems are currently being integrated with Parkland's but Parkland commits to including M&M in future reporting years. |

| GRI Reference Code | Description | 2023 Response |
|--------------------|---|---|
| 2-9 | Governance structure and composition | <p>Parkland's Board is comprised of 10 directors. Committees include the Audit Committee, Governance, Nominating and Ethics Committee, Human Resources and Compensation Committee, and the Environment, Safety and Sustainability Committee. Each committee's respective mandate is set out in Schedules "B" through "E" of the Information Circular.</p> <p>The Human Resources and Compensation Committee and the Environment, Safety and Sustainability 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 "D" and "E" 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"> i. See "Directors and Executive Officers" on pages 52-53 of the 2023 Annual Information Form for the list of directors and officers of Parkland. ii. Except for the President and Chief Executive Officer of Parkland, all of Parkland's Board members are independent. iii. As at May 4, 2023, Parkland's average Board tenure was 6 years. As of March 28, 2024 Parkland's average Board tenure is 3.9 years. iv. See "Nominees for Election to the Board of Directors and Director Information" on pages 21-42 of the Information Circular for the number of other significant positions and commitments held by each member, and the nature of the commitments. v. 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 21-42 of the Information Circular; see also "Enhancing Parkland's Commitment to Diversity" on page 52 of the Information Circular; and see also sections 12 to 15 of "How We Comply With Corporate Governance Disclosure Guidelines" on pages 103 and 104 of the Information Circular. vi. 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 (10%) and one LGBTQ+ individual on its executive team (11%). See "Nominees for Election to the Board of Directors and Director Information" on pages 21-42 of the Information Circular; see also "Enhancing Parkland's Commitment to Diversity" on page 52 of the Information Circular. vii. 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 21-42 of the Information Circular; see also the skills matrix in "Board Renewal" on page 48 of the Information Circular. viii. At the 2023 Annual General Meeting of Shareholders, the full slate of directors was elected. |
| 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 of current directors; diversity; expected retirement dates; the strategic direction of the organization; and the financial market's need for strong independent representation. The Board of Directors has used an executive recruiting organization to identify candidates meeting its specific requirements.</p> <p>The Governance, Nominating and Ethics 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 receives minutes of GNE 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.</p> <p>See Schedule "C" – Mandate of the Governance, Nominating and Ethics Committee on pages 113-115 of the Information Circular; see also "Nomination of Directors" on page 99 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 52 of the Information Circular; see also "Board Renewal" on page 46 of the Information Circular.</p> <p>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 utilized an executive recruiting agency to identify specific candidates meeting specific requirements. 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. 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 46 of the Information Circular.</p> |
| 2-11 | Chair of the highest governance body | The chair of the highest governance body is not a senior executive in the organization. |

| GRI Reference Code | Description | 2023 Response |
|--------------------|---|--|
| 2-12 | Role of the highest governance body in overseeing the management of impacts | The Board of Directors has established an Environment, Safety and Sustainability Committee (formerly the Environment, Social and Governance Committee) to oversee ESG matters. Management has appointed the Senior Vice President, People & Culture, Health, Safety, Environment, and Sustainability as Chief Sustainability Officer with primary responsibility for ESG. |
| 2-13 | Delegation of responsibility for managing impacts | The Board of Directors has established an Environment, Safety and Sustainability Committee (formerly the Environment, Social and Governance Committee) to oversee ESG matters. Management has appointed the Senior Vice President, People & Culture, Health, Safety, Environment, and Sustainability as Chief Sustainability Officer with primary responsibility for ESG. |
| 2-14 | Role of the highest governance body in sustainability reporting | <p>Please see page 118 of the Management Information Circular dated February 27, 2024 (the "IC") for the Board ESS Committee's mandate: https://assets.ctfassets.net/tatgxebmkmwo/1oYlZtn1IMQgl0zUd24vL8/1f39f8957f2f6384461826df5f088e96/Information_Circular.pdf</p> <p>As part of the 2023 strategy refresh, the ESS Committee reviewed and validated the updated sustainability targets and will continue to oversee plans to achieve the targets and receive regular progress updates during quarterly committee meetings.</p> |
| 2-15 | Conflicts of interest | <p>a) Parkland has established a Code of Conduct and Conflict of Interest Guidelines (the "Code"). A copy of the Code is provided to all officers, directors and senior managers and is made available on Parkland's website. Under the Code, officers, directors, and senior managers 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. Further more, management reports to the Audit Committee on a quarterly basis the existence of any related party transactions. See "Ethical Business Conduct" on page 101 of the Information Circular; see also Schedule "A" – Mandate of the Board of Directors on pages 106 to 108 of the Information Circular.</p> <p>b)</p> <p>i. 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 Tenure" on page 46 of the Information Circular.</p> <p>ii. 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>iii. 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>iv. See response for 2-15(a) above; see "Related Party Transactions" on page 96 of the Information Circular; see also "Conflicts of Interest" on page 54 of the Annual Information Form.</p> <p>v. 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.</p> |
| 2-16 | Communication of critical concerns | <ul style="list-style-type: none"> • 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. • Zero material concerns were reported to the Board during the reporting period. |

| GRI Reference Code | Description | 2023 Response |
|--------------------|--|--|
| 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 ESS 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 & 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.</p> <p>In 2022, the Board received education sessions from external experts on topics such as macro industry trends, sustainability standards, assurance and audit trends, food industry trends, EV charging, and renewable diesel markets.</p> <p>In 2023, the Board received education sessions from external experts on topics such as macro and energy supply outlook and the Caribbean economic landscape. In addition, the Audit Committee received a briefing from the Canadian Center for Cyber Security and a briefing on ESG guidelines and reporting structures. 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 49 of the Information Circular; see also “Orientation and Continuing Education” on page 101 of the Information Circular; see also “Schedule C - Mandate of the Governance, Nominating and Ethics Committee” on pages 113-115 of the Information Circular.</p> |
| 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 2023, 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. The then-Board Chair 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>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. In addition, in 2023, the Board retained an external third-party consultant to implement a robust board evaluation and development program which is intended to continue into 2024. The external consultant conducted interviews with each director, consulted with key stakeholders, and provided actionable recommendations for development and board effectiveness. The Board will continue to work with the external consultant in 2024 to facilitate the Board’s effectiveness, leadership, and development.</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 2024, and expects to conduct individual 360° assessments every year.</p> <p>See “Assessments” on page 103 of the Information Circular; see also “Board Performance and Professional Development” on pages 48-51 of the Information Circular.</p> |
| 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 35% stock options vesting 1/3 per year on anniversaries of grant and 65% Performance 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 “Parkland’s Compensation Framework” on pages 71-76 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.</p> |

| GRI Reference Code | Description | 2023 Response |
|--------------------|---|--|
| 2-20 | Process to determine remuneration | <p data-bbox="801 175 1690 196">See “HRC Committee Governance and Oversight” on pages 66-70 of the Information Circular.</p> <p data-bbox="801 228 2791 298">The HRC Committee reviews, reports and provides recommendations to the Board of Directors on the compensation plans and matters, including compensation of the Chief Executive Officer, Chief Financial Officer and other executive officers of Parkland. The HRC Committee also reviews and makes recommendations to the Board on succession plans for the President and Chief Executive Officer, the compensation for members of the Board, and the approval of all grants of Options, PSUs and DSUs.</p> <p data-bbox="801 331 2791 401">The Board of Directors receives and considers the reports and recommendations of the HRC Committee and makes the final decisions on these matters. In 2023, 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.</p> <p data-bbox="801 433 2834 503">The President and Chief Executive Officer typically attends meetings of the HRC 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 HRC Committee and, as such, is not entitled to vote on any matter brought before the HRC Committee. The President and 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 data-bbox="801 535 2757 605">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 20 of the Information Circular.</p> <p data-bbox="801 638 2814 708">To encourage an objective process for determining compensation, the HRC 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 HRC Committee. See “How We Comply With Corporate Governance Disclosure Guidelines - Compensation” starting on page 100 of the Information Circular.</p> <p data-bbox="801 740 2809 781">Parkland discloses the results of its “Say on Pay” advisory vote in its Information Circular. At Parkland’s 2023 Annual General Meeting, the voting results on the non-binding advisory vote on executive compensation were 113,557,470 (91.85%) in favour and 10,076,084 (8.15%) against. See “Shareholder Advisory Vote on Approach to Executive Compensation” on page 20 of the Information Circular.</p> |
| 2-22 | Statement on sustainable development strategy | Please refer to page 5 of the 2023 Sustainability Report. |
| 2-23 | Policy commitments | <p data-bbox="801 883 2834 1008">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. Parkland has implemented a Supplier Code of Conduct that requires adherence to anti-slavery and anti-child/forced labour practices. We are in the process of integrating the Supplier Code of Conduct into our supply contracts and communicating the policy and its requirements to our suppliers. In addition, we have filed our report to meet our obligations under Bill S-211, known as the Fighting Against Forced Labour and Child Labour in Supply Chain Act. Parkland has also implemented a Human Rights Policy that requires adherence to anti-slavery and anti-child/forced labour practices. The Human Rights Policy is available on the Sustainability section of our Parkland.ca website.</p> |
| 2-24 | Embedding policy commitments | <p data-bbox="801 1057 2834 1127">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.</p> |
| 2-25 | Processes to remediate negative impacts | <p data-bbox="801 1175 2834 1245">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. Our Policy, Sustainability, and Government Relations teams publish newsletters, holds community engagement sessions, and conducts ad hoc discussions with individuals who have concerns or grievances, particularly in association with our Burnaby refinery.</p> <p data-bbox="801 1278 2013 1300">Parkland works with regulators and local communities to remediate environmental impacts, if any, associated with our activities.</p> |

| GRI Reference Code | Description | 2023 Response |
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| 2-26 | Mechanisms for seeking advice and raising concern | <p>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. In September 2022, Parkland launched its "Disrespectful Workplace Incident" program available to employees through Parkland's intranet, allowing employees to confidentially report workplace incidents to Parkland's People & Culture team. Further, the organization's General Counsel is prominent within the organization, and his 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.</p> <p>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.</p> |
| 2-27 | Compliance with laws and regulations | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 2-28 | Membership associations | <p>Parkland engages with a number of associations and think-tanks as part of the company's policy portfolio to ensure alignment, awareness and engagement as necessary on issues of impact to Parkland.</p> <p>Ongoing engagement is undertaken with associations and groups including but not limited to:</p> <ul style="list-style-type: none"> • Canadian Fuels Association • SIGMA • Canadian Chamber of Commerce • Cayman Renewable Energy Association • Transportation Energy Institute • Barbados Renewable Energy Association (BREA) |
| 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 Policy, Sustainability and Government Relations teams helps support the identification of such 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"> • Indigenous Peoples and Governments • Local Community Members • Governments and Regulators • Partners • Suppliers • Investors • Customers • Employees <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. For more information, please see page 33 of the 2023 Sustainability Report.</p> <p>Examples of meaningful engagement Parkland has undertaken in the past includes consultation agreements and processes with First Nations, 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 neighbours, and always look for ways to do better.</p> |
| 2-30 | Collective bargaining agreements | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-1 | Process to determine material topics | Please refer to page 33 of the 2023 Sustainability Report |
| 3-2 | List of material topics | Please refer to page 33 of the 2023 Sustainability Report |
| 3-3 | Management of material topics | <p>Please refer to the following pages in the 2023 Sustainability Report:</p> <ul style="list-style-type: none"> • Promote healthy and safe operations: pages 6-9, 11-14 • Support customers through the energy transition: pages 6-9, 15-17 • Reduce our operational climate impact: pages 6-9, 18-23 • Build a diverse team and inclusive workplace: pages 6-9, 24-26 • Invest in our communities: pages 6-9, 27-29 |
| 201-1 | Direct economic value generated and distributed | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |

| GRI Reference Code | Description | 2023 Response |
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| 201-2 | Financial implications and other risks and opportunities due to climate change | <ul style="list-style-type: none"> • Current and emerging climate-related legislation and regulation are relevant and always included in our risk assessment process; these risks may increase costs, adversely affect Parkland's operations, reduce customer demand, and have adverse reputational impacts. • New technologies that increase fuel efficiency, reduce consumption, offer alternative vehicle power sources or accelerate autonomous adoption will reduce consumption and demand for petroleum-based motor fuels. These technological developments could potentially have a material adverse effect on the Corporation's business, financial condition and results of operations if the Corporation does not adapt to changing consumer demands. • Legal actions from climate-related events are relevant and always included in our risk assessment process, given the potential risks to our business from claims. • Market demand for crude oil and petroleum products from climate change is relevant and always included in our risk assessment process. • Parkland's reputation is relevant and always included in our risk assessment process, given the potential risk of increased operating costs for our business, decreased customer demand and adverse reputational impacts. • Parkland's assessment of risk factors related to the impact of climate change and sustainability/ESG requirements are described in Parkland's Annual Information Form and the MD&A. |
| 3-3 | Management of material topics: procurement practices | <p>In 2023, Parkland conducted a risk mapping of our direct workforce and of top spend tier one suppliers across the enterprise to identify potential risks for child labour and forced labour in accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act, SC 2023, c 9 (the "Act") that went into effect on January 1, 2024. Parkland published a formal report on our website on May 31, 2024. A number of existing policies are in place that outline Parkland's commitment to mitigating child labour and forced labour in our operations and supply chains:</p> <ol style="list-style-type: none"> 1. Sustainability Policy 2. Human Rights Policy 3. Whistleblower Policy 4. Code of Conduct 5. Supplier Code of Conduct |
| 3-3 | Management of material topics: anti-corruption | <ul style="list-style-type: none"> • 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 or entities that do not respect human rights or that area 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. • Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships. • Parkland has an Anti-Corruption Policy and a Code of Conduct, which strictly prohibit the involvement in the described activities. • The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made. • 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, and through process and controls established under Parkland's Anti-Corruption Policy and Framework. • Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others. |
| 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. |
| 205-3 | Confirmed incidents of corruption and actions taken | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-3 | Management of material topics: anti-competitive behaviour | <ul style="list-style-type: none"> • Potential negative impacts arising from anti-competitive behaviours include, among others, lessening competition, reputational impacts on Parkland, and regulatory actions. • Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships. • Parkland has a Competition Act policy, which strictly prohibits involvement in the described activities. • The applicable policies are read and agreed to by all employees, and additional periodic risk-based training is conducted to reinforce the commitments made. • The organization targets zero instances of anti-competitive behaviours. • Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others. |
| 206-1 | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | None |
| 207-1 | Approach to tax | <ul style="list-style-type: none"> • Parkland has a Board approved Global Tax Framework that describes the expected behavior of tax individuals across the Parkland organization. This is not publicly available. • Parkland's Director of Corporate Tax monitors adherence to the GTF and reports any material violations to the Parkland Audit Committee each quarter if applicable. • Material tax planning is only implemented after consultation with a competent external tax advisor. Material tax issues are discussed with the CFO and Chair of the Parkland Audit Committee each quarter. • Material tax adjustments are communicated quarterly with CFO and AC, allowing for senior leadership review of tax risks and GTF adherence. • GTF dictates that any tax concerns are to be reported to the Director, Corporate Tax and or Audit Committee consistent with Parkland's Whistleblower Policy. • Tax disclosures are reviewed each quarter and audited annually by our external auditor, PWC. |

| GRI Reference Code | Description | 2023 Response |
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| 207-2 | Tax governance, control, and risk management | <ul style="list-style-type: none"> • Tax governance and control framework: Please see GRI 207-1. • Mechanisms for reporting concerns about unethical or unlawful behavior and the organization's integrity in relation to tax: Informally through Management and/or Parkland's Whistleblower Hotline https://assets.ctfassets.net/tatgxebmkmwo/33yyiVDDzR9vZ37qYJsnGK/c2696c152c28a85502ac9ac53ab0dcf2/Whistleblower_Policy_-_REVISED_English_-_030123.pdf • Assurance Process: C-SoX, Internal Audit and Other Assurance Reviews to confirm effectiveness of internal controls - specifically to tax (NI52-109 Certification of Disclosure in Issuers' Annual & Interim Filings) • Tax Director reports Parkland's tax status to CFO, CEO, and AC each quarter |
| 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. |
| 3-3 | Management of material topics: energy | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 302-1 | Energy consumption within the organization | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 302-4 | Reduction of energy consumption | Please refer to the 'Reduce our operational climate impact' section on page 18-23 of the 2023 Sustainability Report. |
| 3-3 | Management of material topics: emissions | Please refer to the 'Reduce our operational climate impact' section on page 18-23 of the 2023 Sustainability Report. |
| 305-1 | Direct (Scope 1) GHG emissions | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 305-3 | Other indirect (Scope 3) GHG emissions | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 305-4 | GHG emissions intensity | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 305-5 | Reduction of GHG emissions | Please refer to the 'Reduce our operational climate impact' section on page 18-23 of the 2023 Sustainability Report. |
| 305-6 | Emissions of ozone-depleting substances (ODS) | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 401-1 | New employee hires and employee turnover | <p>New employee hires by region and gender:</p> <ul style="list-style-type: none"> • International: Women - 6%, Men - 8% • Canada: Women - 6%, Men - 12% • USA: Women - 16%, Men - 19% <p>Employee turnover by region and gender:</p> <ul style="list-style-type: none"> • International: Women - 2%, Men - 5% • Canada: Women - 7%, Men - 12% • USA: Women - 5%, Men - 13% <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.</p> |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Parkland provides our employees market competitive Total Rewards package across all geographies where we operate, including but not limited to, group insurance coverage, group health/medical plans, disability coverage with legislative leaves coverage, paid time off and group savings plans. We monitor market trends closely and make adjustments where necessary to ensure our group benefits meet the needs of employees and their families. |

| GRI Reference Code | Description | 2023 Response |
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| 403-1 | Occupational health and safety management system | Parkland has implemented an occupational health and safety management system that covers all employees, 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, 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 the AIF. |
| 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 notifies leadership via email and allows for the creation of a corrective action(s). Parkland's POEMS contains content on just culture and the process used for investigating incidents, including root cause analysis to investigate serious incidents and near misses, sharing lessons learned throughout the organization, and implementation of systemic corrective actions, to ensure a just culture is maintained.</p> <p>Workers are trained in the right to refuse unsafe work and Parkland's right to refuse states that workers are protected against reprisals for reporting workplace health and safety concerns. Parkland has an established process to investigate work-related incidents and near misses. Incidents are investigated using root cause analysis such that identified root causes have corrective actions assigned and tracked through completion in the HSE database. Lessons Learned are distributed to the organization with the investigative process being documented on Parkland Path, Parkland's company intranet.</p> |
| 403-3 | Occupational health services | Parkland employs an Occupational Health Nurse (OHN) to manage the occupational health services needs of the Canadian workers, and at the Burnaby Refinery for its employees and contractors. In Canada a telemedicine program is available to expedite injury management care to employees thus reducing lost time and expediting recovery. This program minimizes occupational health risks. The telemedicine program provides proactive services and care to employees which help improve injury outcomes and reduces occupational risks. |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | The OHS team is working to develop a program that will provide a similar service enterprise wide taking into account the regional legislations and requirements. |
| 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 and role specific occupational health and safety training is provided as required. Parkland uses a learning management system (LMS) to assign training and track completions. The LMS also provides leaders with training dashboards that include coming due training. |
| 403-9 | Work-related injuries | <p>For number of fatalities, recordable injuries, TRIF and LTIF, please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report.</p> <p>Work-related hazards that pose a risk of high-consequence injury include: transportation, handling, and transferring of the various dangerous goods 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 2022, Parkland introduced the use of vehicle camera programs in its international division to help reduce the risks associated with driving commercial vehicles. The USA and Canada divisions have in vehicle cameras in all commercial vehicles and the international division is working on implementing this program. Additionally, in 2022 Parkland implemented an Occupational Health module to its existing Cority platform. The Occupational Health module will support improvements in injury and illness case management.</p> |
| 405-1 | Diversity of governance bodies and employees | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-3 | Management of material topics: child labour | <ul style="list-style-type: none"> • 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. • Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships. • Parkland has a Code of Conduct, Supplier Code of Conduct, Sustainability Policy, and Human Rights Policy, which strictly prohibits involvement in the described activities. In addition, Parkland is in the process of completing its report to meet its obligations under Bill S-211. • The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made. In conjunction with its obligations under Bill S-211, in 2023 Parkland conducted an enterprise-wide risk assessment of our supply chain and operations to assist in understanding and identifying areas of elevated risk of child labour and forced labour. • The organization targets zero instances of child labour. • Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others. |
| 408-1 | Operations and suppliers at significant risk for incidents of child labour | <p>a) 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.</p> <p>b) No operations or suppliers of Parkland are considered to have significant risk for incidents of child labour.</p> <p>c) Parkland has developed a Supplier Code of Conduct that will be required of all suppliers, and which strictly prohibits the use of child labour. Parkland has also developed a Human Rights Policy, applicable to the corporation and all of its employees, directors, contractors and to all of its subsidiaries and affiliated companies, including joint ventures where it has a controlling interest, which strictly prohibits the use of child labour.</p> <p>Please see Parkland's Bill S-211 Modern Slavery Report for more information.</p> |

| GRI Reference Code | Description | 2023 Response |
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| 3-3 | Management of material topics: forced or compulsory labour | <ul style="list-style-type: none"> • 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. • Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships. • Parkland has a Code of Conduct, Supplier Code of Conduct, Sustainability Policy, and Human Rights Policy, which strictly prohibit involvement in the described activities. • The Code of Conduct is read and agreed to by all employees, and training is conducted to reinforce the commitments made. • The organization targets zero instances of the use of forced labour. • Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with suppliers, customers, and others. <p>Please see Parkland's Bill S-211 Modern Slavery Report for more information.</p> |
| 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour | <ul style="list-style-type: none"> • No operations or suppliers of Parkland are considered to have significant risk for incidents of forced or compulsory labour. • Parkland has developed a Supplier Code of Conduct that will be required of all suppliers, and which strictly prohibits the use of force or compulsory labour. Parkland has also developed a Human Rights Policy, applicable to the corporation and all of its employees, directors, contractors and to all of its subsidiaries and affiliated companies, including joint ventures where it has a controlling interest, which strictly prohibits the use of forced or compulsory labour. <p>Please see Parkland's Bill S-211 Modern Slavery Report for more information.</p> |
| 3-3 | Management of material topics: Indigenous peoples | <p>The rights of Indigenous Peoples are an important priority to Parkland. Our goal is to foster meaningful and beneficial relationships built on mutual understanding, integrity, respect, and transparency. Our Corporate Affairs division has an established Indigenous Relations function with responsibilities at the Manager, Director, and Vice President level, reporting to the role of Senior Vice President, People & Culture, Health, Safety, Environment, and Sustainability. Parkland recognizes it operates on or within the traditional territories of numerous Indigenous Nations and communities through Canada, the US, and internationally. We have established close and growing relationships with many Indigenous Nations, including in particular those surrounding our refinery in Burnaby, British Columbia.</p> |
| 411-1 | Incidents of violations involving rights of Indigenous Peoples | No material incidents. |
| 3-3 | Management of material topics: local communities | Please refer to pages 27-29 of the 2023 Sustainability Report. |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | <p>Parkland conducts community engagement and has social investment programs across the enterprise. Key examples include:</p> <ul style="list-style-type: none"> • Parkland Pledge https://www.parkland.ca/sustainability/community • Burnaby Refinery's Community Advisory Panel and Social Investment Program: https://www.burnabyrefinery.ca/community/community-advisory-panel/ • Sol Cares: https://solpetroleum.com/about-us/in-the-community/ <p>Please refer to pages 27-29 of Parkland's 2023 Sustainability Report for more information on Parkland's community engagement.</p> |
| 3-3 | Management of material topics: public policy | <p>Parkland's Policy, Sustainability, Indigenous Relations and Government Relations functions are aligned, helping to ensure consistency between activities with public policy implications in all regions where Parkland operates. Parkland's Policy, Sustainability and Government Relations departments - which are responsible for public policy engagement, including on climate-related issues – reports directly to Parkland's SVP People & Culture, Health, Safety, Environment, and Sustainability who reports to Parkland's Board ESS 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> |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-3 | Management of material topics: marketing and labeling | <p>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.</p> <p>Furthermore, Parkland complies with all local regulations in regards to the sale of age-restricted items including tobacco products and alcohol.</p> |
| 417-1 | Requirements for product and service information and labeling | Same response as for GRI 3-3 (Management of material topics: marketing and labeling) |

| GRI Reference Code | Description | 2023 Response |
|--------------------|--|---|
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 417-3 | Incidents of non-compliance concerning marketing communications | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-3 | Management of material topics: customer privacy | <ul style="list-style-type: none"> • Potential negative impacts arising from privacy violations include, among others, the breach of individuals' privacy rights, reputational impacts on Parkland, and regulatory actions. • Parkland is not involved in any of the negative impacts through its activities or as a result of its business relationships. • 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. • The applicable policies are read and agreed to by all employees, and training is conducted to reinforce the commitments made. • The organization targets zero instances of privacy violations. • Stakeholders' views are incorporated through the use of industry best practices and formal and informal consultation with employees, suppliers, customers, and others. |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 3-3 | 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. |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| 306-3 | Significant spills | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |

2023 Sustainability Accounting Standards Board (SASB) Index (Oil & Gas - Refining & Marketing)

| Description | SASB Reference Code | 2023 Response |
|---|---------------------|--|
| GHG Emissions | EM-RM-110a.1 | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| | EM-RM-110a.2 | Please refer to the 'Reduce our operational climate impact' section on page 18-23 of the 2023 Sustainability Report. |
| Air Quality | EM-RM-120a.1 | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| | EM-RM-120a.2 | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| Water Management | EM-RM-140a.2 | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| Workforce Health & Safety | EM-RM-320a.1 | Please refer to the Sustainability Performance Data on pages 34-37 and GRI 403-9 of the 2023 Sustainability Framework Mapping. |
| | EM-RM-320a.2 | Please refer to GRI 403-1 of the 2023 Sustainability Framework Mapping. |
| Product Specifications & Clean Fuel Blends | EM-RM-410a.1 | As we do not produce fuels in the US, 100% of the company's US Renewable Volume Obligation (RVO) is met through the purchase of separated renewable identification numbers. |
| | EM-RM-410a.2 | Parkland makes up 2.9% of Canada's 1.9 million barrels per day of total refining capacity, but approximately 50% of the country's renewable refining capacity. |
| Pricing Integrity & Transparency | EM-RM-520a.1 | Zero. The organization has not identified any legal proceedings associated with price fixing or price manipulation. |
| Management of the Legal & Regulatory Environment | EM-RM-530a.1 | Parkland uses multiple mechanisms to identify and mitigate risks associated with government regulations and policy proposals. The company's Policy, Sustainability, and Government Relations groups 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. |
| Refining throughput of crude oil and other feedstocks | EM-RM-000.A | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| Refining operating capacity | EM-RM-000.B | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |

2023 Task Force on Climate-Related Financial Disclosures (TCFD) Index

| TCFD Reference | Description | 2023 Response |
|--|---|--|
| GOVERNANCE | | |
| Disclose the organization's governance around climate-related risks and opportunities | a) Describe the Board's oversight of climate-related risks and opportunities. | Please refer to GRI 2-14 of the 2023 Sustainability Framework Mapping. |
| | b) Describe management's role in assessing and managing climate-related risks and opportunities. | <p>Parkland's Senior Vice President (SVP) People & Culture, Health, Safety, Environment, and Sustainability oversees corporate social responsibility matters across the enterprise. The SVP is an executive-level position that reports to the Board's ESS Committee on sustainability related matters, including climate-related issues, on a quarterly basis. These matters are monitored by Parkland's Sustainability & Government Relations teams, which each report to the SVP People & Culture, Health, Safety, Environment, and Sustainability, with the support of other relevant Parkland teams.</p> <p>Parkland's Vice President of Health, Safety and Environment (VP, HSE) leads 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 ESS Committee on a quarterly basis.</p> <p>Parkland's Sustainability Task Force is chaired by the SVP People & Culture, Health, Safety, Environment, and Sustainability 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. The Sustainability Task Force was refreshed in 2023 as part of the strategic refresh.</p> |
| STRATEGY | | |
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term | Please refer to GRI 201-2 of the 2023 Sustainability Framework Mapping. |
| | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. | <p>Parkland has an important role to play in supporting the transition to a low-carbon economy. Our strategy, which we renewed in 2023, positions Parkland for success in our current market environment and in a future in which the world has significantly progressed the Energy Transition. Our strategy is detailed further starting on page 14 of the company's Annual Information Form.</p> <p>Climate-related risks and opportunities inform Parkland's strategy and financial planning in the following ways:</p> <ul style="list-style-type: none"> • Revenues: The transition to a lower carbon economy will introduce several changes that could impact Parkland's revenues: government policy in favour of electric vehicles and clean fuels, and the introduction of new technologies will impact the cost-competitiveness of alternative vehicles relative to internal combustion engine vehicles; consumer behaviours shifting in favour of lower carbon transportation; and growing demand among commercial customers for low carbon fuels. Each of these factors poses a potential challenge to Parkland's fuel revenues (both volumes and margins) and refining margins. However, they also present an opportunity for Parkland to participate in new lines of business (such as EV charging and renewable fuels manufacturing, sourcing and blending). • Ongoing costs: The energy transition and associated changes in regulation and fuel demand will also drive changes in Parkland's costs of business. In particular, the introduction of and change in carbon taxes across the jurisdictions in which we operate, and carbon intensity standards for transportation fuels and associated obligations on fuel manufacturers and marketers create new costs for Parkland. Parkland's ability to generate credits within the various carbon intensity regimes (e.g., through co-processing at the Burnaby refinery, EV charging, blending of renewable fuels) enables the company to offset some of these incremental costs and mitigate their impact. • Capital expenditures: Parkland has shifted the profile of our capital expenditures in response to expected changes in conventional and alternative fuel demand. For instance, our retail sites have a greater emphasis on convenience retailing, food, carwash and other non-fuel categories, which are expected to be resilient offerings. We have also developed one of Canada's largest EV fast charging networks, focusing on Canadian jurisdiction with relatively highly EV adoption and charging infrastructure requirements. • 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 more resilient demand profile for fuels. • Access to capital: 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 are 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. |

| TCFD Reference | Description | 2023 Response |
|--|--|--|
| STRATEGY | | |
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | In Q4 2023, Parkland renewed its strategic vision and direction. This strategy focuses on: <ul style="list-style-type: none"> • Customer Advantage – enhancing our market share and the loyalty of our customers through a differentiated value proposition. This includes supporting our customers through the energy transition with offers that include renewable fuels and lubricants, compliance and carbon offsets, EV charging, commercial solar power, and other solutions as policy and technology evolve. • Supply Advantage - Parkland seeks to have the lowest cost to serve among independent fuel marketers and distributors by leveraging its scale, capabilities and assets to establish and maintain a competitive advantage in securing low cost supply. This approach extends beyond conventional fuels to include renewable fuels and other low carbon alternatives. For more information on our energy transition strategy, please refer to page 14 of the AIF. |
| RISK MANAGEMENT | | |
| Disclose how the organization identifies, assesses, and manages climate-related risks. | a) Describe 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. 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. |
| | b) Describe the organization's processes for managing climate-related risks. | Same as TCFD RM a) |
| | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risks management. | Same as TCFD RM a) |
| METRICS AND TARGETS | | |
| Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. | b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks. | Please refer to the Sustainability Performance Data on pages 34-37 of the 2023 Sustainability Report. |
| | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets. | Please refer to pages 6-8 of the 2023 Sustainability Report. |

Statement of Verification

Parkland Corporation
1800, 240-4 Ave SW
Calgary, Alberta T2P 4H4
403-567-2500

August 1, 2024

Introduction

Parkland Corp. (the “Responsible Party”) engaged Brightspot Climate Inc. (Brightspot Climate) to verify their corporate greenhouse gas (GHG) inventory for the 2023 calendar year.

The Responsible Party’s “GHG Statement” is comprised of the Parkland Corporation 2023 Sustainability Report and supporting documentation. The GHG Statement covers the reporting period January 1, 2023 – December 31, 2023, and states a total GHG emissions inventory as follows:

| | |
|----------|-----------------------------|
| Scope 1: | 535,681 tCO ₂ e* |
| Scope 2: | 43,050 tCO ₂ e** |

* Includes 437,372 tCO₂e (biogenic and non-biogenic) reasonably assured by Brightspot Climate as part of the Burnaby Refinery’s compliance obligations under the British Columbia Greenhouse Gas Emission Reporting Regulation and 98,309 tCO₂e limited assured as part of Parkland’s voluntary Corporate Greenhouse Gas Inventory Assurance.

**Electricity Emissions are Location-Based

The GHG Statement is based on historical GHG information.

The Responsible Party is responsible for the preparation and fair presentation of the GHG statement in accordance with the criteria. Our responsibility as the verifier is to express an opinion on the GHG statement based on the verification.

Scope

Brightspot Climate Inc. was engaged to verify Scope 1 and Scope 2 emissions, with the exclusion of the previously verified emissions from the Parkland Burnaby Refinery. We completed our review in accordance with the ISO 14064 Part 3: Greenhouse Gases: Specification with Guidance for the Verification and Validation of Greenhouse Gas Statements. As such, we planned and performed our work to provide positive, but not absolute assurance with respect to the GHG Assertion. The inventory was verified at a limited level of assurance.

The verification procedures that were performed through the course of the verification were developed based on the results of a risk assessment that was completed during the verification planning stage. These verification procedures are described in the Verification Plan. Certain verification procedures included data sampling. The sampling type, sample size and the justification for the planned sampling type and size are detailed in a Sampling Plan, which is included in the Verification Plan.



Conclusion and Verification Opinion

I believe our work provides a reasonable basis for my conclusion. There are 5 unresolved immaterial discrepancies remaining in the GHG Statement, which are detailed in the Verification Report. The aggregate of the immaterial discrepancies does not exceed the materiality threshold.

Based on the processes and procedures conducted through the verification, nothing has come to the attention of the verifier that would lead to the belief that the GHG Statement is not a fair representation of the GHG data and information.

Signed,



Lorena Ellsworth, P.Eng.
Brightspot Climate Inc.

Authentication



2024-08-01

| | |
|--|-----------------------------|
| PERMIT TO PRACTICE BRIGHTSPOT CLIMATE INC. | |
| RM SIGNATURE: | <u><i>Jessica Braun</i></u> |
| RM APEGA ID #: | <u>80007</u> |
| DATE: | <u>2024-08-01</u> |
| PERMIT NUMBER: P014428 | |
| The Association of Professional Engineers and Geoscientists of Alberta (APEGA) | |

Forward-Looking Statements

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, plans and expectations relating thereto and the timing thereof, which are outlined under the following five focus areas: (i) promoting healthy & safe operations, including Parkland’s ambition for zero serious injuries and fatalities, establishing processes to help safeguard assets and workforce from climate-related weather events, and expectations regarding future spill volumes; (ii) supporting customers through the energy transition, including providing customers with products and services that help reduce emissions compared to conventional alternatives, reducing customer CO₂e emissions by at least 1 million tonnes, plans to implement and expand its EV charging network, providing our customers the opportunity to access fuel with lower carbon intensity, expectations with respect to our goals and meeting LCFS through co-processing bio-feedstocks and blending ethanol and renewable diesel to produce low-carbon intensity fuels, and expanding co-processing capability at the Burnaby Refinery to 7,500 bpd by 2028; (iii) reduce our operational climate impact, including reducing Scope 1 and 2 GHG emissions from marketing facilities by 40% per site by 2030 compared to a 2019 baseline year, aligning refining emissions with the BC Government’s path to “net-zero-by-2050” and Output-Based Pricing System’s climate ambitions, our general strategy to decarbonize our business, and our solutions to help us reduce emissions and generate efficiencies, and to enable reduction in our customers’ emissions, our commitment to collaborating with governments where we operate to help them achieve their emissions reductions goals, expectations with respect to biogenic emissions, including as a result of expansions to co-processing at the Burnaby Refinery, expectations with respect to climate risk scenario planning, expectations with respect to electrification across sites and with respect to pilot projects in our marketing division, and opportunities to reduce our Scope 3 GHG emissions; (iv) building a diverse team & inclusive workplace, including maintaining a minimum of 30% of women on Board, while aspiring to achieve 50% representation, commitments to ongoing Board renewal and refreshment, and achieving and maintaining 30% representation by women in executive officer roles, strengthening our culture of employee inclusion through leadership training programs for women, and generally fostering a diverse and inclusive workplace that reflects the diverse communities in which we operate, supports employee growth and advancement and embeds equitable treatment into our systems, practices and processes; and (v) investing in our communities, including investing 1% of net earnings (loss) in local communities, achieving PAIR Bronze certification through the CCIB; expectations with respect to Parkland’s future reporting obligations under current and future reporting regimes, expectations with respect to developing an enterprise-wide social investment strategy, including the timing and impact thereof, building and enhancing relationships with Indigenous Peoples and advancing reconciliation; and expectations with respect to operations at our Burnaby Refinery.

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; Parkland’s ability to execute its business strategies, including with respect to sustainability and the energy transition; Parkland’s ability to achieve its goals, targets, plans and expectations relating to its sustainability strategies and achieving the expected benefits therefrom; 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 laws and regulations; climate-related risks, including climate change regulations, technological developments, reputational risks and extreme weather risks; challenges associated with decarbonizing refining activities; Parkland’s ability to retain, identify and attract management, employees and Board members in accordance with its Board renewal process and diversity targets; our ability to identify and prevent health and safety risks; our ability to ensure the effectiveness of our risk management strategy and management systems and programs; 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 Annual Information Form dated February 27, 2024 and in “Forward-Looking Information” and “Risk Factors” included in the Q2 2024 Management’s Discussion and Analysis dated July 31, 2024, each as filed on SEDAR+ and available on the Parkland website at 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 calculated as Parkland’s Market Capitalization plus Net Debt. Market Capitalization is calculated as Parkland’s share price (based on the closing share price as at December 29, 2023) multiplied by the number of Parkland’s basic shares outstanding (as at December 31, 2023). Net Debt is reported as at December 31, 2023 and is defined as total long-term debt less cash and cash equivalents.

Website References

Information contained in or otherwise accessible through Parkland’s website and other websites, though such may be referenced herein, does not form part of this report and is not incorporated by reference into this report.

Parkland

parkland.ca

General Inquiries: 1-877-906-6644

Media Inquiries: 1-855-301-5427

24H Emergency Response: 1-888-996-1122