

# 2023

## *Sustainability Report*







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# About This Report

*Welcome to Superior Plus's 2023 Sustainability Report. This report represents our continued commitment to providing greater transparency on our sustainability performance. This report is produced annually, and the content was guided by the Global Reporting Initiative ("GRI"), Task Force on Climate-related Financial Disclosures ("TCFD"), International Sustainability Standards Board ("ISSB") and the Sustainability Accounting Standards Board ("SASB") Gas Utilities and Distributors Standard, as well as the Road Transportation Standard. This report has been prepared and reviewed by relevant employees and senior management. It has been reviewed and approved by the President and Chief Executive Officer ("CEO"), as well as the Health, Safety and Environment ("HS&E") and Governance and Nominating Committees of the Board.*

If you would like to provide feedback or have questions, we invite you to contact us at: [investor-relations@SuperiorPlus.com](mailto:investor-relations@SuperiorPlus.com)

## Reporting Period and Boundaries

Superior, through its ownership of Superior LP and Superior GP, consists of the following four reportable operating divisions or segments: U.S. Retail Propane Distribution ("U.S. Propane"), Canadian Retail Propane Distribution ("Canadian Propane"), North American Wholesale Propane Distribution ("Wholesale Propane") and Certarus ("Certarus"). The U.S. Propane segment distributes propane gas and liquid fuels primarily in the Eastern United States ("U.S."), as well as the Midwest and California to residential and commercial customers. The Canadian Propane segment distributes propane gas and liquid fuels across Canada to residential and commercial customers. The Wholesale Propane segment is a distributor and marketer of propane gas and other natural gas liquids across Canada and the U.S. to wholesale customers and supplies the majority of propane gas required by the Canadian Propane segment and a portion of the propane gas required by the U.S. Propane segment. Certarus sells and distributes compressed natural gas ("CNG") and hydrogen across Canada and the U.S. to large-scale, industrial users, and provides over-the-road midstream solutions to renewable natural gas ("RNG") production projects. This report includes performance data and activities from January 1 to December 31, 2023, where Superior or one of its business segments is the operator. It includes performance data of the acquisitions that occurred in 2023, including Certarus, for all data unless otherwise stated. Data has also been adjusted to reflect the divestments of Northern Ontario assets that took place in 2023. Any data exclusions are noted throughout the report.

Superior defines 'low carbon' and 'lower carbon' fuels as those with a lower carbon intensity than fossil fuels that may be utilized in the same application (e.g. diesel, gasoline). Carbon intensity calculations may vary based on the production pathway of the fuel. While the carbon intensity calculation may change based on the production pathway, the carbon intensities of propane, compressed natural gas, hydrogen and renewable natural gas are consistently lower than those of gasoline or diesel. For more information, please refer to the chart on page 35.

Using the World Resources Institute's Estimating and Reporting the Comparative Emissions Impacts of Products working paper as a guideline, Superior has estimated customer emissions differentials in order to



demonstrate that the outcome of using of our fuels, compared with the equivalent use of gasoline or diesel, is lower overall GHG emissions. The estimates are not intended to inform policy or investment decisions.

Where data was available, we calculated the propane volumes associated with conversions from diesel, gasoline or heating oil in home, auto, and power generation applications and applied the appropriate emissions factor to calculate the emissions differentials.

In the case of Certarus, we used products with the highest market share in specific industries or applications as the baseline from which to ascertain the emissions differential attributed to replacing those products with CNG. In the majority of cases, the fuel replaced by CNG was diesel, however in some cases CNG replaced heavy oil and propane.

In the interest of balanced reporting, we also recognize that while the majority of the fuels we deliver offer lower-emissions alternatives compared with gasoline or diesel, the end use emissions associated with our heating oil volumes have a GHG impact and are accounted for in our Scope 3 emissions calculations.

## Restated Information

The terminology for our diversity classifications has been modified, but the definition remains the same. The previously reported metric used the classification “officer positions,” whereas this classification has now been modified to “executive leadership,” and includes our C-suite, divisional Presidents, and senior Vice Presidents. The previously reported metric used the classification “corporate and functional leadership positions,” whereas this category has now been further broken down by “senior leadership” and “management roles.” The data reported in 2022 and 2021 was therefore recalculated using the new criteria and thresholds and restated in this report.

In last year’s report, we set 2022 as our base year for emissions data. As such, we have recalculated 2022 emissions and energy use to include Certarus data.

## Financial information

Effective January 1, 2024, Superior began reporting results in U.S. dollars to improve year over year comparability given foreign exchange rate fluctuations, as the majority of its business activities are denominated in U.S. dollars. All financial information is reported in U.S. dollars unless otherwise stated.

## Assurance

Scope 1 and 2 greenhouse gas (“GHG”) emissions and Total Recordable Incident Rate (“TRIR”) data have been verified by MICONE Consulting Inc. However, assurance of TRIR excluded Certarus.

## Forward-Looking and Non-GAAP Information

Superior’s audited consolidated financial statements as at and for the year ended December 31, 2023, were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). This Sustainability Report includes forward-looking statements and non-generally accepted accounting principles (“non-GAAP”) financial measures. See “Forward-Looking Information and Non-GAAP Financial Measures” on pg. 77 for more details.





# Message To Our Stakeholders

Dear Stakeholders,

Superior is on a path of transformation, growth, and championing low carbon products and services for our customers and value chain. We have made important strides in our sustainability performance, including embedding sustainability principles into our foundational business strategy and governance structures. Not only is propane a key transition fuel, but our expansion into other alternative fuels, such as natural gas and hydrogen, positions us well for the future of clean energy in North America. Sustainability remains a central focus of Superior's operations. I am honored to lead this organization and collaborate with a team of dedicated professionals who share a commitment to sustainability. In this year's Sustainability Report, we outline the progress we've made and our ongoing efforts to embed sustainability throughout our organization.

## **Embracing the Energy Transition**

Superior has truly evolved into a pure play energy distribution company, specializing in low carbon fuels across North America. As a leader in propane distribution, we continued assisting customers, including rural and Indigenous communities, in transitioning from diesel and heating oil to propane, while also providing prime power generation for remote operations and commercial facilities, ensuring reliable electrical power.

In addition to the substantial growth in our propane business in recent years, Superior continued its transformation in 2023 with the integration of Certarus into our network, further expanding our distribution system to include additional low carbon fuels like CNG, RNG, and hydrogen. Certarus represents a strategic focus area that we expect to drive sustainable long-term growth for our business and offer enhanced choices for our customers.

Furthermore, we remain committed to exploring renewable energy solutions to advance the energy transition. Hydrogen, particularly in sectors where direct electrification is impractical, such as industrial heat, holds immense potential. Depending on the production pathway, hydrogen can lead to significant emissions reductions, especially when produced using electrolysis powered by renewable energy. Despite challenges related to the current lack of supply in North America, we are actively engaging with potential suppliers to secure offtake agreements and exploring ways to integrate renewables into our distribution mix.

## **People Strategy**

The diversity of our team members is our greatest strength, and I continue to be inspired by the hard work, dedication, and ingenuity of our colleagues. This year we implemented a refreshed diversity, equity and inclusion ("DE&I") strategy, appointed a new Chief Human Resources Officer, and delivered new training and initiatives around improving our recruitment of diverse applicants. We also increased representation of women on our Board and in leadership roles.

We have made significant progress in enhancing our safety performance across our key metrics, resulting in a five-year low record for our TRIR and Days Away, Restricted Duty or Transferred ("DART") Incident Rate. Safety is one of our core values and it is the commitment of all employees to our zero-harm safety culture that has directly resulted in our improved performance. Tragically, however, we experienced a fatality at our Superior Propane operations in 2023. Initially, Superior's focus was to support our employee's family and other impacted Superior





employees who experienced the loss of a long-term colleague. Since then, following an internal investigation, we have engaged in additional employee safety training and have undertaken a comprehensive review of onsite work procedures to mitigate the risk of a similar occurrence in the future. We continue to focus on promoting health and safety, and are committed to doing so for our employees, our customers and the communities we serve.

### **Our Sustainability Strategy**

Superior's mission is fundamentally supported by a robust sustainability strategy. I believe in Superior's outward impact and ability to create value through strong sustainability performance. Our expansion into alternative fuels delivery allows both ourselves and our customers to meet our climate goals, and I am proud of the wide range of benefits we are enabling for the multiple industries we serve.

In 2023, we extended our commitment to ethical and positive business conduct to our suppliers by implementing a new Supplier Code of Conduct, which we'll continue to roll out in 2024.

Our goal is to refine our operational management, increase transparency, and foster positive outcomes for our entire value chain. We've broadened our disclosures, guided by standards set by GRI, TCFD, SASB and ISSB. I'm excited about the initiatives Superior has lined up to benefit our customers, communities, and the environment. Thank you for your ongoing interest in Superior and our sustainability endeavors.

Sincerely,

*Allan A. MacDonald*

**President and CEO**





# Sustainability Journey and Highlights

## Embracing the Energy Transition

### Our Journey of Transitioning into a Pure Energy Distribution Company

Through divesting of non-core businesses in 2016 and 2021, Superior became a pure play energy distribution company in 2021

Formed the Alternative Fuels Group to more aggressively drive exploring alternative and low carbon fuels in 2021

Entered into a partnership agreement with Charbone Hydrogen Corporation in 2022 to expand into green hydrogen distribution

Completed the transformative acquisition of Certarus, a provider of low carbon energy solutions in 2023

Expanded our offerings of low carbon fuels, including CNG, RNG and hydrogen in 2023

Introduced the Superior Way Forward Strategic Plan in 2021

Completed eight acquisitions in the Northeast, Southeast, upper Midwest U.S., California, as well as Ontario, in 2022

Entered into a master offtake agreement with InEnTec Inc. to supply renewable dimethyl ether (“rDME”) in 2022

Sharpened our focus on clean and low carbon fuel distribution by divesting certain heating oil assets

#### Looking to the future

Continue to provide greater choice at competitive costs to our customers to become the industry leader in low carbon and alternative fuels



# 2023 Performance Highlights

Superior's sustainability strategy is rooted in our core values of safety, customer focus, our people, and performance. In our pursuit to become the North American leader in low carbon portable energy, we maintain our focus on the safety of our people and communities, providing our customers with exceptional service while delivering the low carbon portable energy they desire, fostering a diverse and inclusive workplace for our people, and prioritizing performance in the sustainability-related topics deemed the most important to the business and our stakeholders.



## Safety

**Five year low**  
in TRIR and  
DART rate<sup>1</sup>

Certarus achieved  
**TRIR of 1.39 and  
DART rate of 1.25**



## Our People

**72%**  
engagement score in  
our annual employee survey

**27.7%**  
of our workforce  
are women

**9.7%**  
of our workforce self-identify  
as visible minorities

DE&I committees  
& Employee Resource  
Groups ("ERGs")



## Governance & Management

**Significant  
refreshment** of Board  
and Executive team

Developed and  
implemented **Supplier  
Code of Conduct**

Achieved target of **30%** Directors who self-identify as women; set new diversity target of having at least one ethnically or racially diverse board member by the time of our annual general meeting of shareholders in 2026

Compensation tied to environmental,  
social and governance ("ESG")-related metrics

<sup>1</sup> Certarus data excluded.



## Customers

**Improved  
National  
Promoter Scores**  
("NPS") in both  
US and Canada

**\$0.9 million**  
donated to  
communities across  
our operating areas

**Strong  
relationships**  
with Indigenous  
communities across Canada

Helped our customers  
reduce their emissions by  
**377,402 tonnes**  
of carbon dioxide equivalent  
("tCO<sub>2</sub>e") by switching  
to lower-carbon fuels



## Environment

Total Scope 1 and 2  
GHG emissions of  
**157,869 tCO<sub>2</sub>e**

Estimated and disclosed  
2022 Scope 3 emissions

Proactive asset integrity  
program resulted in  
significant improvement  
in environmental releases

Total Scope 1 and 2 GHG emissions  
intensity of **0.0014 tCO<sub>2</sub>e /**  
Million British Thermal Units  
("MMBtu") delivered

Wholesale division began the  
process of replacing a portion of  
its third-party trucking with rail,  
reducing transportation-related  
emissions and increasing  
reliability of supply



## Acquisitions & Partnerships

Through our strategic acquisitions, we delivered **24,283**  
thousands of MMBtu of alternative fuels to the market

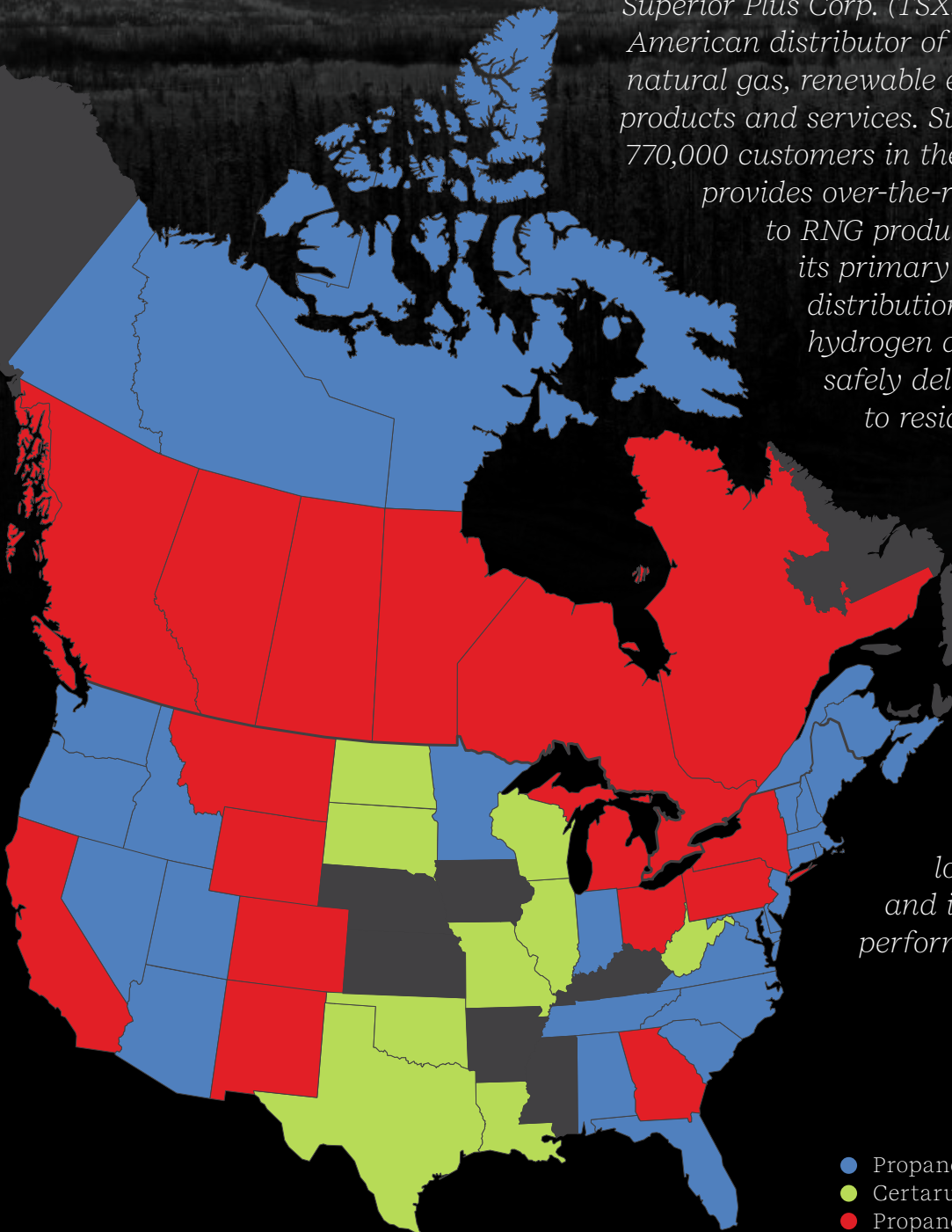
Certarus, our newest acquisition, has the largest low carbon mobile energy distribution network in North America, with a fleet of 729 Mobile Storage Units ("MSUs"), approximately **40%** of the North American MSU capacity

Our partner InEnTec is developing plans for its first production facility for renewable dimethyl ether ("rDME") blending in California



# About Superior Plus

*Superior Plus Corp. (TSX: SPB) is a leading North American distributor of propane, compressed natural gas, renewable energy and related products and services. Superior services over 770,000 customers in the U.S. and Canada and provides over-the-road midstream solutions to RNG production projects. Through its primary businesses, propane distribution and CNG, RNG and hydrogen distribution, Superior safely delivers low carbon fuels to residential, commercial, utility, agricultural and industrial customers not connected to a pipeline. By displacing more carbon intensive fuels, Superior is a leader in the energy transition and helping customers lower operating costs and improve environmental performance.*



- Propane Operations
- Certarus Operations
- Propane & Certarus Operations

## Our Vision

Become the North American leader in low carbon portable energy.

## Our Mission

To provide our customer base with the portable energy products they desire, while championing the environmental responsibility of providing low carbon products to reduce our collective carbon footprint.

## Our Core Values

- **Safety:** We make safety and wellness our top priority. We work to meet safety standards and regulations to protect our employees, customers, and the communities we serve.
- **Customer Focus:** Our customers are the reason we are here. We continually strive to provide exceptional services and build positive relationships with both internal and external customers.
- **People-Centered:** People are our assets. We provide a respectful and fair environment that helps our employees to be their best and realize their full potential.
- **Performance:** We operate with passion and discipline in order to be the best performing company in our industry. We value performance that is professional, innovative, and provides exceptional service both internally and externally.

## Our Operations

The U.S. Propane segment distributes propane gas and liquid fuels primarily in the Eastern U.S., as well as the Midwest and California to residential and commercial customers. The U.S. Propane segment includes Superior Plus Propane as well as approximately 50 other trade names.

The Canadian Propane segment distributes propane gas and liquid fuels across Canada to residential and commercial customers. Canadian Propane primarily uses Superior Propane and eight other trade names.

The Wholesale Propane segment is a distributor and marketer of propane gas and other natural gas liquids across Canada and the U.S. to wholesale customers, and supplies the majority of propane gas required by the Canadian Propane segment and a portion of the propane gas required by the U.S. Propane segment. Wholesale propane uses trade names of Superior Gas Liquids, KIVA Energy and United Pacific Energy.

The Certarus segment provides mobile energy distribution of low emission CNG and hydrogen to large-scale industrial and commercial customers across North America and provides over-the-road midstream solutions to RNG productions projects.





## Significant Operational Changes

In 2023, the acquisition of Certarus was completed, providing high growth, low carbon fuels including CNG, RNG and hydrogen to Superior's extensive distribution and service offering platform. As a result of this acquisition, Superior divested eight retail propane distribution locations in Northern Ontario to address competitive concerns from the Competition Bureau of Canada. In October 2023, Superior completed the sale of certain heating oil and refined fuel assets in the U.S.



## Our Current Fuels

- **Propane:** Propane is an attractive energy source because it is cleaner, versatile and efficient compared to traditional diesel or fossil fuels. It is extracted primarily from natural gas during production and processing but may also be extracted from crude oil during the refining process. Propane gas can be compressed at low pressures into liquid form. When the pressure is reduced, the liquid propane becomes a gas that is ignited and burned to create energy for many different uses. Propane is colourless and odourless, so an odorant is added to propane to make it detectable if there is a leak or release. Studies have found that propane can emit up to 26% fewer GHGs than gasoline in vehicles, 38% fewer GHGs than heating oil in furnaces and half the carbon dioxide ("CO<sub>2</sub>") emissions of a charcoal barbecue. Propane can be used for a range of applications, including residential and commercial applications such as home and water heating, powering home appliances, and powering farm and industrial equipment.
- **Compressed Natural Gas:** CNG is a low carbon, low cost and high performing alternative to fuels such as diesel. As compared to diesel, CNG produces less GHG and other air emissions, including particulate matter, sulphur oxides ("SO<sub>x</sub>"), nitrous oxides ("NO<sub>x</sub>") and volatile organic compounds ("VOCs"). CNG is versatile and can be used in a variety of applications, including transportation, industrial processes and power generation. This flexibility makes it an important part of the transition to a more sustainable energy system.
- **Renewable Natural Gas:** RNG is produced by capturing and processing the methane emitted from organic sources including animal waste, wastewater treatment plants, food waste and landfills that would otherwise have been released into the environment as the organic material decays.
- **Hydrogen:** Hydrogen is a versatile fuel that can be produced from many sources, including hydrocarbons and water. Hydrogen is a low carbon fuel – emitting only electrical power, water, and heat when consumed in a hydrogen fuel cell.
- **Heating Oil:** Heating oil is a low viscosity, combustible, liquid petroleum product produced at crude oil refineries that is mostly used for space heating, by both residential and commercial customers. Superior is actively disposing of its non-core heating oil business as we focus our efforts on low carbon fuel distribution.

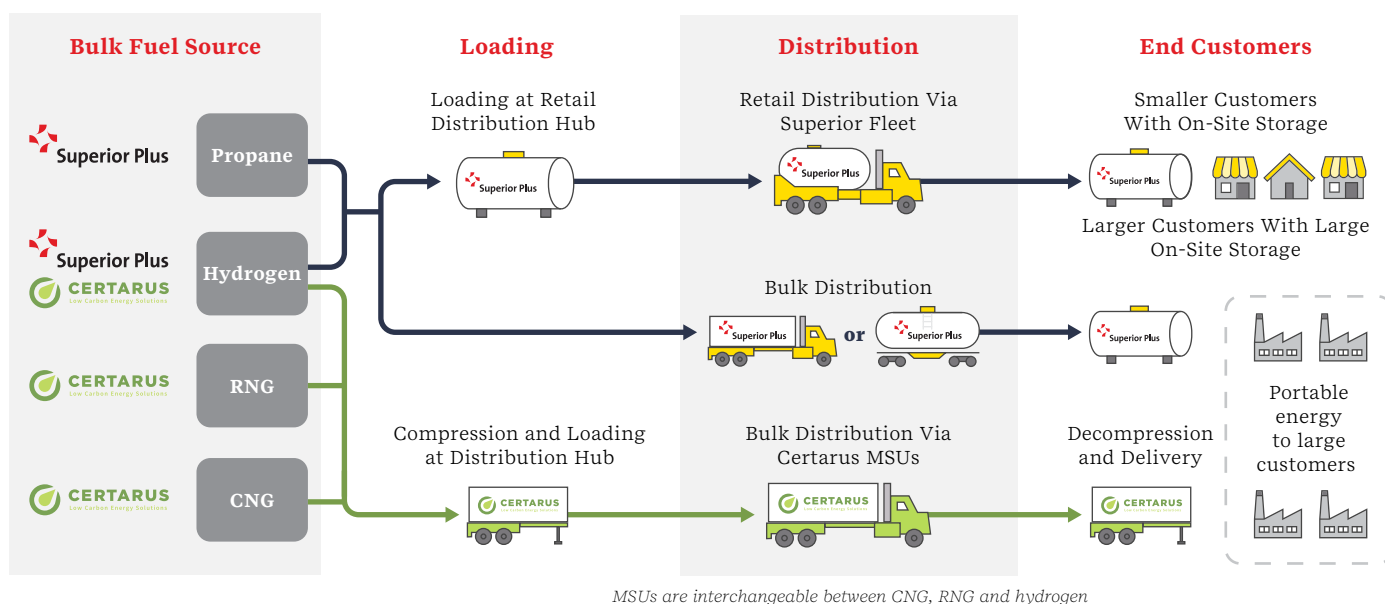
<sup>2</sup> Excludes the elimination of intersegment revenues that are eliminated on consolidation.

## Our Future Fuels

- **Renewable Propane:** Renewable propane is propane that is produced from renewable sources, such as biomass. Renewable propane has the same chemical composition as conventional propane. We are exploring ways to secure a reliable supply of renewable propane for our interested customers.
- **Renewable Dimethyl Ether:** rDME is a synthetically produced alternative that can be used as transportation fuel to replace diesel or be blended into auto propane to further reduce its carbon intensity. rDME is produced from renewable feedstocks, such as dairy waste and biogas, or landfills. This fuel is a valuable fuel option for the hard to decarbonize heavy duty transport sector. We are working towards a DME pilot project in Alberta this year to explore and expand this product offering.

## Our Business

Our fuels are sourced from various locations across Canada and the U.S., with some supply imported. We own or lease office buildings/customer experience centres to run our operations, and move our fuels using trucks, trailers and rail. We have storage facilities, warehouses, rail terminals and distribution pipelines. We also have permanent natural gas compression hubs, as well as portable natural gas compression hubs built to go anywhere our clients operate. We have one of the largest fleets of high-volume mobile storage units (“MSUs”) in North America to deliver low carbon energy solutions to locations not connected to pipeline infrastructure, or other energy sources. As of December 31, 2023, our fleet was 729 MSUs, representing approximately 40% of the North American MSU capacity.



## End Uses/Applications

- **Agriculture & Forestry:** From farms to tables: In addition to providing low-cost, efficient energy to power equipment and heat homes, barns and greenhouses, propane and CNG can also be used for crop drying and weed control. Propane and CNG dryers limit bacterial growth in grains, oilseeds, sunflowers, nuts, vegetables and fruits, increasing crop yields and reducing storage losses. Propane flame weeding is used in both organic and non-organic farming in place of traditional herbicides. The use of propane and CNG in agriculture helps address food security by providing consumers access to different proteins and grains all year round. Our compression and transportation services support the growth of RNG supply by helping major developers of RNG projects capture the value of biogas from agricultural sites, such as dairy and hog operations, and safely injecting RNG into existing gas pipelines to get their product to market.



- **Transportation:** Creating a safer, healthier environment in our communities: Propane, CNG, and RNG-fueled vehicles and school buses consistently provide lower fuel and maintenance costs compared to diesel, helping schools and fleet managers reduce operating expenses. They also run quieter making commutes safer, and emit fewer harmful emissions, including GHGs and particulate matter, creating a healthier environment for students, drivers, and communities. We also fuel portable and permanent gas fueling stations with a variety of alternative fuels.
- **Utilities:** Ensuring energy security: Our integrated mobile energy distribution network offers a steady supply of low carbon energy without the need for additional pipeline infrastructure and provides customers, such as utilities, with uninterrupted services during peak demand periods, planned and unplanned maintenance outages and in instances of disaster relief.
- **Rural, Remote & Indigenous Communities:** Providing reliable energy to remote and off-grid communities: Many remote communities that are not connected to the national electric grid or natural gas distribution pipelines rely on aging diesel infrastructure to heat and power their communities. Our fuels can provide a portable, environmentally conscious solution, whether used on their own or as part of a hybrid energy solution supporting wind and solar.
- **Recreation:** Fueling your fun: Whether it is a five-star resort or family barbecue, our fuels are a safe, affordable, and versatile energy source providing comfort at home and away. From community centres and arenas to restaurants and golf courses, our low carbon energy options help fuel our communities.

## Superior's Customers

### Residential



Our fuels can be used for various purposes, including water and home heating, and as a source of fuel for cooking



Propane is a reliable and clean burning source of heat and auxiliary or backup power

We supply remote and rural communities with low carbon fuels to displace diesel use

### Commercial and Industrial



**Agriculture:**  
Powering buildings and farm equipment



**Forestry and paper:**  
Powering kilns and mills



**Construction:**  
Heat for buildings, powering equipment and curing concrete



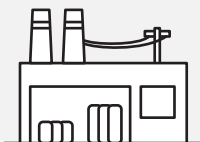
**Mining:**  
Powering buildings and equipment



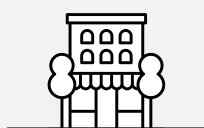
**Metals:**  
Metal production and powering buildings



**Oil and gas:** Field operations, camp facilities and portable power generation; portable and permanent gas fueling stations; flare gas capture from wellsites



**Power generation and distribution:**  
Utility and pipeline support



**Retail buildings and warehouses:**  
Heat and water heating



**Hotels, resorts and restaurants:** Heat and water heating, and powering kitchen appliances







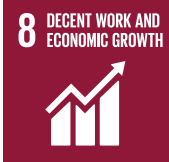
**Auto:** Fuel for vehicles



**Agent resellers for end use consumers:**  
Barbeques, fire pits, recreational vehicles and more

## Supporting the Sustainable Development Goals

The United Nations developed 17 Sustainable Development Goals (“SDGs”) with the aim to end poverty, protect the planet, and ensure peace and prosperity for all people by 2030. We acknowledge the importance of all SDGs and focus on the SDGs where we can have the biggest impact.

SDGs	Examples of how we are supporting the goals	
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> <li>We are committed to ensuring the health and safety of our customers, communities and employees through our health and safety and asset integrity management programs.</li> </ul>
 <p><b>4</b> QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> <li>We are focused on improving career growth and learning opportunities for our employees and creating a safe and inclusive work environment for all.</li> </ul>
 <p><b>5</b> GENDER EQUALITY</p>	<p>Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<ul style="list-style-type: none"> <li>We launched a DE&amp;I Committee with the goal to create a framework that drives measurable change and supports the success of our diverse workforce by providing resources and training to break down barriers for women within our business.</li> </ul>
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<ul style="list-style-type: none"> <li>We pride ourselves on our ability to provide lower carbon energy fuel products and services in a safe and reliable way, including providing energy to rural and remote communities.</li> <li>We are actively adopting lower carbon fuels (e.g. CNG, hydrogen), and growing our mobile energy distribution network, helping our customers accelerate their adoption of low or zero-emission energy solutions.</li> </ul>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote inclusive and sustainable economic growth, employment and decent work for all</p>	<ul style="list-style-type: none"> <li>Through our policies and programs, we protect labour rights and promote diversity and a safe working environment.</li> <li>We offer career growth and learning opportunities for our employees, and we are an equal opportunity employer.</li> </ul>



## SDGs

## Examples of how we are supporting the goals

**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



Build resilient infrastructure, promote sustainable industrialization and foster innovation

- We are active participants in several industry associations contributing to knowledge sharing.
- Through strategic acquisitions and partnerships, we deliver lower carbon energy fuels to communities. We have supported organizations with remote operations to switch from diesel to lower carbon fuels for prime power generation. We are also supporting the development of the hydrogen economy and the growth of RNG by connecting projects to markets.

**11** SUSTAINABLE CITIES  
AND COMMUNITIES



Make cities and human settlements inclusive, safe, resilient and sustainable

- The low carbon energy we supply offers significant improvements to emissions over conventional alternatives, resulting in better air quality.
- Our mobile low carbon energy solutions are well suited to support disaster relief. Certarus has helped respond to disaster events across the U.S. and Canada, providing relief to support local utilities and businesses.

**13** CLIMATE  
ACTION



Take urgent action to combat climate change and its impacts

- We implement mitigation strategies that reduce our GHG emissions and have increased the range of lower carbon energies delivered to our clients to reduce theirs.
- Through our mobile equipment platform, we are also able to compress natural gas that would otherwise be flared or vented, delivering the captured gas for customer consumption or to a pipeline injection point, providing substantial reductions to GHG emissions.
- As noted in the actions of SDG 11 above, Certarus can provide quick and effective disaster relief due to our agile mobile equipment platform that can be quickly deployed where needed to respond to climate events.

### Certarus Fuels Sustainable Steel with RNG Innovation

*In a full-circle sustainability story, Certarus is participating in a groundbreaking initiative with a major RNG developer that intertwines RNG with the production of sustainably sourced steel. By supplying RNG generated from a landfill project to a leading steel manufacturing company committed to sustainability goals, Certarus fuels the production of sustainably produced steel, an industry known for being hard to abate. This landfill, although directly connected to a pipe that captures RNG, faces capacity constraints that would otherwise be forced to waste valuable RNG. However, Certarus' technologies allow for full capture of these emissions for beneficial use. Leveraging recycled raw materials and renewable electricity, the steel manufacturer incorporates RNG as a crucial heat source in its manufacturing process. Certarus plays a critical role in the project collaboration to facilitate the transportation of RNG molecules to the steel production site—our compression capabilities enable loading our specialized trailers, then our Pressure Reduction System ("PRS") units decant the RNG, and our technicians support the project on both ends to ensure the endeavor is executed safely and efficiently. This joint effort exemplifies a tangible commitment to environmental sustainability and innovation.*







# Our Approach

*Superior is dedicated to upholding social responsibility and sustainability, recognizing the positive impact it brings to all stakeholders and rightsholders and the value it creates for shareholders. Our robust governance standards guarantee safe, reliable, and environmentally conscious operations, as we deliver low carbon energy solutions to meet the needs of our customers.*

## Material Issues

Our sustainability strategy is based upon the materiality assessment conducted in 2022, which identified a comprehensive selection of topics that have the greatest impact on our business, the environment, and society. This process entailed a holistic review of industry trends, stakeholder expectations, peer performance, and incorporated a series of both internal and external stakeholder interviews and desktop research to gain a comprehensive understanding of the sustainability landscape in which we operate. The final results were validated by senior leadership. This process resulted in the following tiers of priority sustainability topics:

Priority Topics	Managing Topics	Monitoring Topics
<p>These topics are of greatest interest to our stakeholders and have the greatest potential to impact our business. We will provide more detailed disclosures on these topics.</p> <ul style="list-style-type: none"><li>• GHG Emissions and Climate Change</li><li>• Health, Safety, and Wellness</li><li>• Community Relations</li><li>• Diversity, Equity and Inclusion</li><li>• Workforce</li><li>• Regulatory and Government Relations</li><li>• Indigenous Relations</li><li>• Energy Access and Affordability</li><li>• Asset and Transportation Safety</li></ul>	<p>These topics, while still important, are less material for our organization. We will actively manage and provide supporting disclosures on these topics.</p> <ul style="list-style-type: none"><li>• Business Conduct and Ethics</li><li>• Economic Impact</li><li>• Customer Services</li><li>• Cybersecurity</li><li>• Technology and Innovation</li></ul>	<p>These topics are least material for our organization based on our operations and where they are located. We will monitor and provide limited disclosures on these topics.</p> <ul style="list-style-type: none"><li>• Water</li><li>• Biodiversity and Land Use</li><li>• Waste</li><li>• Air Emissions</li><li>• Human Rights</li></ul>

We plan to reassess our material priorities every 3-4 years, or when significant operational changes or events arise. We evaluated the need for a refreshed materiality assessment given the major acquisition of Certarus, but due to the nature of Certarus' business and our strong alignment of material topics, a new materiality assessment was not deemed necessary at this stage. However, we will continue to monitor and update our priorities on an ongoing basis.

# Stakeholder Engagement

We are firm believers in nurturing robust connections with our stakeholders and rightsholders as a means of ensuring accountability for our actions and creating shared benefits. As a key driver of our sustainability strategy, we are committed to engaging with a diverse array of stakeholders and rightsholders to continue addressing their priorities as we evolve as a business. Through our public disclosures, including this Sustainability Report, Superior is dedicated to transparency, providing accurate information on our company, facilitating open communication, and welcoming feedback to foster ongoing learning and identify opportunities for enhancement.

## The Superior Way for Our

### Shareholders

Incorporating ESG into our corporate strategy and providing regular and transparent disclosure of the potential impacts of our most material ESG topics

### Customers

Providing safe, affordable, low-carbon fuels to assist our customers in reaching their own sustainability goals

### People

Providing a safe and inclusive workplace where our people feel empowered and proud to be part of Superior

### Environment

Enabling the energy transition by increasing availability of low-carbon products and addressing our own carbon footprint

### Communities

Building and maintaining positive relationships where we operate through community development, Indigenous relations and continuous engagement

The table below provides examples of how we engage, key topics of interest, and how we add value to our stakeholders and rightsholders.

Stakeholder	How we engage	Key topics	How we add value
<b>Customers (Residential and Commercial)</b>	<ul style="list-style-type: none"> <li>• Customer contact centres</li> <li>• Customer web portal and mobile app</li> <li>• Net promoter score survey</li> <li>• Customer satisfaction survey</li> <li>• Sales relationships</li> <li>• Propane safety data sheets</li> <li>• superiorpropane.com, superiorpluspropane.com, superiorgasliquids.com, and certarus.com</li> </ul>	<ul style="list-style-type: none"> <li>• Products and services</li> <li>• Customer satisfaction</li> <li>• GHG emissions and climate change</li> <li>• Health, safety and wellness</li> <li>• Asset and transportation safety</li> </ul>	<ul style="list-style-type: none"> <li>• Offer alternative and cleaner fuel options that are competitively priced</li> <li>• Provide a positive customer experience</li> <li>• Reliably deliver energy, including to rural and remote communities</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Customer contact centres</li> <li>• Customer web portal and mobile app</li> <li>• Net promoter score survey</li> <li>• Customer satisfaction survey</li> <li>• Sales relationships</li> <li>• Emergency response training for local first responders</li> <li>• Community investment programs</li> <li>• superiorpropane.com, superiorpluspropane.com, superiorgasliquids.com, and certarus.com</li> </ul>	<ul style="list-style-type: none"> <li>• Local employment</li> <li>• Public safety</li> <li>• Environmental performance</li> <li>• Community investment</li> </ul>	<ul style="list-style-type: none"> <li>• Provide training, employment and business development opportunities</li> <li>• Engage in employee volunteering, community development and investments</li> <li>• Include local emergency response personnel in facility tours and training exercises</li> </ul>



Stakeholder	How we engage	Key topics	How we add value
<b>Indigenous Peoples</b>	<ul style="list-style-type: none"> <li>• Direct engagements and partnerships</li> <li>• Community events</li> <li>• Advanced Business Match (ABM) forums</li> <li>• Canadian Council for Aboriginal Business (CCAB) events, including through the Supply Chain Program</li> <li>• Indspire bursary program</li> </ul>	<ul style="list-style-type: none"> <li>• Energy transition</li> <li>• Environmental protection</li> <li>• Employment</li> <li>• Business development</li> <li>• Youth development</li> </ul>	<ul style="list-style-type: none"> <li>• Provide training, employment and business development opportunities</li> <li>• Engage in revenue sharing opportunities</li> <li>• Donate annual bursaries</li> </ul>
<b>Government and Regulators</b>	<ul style="list-style-type: none"> <li>• Direct engagements</li> <li>• Industry associations</li> <li>• Multi-stakeholder initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Product and services</li> <li>• Energy transition</li> <li>• Regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Pay taxes to governments to support social services and other programs</li> </ul>
<b>Shareholders and Investors</b>	<ul style="list-style-type: none"> <li>• Annual shareholder meeting</li> <li>• Investor Day</li> <li>• Quarterly reporting and earning calls</li> <li>• Analyst meetings and conference calls</li> <li>• Biannual perception study</li> <li>• Shareholder engagement on key topics as required</li> <li>• Responding to and engaging on ESG surveys</li> <li>• Direct engagement with Climate Engagement Canada (“CEC”)</li> </ul>	<ul style="list-style-type: none"> <li>• Business and financial results</li> <li>• Growth and diversification plans</li> <li>• Corporate governance</li> <li>• Sustainability goals, policies, and performance including on climate change and health, safety and wellness</li> </ul>	<ul style="list-style-type: none"> <li>• Provide financial returns</li> <li>• Integrate sustainability into business processes to improve performance</li> </ul>
<b>Industry Associations</b>	<ul style="list-style-type: none"> <li>• Direct meetings</li> <li>• Participation in industry working groups, boards and events</li> </ul>	<ul style="list-style-type: none"> <li>• Products and services</li> <li>• Energy access and affordability</li> <li>• GHG emissions and climate change</li> <li>• Health, safety, and wellness</li> <li>• Regulatory and Government Relations</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborate and advocate on topics of mutual interest</li> <li>• Share leading practices</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Direct meetings</li> <li>• Supplier Code of Conduct training</li> </ul>	<ul style="list-style-type: none"> <li>• GHG emissions and climate change</li> <li>• Health, safety, and wellness</li> <li>• Workforce</li> <li>• Regulatory and Government Relations</li> </ul>	<ul style="list-style-type: none"> <li>• Provide business opportunities and support local suppliers</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Direct meetings</li> <li>• Company communications including townhalls</li> <li>• Engagement survey</li> <li>• Training and development</li> <li>• Employee Resource Groups (“ERGs”)</li> </ul>	<ul style="list-style-type: none"> <li>• Career growth and development</li> <li>• Wellness, safety and commitment</li> <li>• Competitive salaries and benefits</li> <li>• Employee engagement and development</li> </ul>	<ul style="list-style-type: none"> <li>• Create an inclusive and safe workplace</li> <li>• Offer career growth and learning opportunities</li> <li>• Provide competitive salaries and benefits</li> </ul>

Furthermore, we actively engage with our supply chain stakeholders to ensure adherence to human rights and labor laws. *The Fighting Against Forced Labour and Child Labour in Supply Chains Act*, or Modern Slavery Act took effect in Canada on January 1, 2024, with first reports by applicable companies due on May 31, 2024. Superior is committed to ethical business practices and to respecting human rights in our business operations and our relationships with our customers, suppliers and workforce throughout the world. We prohibit the use, and are committed to the elimination of, modern slavery in all its forms. We expect our business partners and suppliers to adhere to the same standards and endeavor to use suppliers whose corporate values are consistent with our own. For more information on Superior's ongoing initiatives to minimize the risk of forced labour and child labour in its supply chains, please refer to our [\*2024 Modern Slavery Act Statement\*](#) on our website.

## Corporate Governance

Superior recognizes that our success as a business and ability to deliver for our customers depend on strong corporate governance practices. We constantly strive to be a trustworthy partner in our value chain and implement effective management strategies across all areas of our business, from the way we value our relationships with customers and suppliers to the way to we engage with our employees and the broader community. Our corporate governance practices are intentionally designed to ensure we:

- operate in a safe, reliable and environmentally responsible way
- meet our obligations to all regulatory bodies, business partners, customers, stakeholders, rightsholders, employees and investors
- manage our businesses effectively in the best interest of all stakeholders.

The Board of Directors ("the Board") is responsible for the overall stewardship of Superior, taking an active role in shaping the company's strategic direction and overseeing strategy implementation. The Board is composed of four standing committees: the Audit Committee, Governance and Nominating Committee, Health, Safety and Environment ("HS&E") Committee, and Human Resources and Compensation Committee. For more information about our Board and its committees, please refer to the [\*2024 Management Information Circular\*](#) on our website.



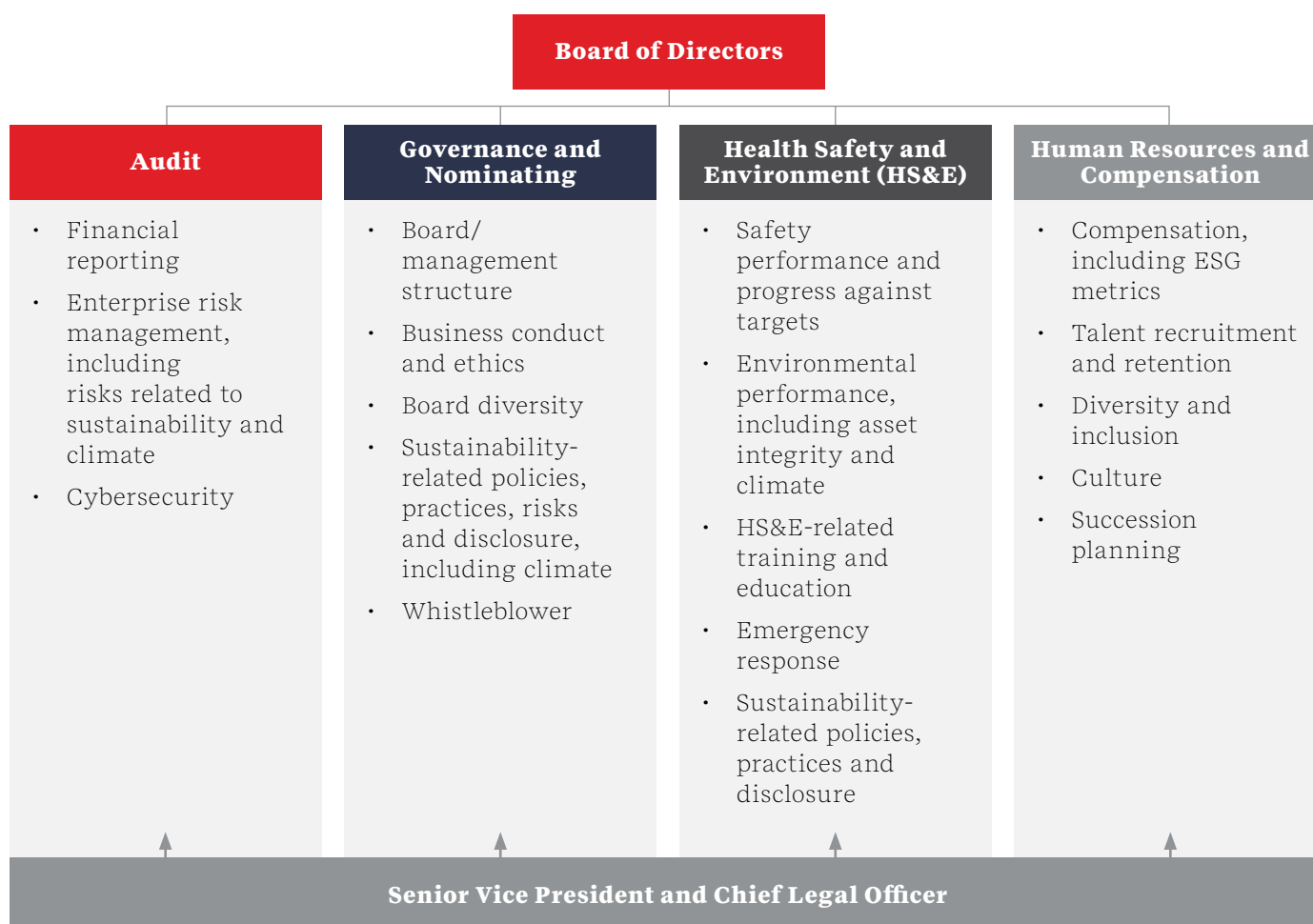


## Board Diversity

Superior recognizes and celebrates the fundamental value that diversity brings to the table. Effective decision making requires a holistic perspective on the topic, and Superior's policy of ensuring adequate representation of diverse skills, experience, education, age, race, cultures, and other perspectives contributes to improved corporate performance. In our Board Diversity Policy, we have committed to increasing diversity on our Board and, in particular, including individuals who self-identify as members of one or more of the "designated groups."<sup>3</sup> As a result of these efforts, we are pleased to report that we have achieved our goal of 30% of Board members who self-identify as women. We've also set a target to have at least one ethnically or racially diverse board member by the time of our annual general meeting in 2026.

The Corporate Governance and Nominating Committee is responsible for reviewing diversity goals periodically and assessing opportunities for additional progress.

Indicator	2023	2022	2021
Independent directors on the Board that self-identify as women (%)	33.3	22.2	20.0



<sup>3</sup> As defined under Section 3 of the Employment Equity Act (Canada).

### **Sustainability and Climate Oversight**

The Board as a whole is responsible for approving the company's sustainability strategy and has oversight of climate-related risks and opportunities. Furthermore, each committee has clear accountabilities to help manage specific aspects of our sustainability performance. The Governance and Nominating Committee of the Board oversees topics such as Board diversity and business ethics. The HS&E Committee supervises topics such as safety, environmental performance, and emergency response. As of 2023, the Governance and Nominating Committee and the HS&E committee are now conducting a combined annual meeting to improve ESG coordination based on their shared oversight responsibilities of sustainability-related policies, practices, risks, and disclosures. These meetings entail reviewing key risks and opportunities related to sustainability, climate change and decarbonization, as well as monitoring developments and emerging requirements related to ESG matters. This improved collaboration amongst Board committees allows for more seamless integration of our sustainability strategy throughout our business model and operations.

Following the acquisition of Certarus, we are working on incorporating Certarus' sustainability strategy and governance into our enterprise. Fortunately, Certarus has a strong history of sustainability initiatives and governance, and our strategy is to support the existing management structures and initiatives that are successful for that business unit.

## **Managing Risks**

Superior manages risks through a number of key systems and programs, including the HS&E management system, the Process Safety Management system and Pipeline Integrity Management system. These systems are designed to manage sustainability-related risks and opportunities, including climate, and are continually reinforced for efficacy through regular audits.

Our Enterprise Risk Management ("ERM") Program adheres to the International Organization for Standardization ("ISO") 31000 standard and is managed by the Risk and Compliance team, reporting directly to the Audit Committee of the Board. Risks, including those related to sustainability and climate, are evaluated concerning each strategic growth objective using a risk matrix that considers the likelihood and potential impact across various dimensions such as financial, health and safety, reputation, human resources, regulation and environment, and information technology. The assessment of likelihood and potential impact helps gauge the severity of risks and informs our risk appetite, facilitating more informed decision-making and resource allocation. Critical risks are thoroughly discussed with the Management team, and the Audit Committee receives quarterly updates on risks and mitigation measures. Additionally, other Board Committees receive reports relevant to their respective mandates at regularly scheduled meetings. For instance, the HS&E Committee oversees environmental, safety, and operational risks, while also collaborating with the Governance and Nominating Committee to address sustainability and decarbonization risks.

### **Approach to Managing Climate Change**

The HS&E Committee of the Board provides oversight on the implementation of our climate change mitigation plans and climate change performance. The HS&E Committee of the Board receives quarterly updates on our environmental performance, including reportable environmental releases. The Committee, in association with the Governance and Nominating Committee, oversees risks related to decarbonization. These risks are identified and evaluated through our ERM Program, and the Audit Committee also receives quarterly updates on our risk report and mitigation measures.

Climate-related mitigation plans are developed with input from subject matter experts across our business and reviewed by the Management team. Superior strives to reduce our GHG emissions through established initiatives such as fleet optimization, route optimization and other digital strategies such as tank monitoring system upgrades.



We regularly monitor global trends and evolving regulations at all levels of government in the U.S. and Canada. Superior stays abreast of initiatives like the United Nations Framework Convention on Climate Change. In Canada, provinces have implemented various laws to address GHG emissions, including the Clean Fuel Standard Act. In the U.S., the Infrastructure Investment and Jobs Act designates propane as a new alternative fuel, providing funding for propane refueling infrastructure along the national highway system, as well as for propane school buses and transit vehicles. Additionally, the Inflation Reduction Act offers opportunities for propane in the transportation market through tax credits for propane autogas and emissions-lowering projects. We regularly evaluate these trends and their potential impact on our operations.

Through our materiality assessment, we’ve identified GHGs and climate action as top concerns for stakeholders, with significant potential impacts on and opportunities for our business. Recognizing our reliance on propane and distillates for heating purposes, we acknowledge the vulnerability of our business to climate change effects. Extreme weather events, such as floods or ice storms, may result in service disruptions and delays. Moreover, evolving consumer preferences towards even lower-emission products could affect demand for propane.

To address these challenges, we are actively implementing climate-related mitigation plans, exploring opportunities to reduce GHG emissions, enhance efficiency across the business and seeking alternative, lower carbon energy options. We’ve diversified our business geographically and across customer segments and with our increasing diversification into low carbon energy solutions, we are positioning Superior to realize opportunities from climate change. As customers work to reduce their carbon emissions, our energy solutions provide a viable option to displace higher emitting fuels. Although extreme weather events may have a negative effect through service disruptions and delays to our business, they also may pose an opportunity based on our ability to deploy our mobile network to provide energy relief in the event of a disaster. We are continuously exploring alternative fuel options like lower carbon propane and investing in the growth of RNG and hydrogen markets.

In 2023, our enterprise risk management analysis included several key insights on the climate-related physical and transition risks that can affect our business. Key risks include risk of fossil fuel litigation regulatory exposure, and supply chain disruptions, with timeframes and mitigation pathways identified. We plan on conducting climate scenario analysis in 2024, and plan to incorporate findings into the company’s overall risk register. For further details on risks associated with our business, please refer to our [2023 Annual Information Form](#) available on our website.

Climate-Related Risks	Potential Financial Impacts	Mitigation Measures
Transition		
Policy and Legal		
In both Canada and the U.S., governments and regulators will most likely continue to execute aggressive carbon reduction targets to mitigate climate change. In Canada, climate-related legislation includes the Clean Fuel Standard Act, federal backstop on carbon tax and provincial regulations. In the U.S., both the Houses of the United States Congress also have considered laws to reduce emissions of GHGs. In addition, a number of U.S. states and municipalities have implemented laws and policies related to climate change, including reducing the emission of GHGs and the carbon intensity of certain fossil fuels.	<p>Policy and legal risks may increase our operating costs due to carbon pricing mechanisms and insurance premiums. Costs related to potential fines and non-compliance charges may present financial impacts if Superior is unable to comply with evolving requirements.</p> <p>The impact to the demand of propane and other commodities could affect our business as evolving requirements could impact affordability as clean energy standards and carbon taxes are introduced.</p>	Superior frequently monitors global trends and the changing regulatory landscape at all levels of government in both Canada and the U.S. We strive to reduce our GHG emissions through various emissions reductions initiatives.

Climate-Related Risks	Potential Financial Impacts	Mitigation Measures
<b>Technology</b>		
<p>The demand for new low carbon technologies is expected to increase as it is seen as a tool to mitigate climate change. A technological risk that might arise is our ability to successfully integrate and substitute existing products and services with new lower emissions technology in a safe and reliable manner. Additionally, the costs to diversify into lower emissions technology could impact our business.</p>	<p>New technology requires time to become commercially and economically viable to enable adoption. If there is a lag time between readily available and feasible technology adoption required to meet climate targets, our reputation may be impacted for not advancing quickly enough. Additionally, as other low carbon technologies ramp up, there is a risk that customer demand for our products may decrease, impacting our revenue and/or profit.</p> <p>Through technological advancements, the frequency and severity of cyber-related attacks could disrupt our business activities.</p> <p>Potential financial implications of the climate-related technology risks also include research and development expenditures in new and alternative products and capital investments in technologies.</p>	<p>Innovation and technology are key enablers to transforming the energy landscape and mitigating the worsening impacts of climate change. We are using digital tools to optimize our operations and decrease our emissions. Additionally, we are strategically partnering with InEnTec Inc. and Charbone Hydrogen Corporation, to reduce the carbon footprint of our products and services. We are also participating in industry associations to leverage learning from others and sharing leading practices.</p>
<b>Market</b>		
<p>The cumulation of the climate-related risk factors may result in a decline in consumption of petroleum products over time, which would have an adverse effect on our business. If customer demand shifts to lower emitting and renewable energy, the demand for propane may decrease.</p> <p>Additional market risks include increased upstream costs of oil and natural gas as geopolitical issues continue to strain global supply chains.</p>	<p>Potential carbon pricing mechanisms may play a role in impacting the cost competitiveness of propane, creating challenges to generate revenue and/or profit. As new market entrants broaden customers' options for energy fuel products, there is a possibility of reduced demand for our products due to a shift in customer preferences.</p>	<p>To deliver on market expectations, strategic acquisitions and partnerships will create opportunities for Superior to continue to provide lower carbon transition fuels to customers across North America. Through our acquisition of Certarus, we have introduced additional low carbon fuels to our distribution system, including compressed natural gas, renewable natural gas and hydrogen.</p> <p>Our Alternative Fuels Group is aggressively exploring other lower carbon fuels and renewables and the opportunities they may present for our business.</p>
<b>Reputation</b>		
<p>There may be a shift in stakeholder perception of propane to lower emitting products. As environmental activism increases, there may be increased stakeholder attention and negative feedback on hydrocarbons. The significant shift to renewable and cleaner energy alternatives will create customer affordability issues. Since we are focused on delivering and transporting energy to our customers and not on generating the fuels, we are in a unique reputational position based on where we are in the value chain.</p>	<p>If Superior is not able to mitigate the reputational risks associated with climate change and transitioning to a low carbon economy, we may see reduced revenue of our products due to a shift in customer preferences. Internally, having a negative reputation could reduce revenue from negative impact on workforce attraction and retention, as current and future employees will seek to work for more sustainable employers. Stakeholders such as investors may poorly perceive a negative reputation as being a risk, resulting in a reduction in capital availability.</p>	<p>As a provider of propane and other lower carbon fuels, we are proud to play a role in the energy transition and provide customers with reliable and safe lower carbon alternative fuels.</p> <p>We continue to support our customers as they switch from diesel and heating oil to propane.</p> <p>Our Alternative Fuels Group is aggressively exploring other lower carbon fuels and renewables and the opportunities they may present for our business.</p>



Climate-Related Risks	Potential Financial Impacts	Mitigation Measures
<b>Physical</b>		
<b>Acute</b>		
As climate change worsens, there may be an increase in the severity and frequency of extreme weather such as floods, high winds or ice events. Although the breadth and depth of events are more prevalent in a high carbon scenario, extreme weather events will still cause disruptions to Superior's service reliability. Our delivery and operations teams are at a higher risk of experiencing safety concerns during these events.	Extreme weather events may lead to mechanical malfunctions or infrastructure and equipment damage, which could increase operating costs, reduce revenues and impact our ability to deliver our products. Extreme weather events may also lead to service and delivery delays and disruptions.	Upholding the highest service of asset integrity and transportation safety is our priority. We have been conducting infrastructure upgrades to support the integrity of our assets. We have a Process Safety Management system and a Pipeline Integrity Management system that blends different regulatory standards and requirements at all levels of government and includes leading practices.
<b>Chronic</b>		
Sustained precipitation and higher temperatures through longer-term changes in climate patterns may impact our operations.	Thawing and freezing on our Stittco business's pipeline infrastructure may result in mechanical malfunctions, increased operating costs and an impact to our reputation.	Chronic long-term shifts in climate patterns are also managed and mitigated through our Process Safety Management system and our Pipeline Integrity Management system. We review these long-term risks as part of our HS&E processes and procedures.

### Information Technology and Cybersecurity

Superior utilizes several information technology systems for the management of its business and the operation of its facilities. Superior continually assesses and monitors its cybersecurity risk to maintain a proactive approach to cybersecurity planning. In an effort to mitigate such risks, Superior has employed a fully managed third-party cybersecurity service that deploys industry leading technology, conducts comprehensive mandatory employee training and utilizes monitoring software to protect our systems. Superior also conducts periodic audits and has adopted policies and procedures to support the protection and management of its systems and data.

## Management

Executive management provides regular updates to the Board and its committees on our advancements, executes our strategy, and oversees the daily operations of our enterprise. Guided by the President and CEO, executive management is tasked with crafting a comprehensive five-year strategic plan and annual corporate business plans to align with our overarching vision. During the yearly strategic planning session, the executive team and business leaders convene with the Board to assess progress and delve into strategic matters, including competitive landscapes, macroeconomic influences, business prospects, and risks, with a particular focus on sustainability and climate-related factors. This collaborative exchange ensures alignment and direction from the Board as we navigate forward.

Key roles and structures exist across the business to effectively manage our sustainability risks and opportunities, including:

- Superior Plus' Senior Vice President and Chief Legal Officer is the designated member of the Executive team with oversight and accountability for sustainability-related issues, including climate change.
- Superior Plus' Chief Financial Officer ensures fiscal responsibility in the execution of our vision and strategy.
- Superior Plus' Chief Human Resources Officer, introduced in 2023, provides strategic leadership over the people strategy by aligning DE&I, recruitment, engagement, and development strategies across business segments.
- Superior Plus' Vice President, Risk and Compliance leads the company's identification of risks, including sustainability and climate risks through the ERM Program.

- Divisional Presidents and Senior Vice President at SGL have accountability within their divisions, including ensuring appropriate financial, human, and organization resources are in place to plan, implement, audit, review and improve health, safety and environment policies, management systems, practices and performance for their division.
- Superior Plus' Director, Sustainability is responsible for developing and carrying out Superior's sustainability strategy, as well as working with divisions to implement sustainability initiatives and develop the Sustainability Report.
- Superior Propane's Director of Energy Transition, Indigenous Partnerships and Government Affairs and Alternative Fuels Group leads our diversification into lower carbon fuels and is now supported by the Certarus team.
- In terms of committee structures:
  - The Executive Committee provides leadership for the Divisional HSE Committee and its activities and has responsibility for confirming that the HSE Management System meets applicable regulatory requirements, addresses any other risks identified by the Board, promotes continuous improvement and addresses Superior's sustainability strategy and reporting.
  - The Divisional HSE Committee serves as a formal health, safety and environment network and platform to share information, resources and best practices across all of the businesses of the Superior Group, with the goal of continuous improvement among all divisions. They identify and monitor health, safety and environmental metrics and performance across the Group and support reporting needs and requests from the Board and the HS&E Committee, as well as foster continuous improvement of the HS&E Management System.
  - The DE&I Steering Committee is a voluntary, cross-functional team sponsored by a Senior Leadership Team in Human Resources who oversee the DE&I strategy and develop activities and initiatives that support strategy implementation.

In 2023, Superior underwent a management renewal with a new President and CEO, Chief Financial Officer and Chief Human Resources Officer bringing new skills and experiences to the Executive team. Superior also chose to eliminate the Chief Operating Officer role to provide a flatter organizational structure, greater visibility into the business and closer working relationships between the company's leadership and the different divisional teams. This newly formed management team is set to maximize the value of our expanded reach, drive organic growth, and enhance operational efficiency across the business.

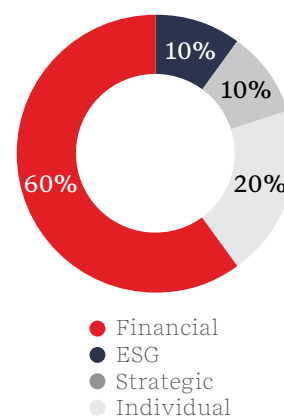
### Sustainability-linked Compensation

Our executive compensation framework is crafted to propel us towards our vision, align with strategic goals, and enhance shareholder value. It also reinforces our commitment to nurturing a robust talent pool, fostering top-tier functional and operational expertise, and attracting, developing, and retaining key talent. Rooted in three fundamental principles—competitive pay, performance-based rewards, and alignment with shareholder interests—our executive compensation encompasses salary, short-term incentive plan ("STIP"), and long-term incentive plan ("LTIP"). Additional benefits include health, dental, savings, pension, life insurance, and long-term disability programs.

A notable ESG goal, representing 10% of select senior executives' short-term incentive payments, focuses on health and safety. This metric evaluates TRIR and TRI performance against targets, year-over-year improvements, and health and safety priorities and accomplishments across Superior's operations.

As our sustainability strategy evolves, so will the ESG metrics integrated into our STIP framework. For detailed objectives, weightings achieved, and insights into our compensation approach, please refer to our [2023 Management Information Circular](#) available on our website.

**The following breakdown includes the measures linked to achieving performance in STIP:**



# Policies

Superior Plus and its divisions have sustainability-related policies in place to ensure that employees and stakeholders understand what the company stands for and the requirements that guide our behaviours and practices. Employees are required to review and sign-off on our policies annually. Many of our policies are applicable to Representatives, which means a director, officer, employee or independent contractor of Superior.

<b>Anti-Corruption Policy</b>	This policy outlines Superior's commitment to good corporate citizenship and maintaining its reputation for the highest ethical standards in all business activities. Every Representative is committed to conducting business with honesty and integrity.
<b>Code of Business Conduct and Ethics</b>	This policy outlines Superior's principles and values and guides the behaviour of Representatives to avoid conflicts of interest; deal fairly with our investors, employees, customers, suppliers and competitors; protect the health and safety of our employees, customers and communities in which we operate; conduct activities in an environmentally responsible manner; and comply with laws, rules and regulations.
<b>Supplier Code of Conduct</b>	The Supplier Code of Conduct ensures that suppliers uphold ethical business standards, encompassing anti-corruption measures, conflict of interest policies, anti-bribery protocols, fair competition guidelines, anti-fraud policies, and responsible procurement practices.
<b>Communication and Disclosure Policy and Practices</b>	This policy confirms the existing communication and disclosure policies and practices of the Superior Group. Its goal is to promote consistent disclosure practices aimed at accurate, informative, timely and broadly disseminated disclosures.
<b>Health, Safety &amp; Environment Policy</b>	Superior's objective is to minimize the impact of its operations on the environment and to provide safe and healthy working conditions for employees, customers, contractors and communities.
<b>Health, Safety &amp; Environment Performance Monitoring Reporting Policy</b>	This policy outlines the minimum standards for the monitoring and reporting of health, safety and environmental performance for the Superior Group.
<b>Health, Safety &amp; Environment Roles and Responsibilities Policy</b>	This policy sets forth the respective roles and responsibilities of various Representatives and governance bodies of the Superior Group as they relate to health, safety and the environment.
<b>Insider Trading Policy</b>	The purpose of this Policy is to confirm in writing the existing policies and procedures and guidelines relating to trading by Representatives in securities of Superior.
<b>Competition Compliance Policy</b>	It is the responsibility of every Representative to ensure compliance with the competition laws in Canada and elsewhere where Superior does business. Compliance protects Representatives, the integrity and reputation of Superior and its valued relationships with its customers.
<b>Privacy Policy</b>	Superior is committed to maintaining the confidentiality, security and accuracy of the Personal Information that is in its possession as a result of normal business operations.
<b>Whistleblower Policy</b>	This policy outlines what constitutes Unacceptable Behaviour, to encourage Representatives to immediately report concerns about Unacceptable Behaviour and to describe the process that will be followed by Superior in investigating and evaluating such reports.
<b>Board Diversity Policy</b>	This policy is intended to set out a framework to promote diversity and inclusion on the Board of Directors.



<b>Crisis Preparedness and Communication Policy</b>	The purpose of this Policy is to outline the minimum standard for crisis preparedness, and to describe the communication protocol expectations for the Superior Group during a Crisis Event.
<b>Human Rights Policy</b>	This policy is intended to set out Superior's commitment to respect and promote human rights in our business operations and our relationships with our customers, suppliers and workforce throughout the world.
<b>Corporate Social Responsibility Policy</b>	Superior recognizes the value of operating in a socially responsible, sustainable and ethical manner to benefit our people, our stakeholders, and the communities in which we carry on our business. We continually strive to improve our performance and our reputation in this area because it is the right thing to do.
<b>Indigenous Relations Policy</b>	This policy is intended to set out Superior's commitment to respect and promote Indigenous relationships in our business operations and with our customers, suppliers and workforce, in Canada and the U.S.

In 2023, we worked on alignment amongst Certarus and Superior Plus policies in the areas of HS&E and DE&I and will continue with further policy integration in 2024.

### **New Supplier Code of Conduct**

In 2023, Superior implemented a Supplier Code of Conduct, which outlines recognized principles on ethics and human rights as set out in the UN Universal Declaration of Human Rights and the International Labour Organization's Declaration of Fundamental Principles and Rights at Work. Suppliers must respect these guidelines, which include employment practices, non-discrimination, unacceptable sources of labour (including child and forced labor), dignity and respect. The Code ensures suppliers are committed to upholding the highest standards of workplace safety, environmental stewardship, data privacy, and confidentiality. Finally, the Code also outlines our commitment to supplier diversity by integrating DE&I within our talent strategies and other company processes. We aspire to have a diverse supplier base and encourage our suppliers to promote DE&I by providing diverse opportunities within the communities in which they operate.

### **Business Ethics**

Our Code of Business Conduct and Ethics ("Code") reinforces our principles and values and guides Superior employee behaviour to avoid any potential reputational harm, liability or financial loss. The Code applies to all directors, officers, employees and independent contractors, and every year they must certify that they have read and will abide by it.

Our Whistleblower Policy establishes a framework for reporting and investigating concerns relating to questionable accounting, auditing, fraud or other inappropriate conduct which does not adhere to the standards set out in our Code or our other policies, including our Human Rights Policy. It allows people to provide anonymous reports and protects the confidentiality of the information submitted. It is implemented by our Whistleblower Committee, which includes senior executives from our risk and compliance, finance, legal and human resources departments. Reporting to our Audit Committee, the Whistleblower Committee manages our procedures for receiving, retaining and responding to any concerns. Zero material concerns were reported to the highest governing body during the reporting period.

# Strategy

Our vision is to lead the way in creating value through differentiation and operational excellence across all our business segments. We're focused on accelerating organic growth, enhancing operational efficiency, and maximizing returns for our shareholders. This forward-looking strategy encompasses six key focus areas aimed at driving sustained success and solidifying our position as an industry leader.

Focus Areas	Objective	Sustainability-related Outcome
<b>Continuous Improvement</b>	<ul style="list-style-type: none"> <li>Optimize operational efficiencies and invest in innovation and technology to drive improvements</li> </ul>	<ul style="list-style-type: none"> <li>Digital tools, including artificial intelligence, tank sensors and delivery software, increase delivery efficiency, reducing kilometres driven resulting in less safety risk and fewer fleet related GHG emissions</li> <li>Digital tools such as the mySUPERIOR™ app enable us to improve and strengthen customer relations</li> </ul>
<b>Organic Growth</b>	<ul style="list-style-type: none"> <li>Employ effective sales and marketing programs to drive growth</li> <li>Continue to be a market leader in expanding the low carbon energy distribution business</li> </ul>	<ul style="list-style-type: none"> <li>Educating customers on the low carbon, cost effective benefits of propane</li> <li>Expanding our alternative fuel offerings to help our customer achieve their climate goals</li> </ul>
<b>Customer Focus</b>	<ul style="list-style-type: none"> <li>Safely providing customers reliable, cost-effective, low carbon energy</li> </ul>	<ul style="list-style-type: none"> <li>Innovations related to customer service and alternative, lower carbon fuels</li> </ul>
<b>Commitment to ESG</b>	<ul style="list-style-type: none"> <li>Continue to focus on strong corporate governance and the environment; commitment to safety and employee wellness</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability strategy reviewed and approved by the Board</li> <li>Improved ESG ratings across various rating agencies</li> <li>Increased transparency through additional metrics and reporting standards/frameworks</li> </ul>
<b>Focus on Safety</b>	<ul style="list-style-type: none"> <li>Continue our zero-harm journey to provide a safe workplace for all of our employees</li> </ul>	<ul style="list-style-type: none"> <li>Strong safety culture resulting in five-year lows for TRIR and DART rate</li> </ul>
<b>Talent Management</b>	<ul style="list-style-type: none"> <li>Continue to attract and retain diverse top talent</li> </ul>	<ul style="list-style-type: none"> <li>Increased employee engagement</li> <li>Fostering a safe and inclusive workplace that makes Superior an employer of choice for current and future employees</li> </ul>

As a pivotal element of Superior's overarching strategy, our evolution into a pure-play energy distribution company has been catalyzed by the strategic acquisition of Certarus. This acquisition not only enhances our growth potential in a dynamic market but also aligns seamlessly with our commitment to sustainability. Certarus brings to the table a suite of high-growth, low carbon fuel options—CNG, RNG, and hydrogen—that perfectly complement our existing operations. Through their innovative mobile energy distribution, Certarus delivers cost-effective and flexible energy solutions to customers across North America transitioning away from traditional fuels, and helping bridge the gap from pipeline infrastructure that is insufficient and

increasingly difficult to build. This strategic move not only promises significant organic growth but also empowers both existing and new customers to meet their sustainability objectives through our innovative low carbon energy distribution platform. We are excited to propel our combined company forward, contributing to the sustainable energy transition and advancing Canada's goal of achieving a net-zero emission economy.



### **Sustainability Strategy**

Last year, we commenced the formulation of our sustainability strategy, aiming to deeply embed sustainability within our organization and distinguish Superior from its industry counterparts. Informed by insights from our materiality assessment, peer benchmarking, sustainability reporting standards, and ESG rating criteria, this strategy is led by our Director of Sustainability in collaboration with key team members across the organization. The Governance and Nominating Committee and the HS&E Committee reviewed potential improvements to Superior's sustainability strategy in a joint meeting and the final strategy was reviewed by the entire Board.

In 2023, we focused our efforts on improving data collection processes and controls to ensure a strong baseline of data across our sustainability metrics. We also engaged an external consultant to verify our emissions data and assist us in building an emissions forecasting model in order to set future emissions reduction targets.

We also began the process of estimating Scope 3 emissions data for our 2022 base year. We took a materiality approach when calculating our value chain emissions, identifying and prioritizing the emissions most relevant to our business. As it was our first year collecting value chain emissions data, it took a considerable amount of time in order to gather data from our own systems and from our suppliers. We are currently reviewing our data collection process with the intention of releasing 2023 and 2024 data in next year's Sustainability Report.

We anticipate that Canadian regulators will adopt the Canadian Sustainability Disclosure Standards ("CSDS") aligned with ISSB and we will ensure that Superior achieves a level of reliability and accuracy in data, systems, controls, and methodologies to satisfy these public disclosure requirements and withstand independent third-party audit. We continue to align our strategy and disclosures with evolving climate and sustainability disclosure requirements, including scenario analysis and Scope 3 emissions reporting.



## **Compressed Natural Gas Project**

*Certarus has a CNG project that is a complex and crucial undertaking, characterized by its high stakes and intricate logistics. We are supporting a major utility in the northeast U.S., who relies on our fleet of trucks and trailers to swiftly inject gas into their pipeline system when demand peaks and they do not have enough gas, particularly during harsh winter months. This project requires responsiveness, with our teams on standby to mobilize within 48-hour notice, ensuring a steady supply of gas for critical users like hospitals and countless residents needing heat. Our collaboration extends beyond emergency power backup, with ventures like supplying gas to manufacturing facilities during winter storms showcasing the versatility of our solutions.*



## **Renewable Natural Gas Injection Facility**

*A sustainable energy solution is emerging from some unexpected places. Dairy and swine farms, landfills and wastewater treatment plants are capturing methane emissions from organic waste and using it to produce biogas. This gas is then cleaned and converted into low carbon RNG. Renewable natural gas can be used as a direct substitute for traditional natural gas in generating electricity and heat for schools, homes, and businesses. Because biogas is generated continuously, RNG has tremendous potential as a sustainable fuel for the future, but many RNG projects are in isolated areas, leaving stranded gas that is unable to reach a pipeline distribution network. Our mobile energy solutions bridge this gap.*

*Certarus has North America's largest fleet of compressed gas trailers and is partnering with leading biogas developers to provide market access to RNG projects anywhere they operate. Certarus offers end-to-end service, from RNG compression, transportation and chain of custody monitoring, to pressure reduction, pipeline injection and assistance with pathway verification. Our rapidly growing mobile energy distribution network offers RNG partners flexible solutions specific to their project.*

*We believe RNG is a critical part of the clean energy mix needed in a low carbon future. We are investing in the growth of the RNG industry and supporting our project partners by designing, building and operating RNG pipeline injection points to make market access even easier for RNG projects of all sizes. In early 2024, Certarus began operating an RNG injection site in Brookings, South Dakota. The site services manure from three dairy farms to nearby RNG facilities. Moving forward, we plan to leverage our operational and technical team at this facility to service a fifth location that is contracted with a separate development company and injects at an alternate location. By connecting RNG to new markets and customers, Certarus is accelerating the energy transition and making cleaner forms of fuel available for use today.*





# *Environmental Stewardship*

*Superior is proud to play a key role in enabling the energy transition towards low carbon products that improve the environmental performance of our entire value chain.*

## Emissions

As a major provider of energy for customers across North America, Superior takes seriously our responsibility to contribute to mitigating climate change by championing low carbon fuels. We play a vital role in maintaining reliable and dispatchable low carbon energy through our propane, CNG, RNG, and hydrogen distribution capabilities. This is key to ensuring energy security at a critical juncture in our energy transition.

Superior is currently developing an emissions-reduction target to formalize our commitment to responsible and sustainable operations.

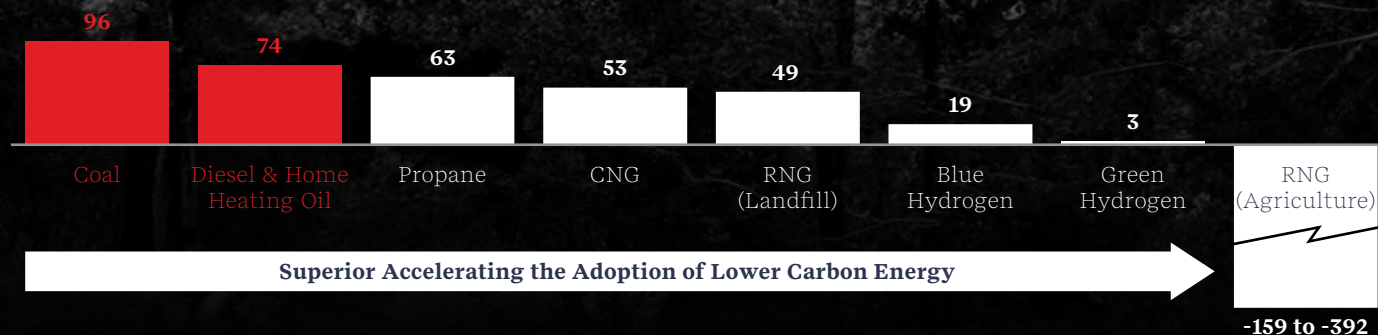
### **Delivering Low Carbon Energy**

Our vision and mission for Superior are one and the same as our climate strategy—become the leader in providing alternative and low carbon fuels for our customers. Everything we do stems from this core mission, and our success as a company is intrinsically linked to our ability to assist our customers as they transition to lower carbon fuels. We are relentless in our pursuit of viable alternative fuels, such as RNG and hydrogen. We are currently focused on expanding our renewable propane offerings, seeking ways to secure reliable supply for our interested customers, as it serves as a safe substitute for traditional propane with limited modifications required to existing equipment. In 2023, our alternative fuels lines generated approximately \$230 million in revenue, which accounted for 9% of our total revenue. Superior's low carbon products helped our customers save approximately 353,769 metric tonnes of carbon emissions.

In 2023, we updated our hydrogen fuels initiatives by integrating our efforts with Certarus' North American strategy. Superior Propane had developed over 20 partnerships to advance the distribution of hydrogen fuel, which have now been transferred to the Certarus division as potential off-takers. Additionally, we are conducting a pilot in Alberta for rDME blending to further expand our alternative fuels capabilities.



## Carbon Intensity<sup>1</sup> (Kilograms of CO<sub>2</sub>/MMBtu)



<sup>1</sup> Source: U.S. Energy Information Administration; and Bloomberg.

## Hydrogen Development

Certarus began developing its hydrogen business in 2021 by establishing relationships with industry leading participants in the hydrogen economy. Over the course of the last several years, Certarus supported the testing of the consumption of blended hydrogen in existing gas-enabled technologies for customer applications, developed a future commercial model for our on-road energy solutions, and gained preferential access to low and zero-carbon hydrogen suppliers.

Our mobile energy distribution platform is hydrogen capable today and allows us to deliver pure fuel cell-grade hydrogen and CNG-blended hydrogen. As a result, our customers can realize the benefits of hydrogen now, without the costly wait for pipeline infrastructure to be approved and constructed.

Certarus is actively delivering hydrogen to industrial customers and providing hydrogen to technology developers to explore additional applications. We are performing pilot projects for blending hydrogen with natural gas in heater applications, reciprocating engines, and turbines, as well as providing pure hydrogen for fuel cell locomotives and fuel cell electric heavy-duty vehicles.

Certarus is assisting Canadian Pacific Kansas City's ("CPKC") innovative Hydrogen Locomotive Program. Together with Ballard Power Systems, we demonstrated how hydrogen fuel can be used to power a locomotive. The team at Ballard provided the fuel cell engine and we supplied the fuel. We continue to provide a safe and reliable supply of hydrogen fuel for CPKC's testing of its zero-emissions locomotive in service trials, with three diesel freight locomotives retrofitted with hydrogen fuel cells and lithium-ion batteries on the rails.

In the efforts to incentivize emissions reductions initiatives, Superior is developing a Carbon Credit Strategy to be finalized in 2024. This strategy is an expansion of the existing credit system within British Columbia's Low Carbon Fuel Act and Canada's Clean Fuels Regulation, with the aim of reaching more customers and enabling further emissions reductions and credit generation. We are approaching this process very carefully and methodically by leveraging expert insight in order to ensure legitimacy of our data tracking systems and ensure this strategy contributes to real decarbonization, positive environmental outcomes and increased financial returns. By developing a robust, accurate, and verifiable system of monitoring emissions and reduction activities, we can provide our customers with additional tools and advisory services that can enable further emissions reductions.

### **Our Energy Use and Greenhouse Gas Emissions**

While reducing GHG emissions for our customers is our primary business focus, we are also focused on improving our own environmental performance by reducing the carbon footprint of our own operations, enhancing efficiency across the business.

A key initiative we launched in 2023 was our wholesale division's transition from trucking to rail. The division has begun to phase out a portion of its third-party trucking in favor of rail distribution, which not only increases the reliability of supply but also provides a more economic option for the business, and decreases the emissions associated with the transportation of our product.

### **Emissions reduction initiatives**

- **Fleet Strategy:** Our fleet strategy encompasses programs and processes that support the mitigation of our GHG emissions. We are currently working on a five-year fleet plan and emissions roadmap. Through optimizing our fleet, route optimization, tank monitoring system upgrades, and other fleet and delivery initiatives, we can reduce our direct Scope 1 emissions and increase efficiency to reduce the number of kilometers driven. We leverage an onboard driver-feedback system, which encourages drivers to operate their trucks as efficiently as possible to reduce fuel consumption and GHG emissions. The onboard driver-feedback system also allows us to make longer term strategic decisions for fleet utilization. Certarus also continues to advance a fleet conversion initiative, which is intended to reduce fleet emissions by taking advantage of the carbon reduction benefits associated with transitioning away from diesel to CNG. In 2023, our CNG and dual-fuelled vehicles totalled 44% of our fleet. Our propane divisions have also made strides in significantly downsizing our fleet, and plan to further reduce vehicle investments. As part of this effort, we are intensifying our focus on increasing customer density within our service areas, aiming to reduce delivery costs and environmental impact by minimizing fuel consumption and asset utilization.
- **Dual fuel system:** Superior also continues to maintain a fleet of alternative fuel vehicles that run on a dual-fuel system – either propane diesel or propane gasoline. In Canada, all new medium duty service trucks in our fleet are converted to a dual fuel system before they go into service. Across our Canadian and U.S. fleet, we have approximately 332 vehicles with the ability to run on propane autogas. There is a reduction in as much as 11% of GHGs per vehicle when these systems use propane as compared to when the vehicle is fueled with gasoline and there is also a reduction in harmful substances (i.e., benzene, particulate matter) released to the atmosphere.<sup>5</sup> As part of our five-year fleet plan, we intend to pilot hydrogen solutions for our existing fleet of transport vehicles and hydrogen engines on new fleet, to further mitigate our environmental impact.
- **Digital tools, including artificial intelligence, tank sensors and delivery software:** These are used to increase delivery efficiency, which reduces kilometres driven to deliver the same amount of product volume.
- **Equipment upgrades:** Certarus has several initiatives to reduce the emissions associated with the equipment used in our operations, including the electrification of the compression fleet and replacing instrument and start gas systems with air systems to eliminate direct, non-combusted emissions sources.

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<sup>5</sup> According to the Propane Education & Research Council.

Despite growth associated with the Certarus acquisition, our 2023 emissions intensity decreased slightly in 2023 due to fleet efficiencies and regional grid greening. The increase in absolute emissions can be attributed to both growth in the business and improvements in data collection.<sup>6</sup>

Indicator	Unit	2023	2022 <sup>7</sup>	2021
Total Scope 1 and 2 GHG emissions	tCO <sub>2</sub> e	157,869	147,673	65,972
Scope 1 (Direct) GHG emissions	tCO <sub>2</sub> e	140,611	130,082	65,855
Scope 2 (Indirect) GHG emissions	tCO <sub>2</sub> e	17,258	17,591	117
Scope 3 GHG emissions <sup>8</sup>	tCO <sub>2</sub> e	TBD	7,303,425	Not tracked
Scope 1 and 2 GHG emissions intensity <sup>9</sup>	tCO <sub>2</sub> e/MMBtu delivered	0.0014	0.0015	0.0097

Emissions reduction is an ongoing priority for our organization, consistently seeking new strategies and ways to improve operational efficiency. In 2024, Superior is committed to a variety of initiatives including:

- Developing engineering and process improvements to reduce emissions in our proprietary equipment
- Continuing to invest in transitioning our vehicle fleet from diesel and gasoline to propane and CNG
- Piloting hydrogen trucks for our own fleet after facing supply challenges in 2023
- Improving data collection systems and processes
- Releasing emissions reduction targets
- Conducting a formal climate risk assessment as part of our increasing TCFD/ISSB alignment and to respond to investor feedback.

Through improved tools and systems to monitor and track progress towards our goals while mitigating material risk to the company, we can more effectively demonstrate our value as responsible stewards of the environment.

<sup>6</sup> Scopes 1 and 2 GHG emissions for all operations have been verified by MICONE Consulting Inc.

<sup>7</sup> Scopes 1 and 2 GHG emissions data in 2023 and 2022 includes Certarus, while 2021 data does not.

<sup>8</sup> A breakdown of Scope 3 GHG emissions by Category is provided in the Data Table at the back of the report.

<sup>9</sup> The GHG emissions intensity indicator has been recalculated from millions of litres (L) to MMBtu using the GHG Protocol. Therefore, the value presented here reflects a restated figure from previous reporting.



## Asset Integrity and Transportation Safety

In our pursuit of providing low carbon fuels for our customers, safety is a non-negotiable pillar of our operations. We are dedicated to ensuring that our facilities and proprietary equipment undergo meticulous design and maintenance, with an ongoing focus on refining processes to safeguard both people and the environment from process-related incidents. Our process safety program integrates various regulatory standards, codes and requirements from different levels of government, incorporating best practices. Process safety is overseen through a robust management protocol, including hazard analysis, incident investigation, training, and inspections. Each year, our businesses conduct thousands of inspections and preventative maintenance tasks on our facilities, tanks, cylinders, and equipment. We also utilize industry-leading technology to remotely monitor all equipment on customer sites.

All of our trucks, tanks and trailers are compliant with the technical requirements for design as set out by Transport Canada and U.S. Department of Transportation. Both U.S. Propane and SGL's United Pacific Energy operations in the U.S. follow the U.S. Department of Transportation standards regarding cargo tank certifications. In addition, our trucks and trailers are fitted with internal safety valves, which are tested daily, to minimize product loss during rollovers and accidents, as well as remote emergency shutdowns. Certarus invests in roll stability systems for all their MSUs and tractor fleet to prevent rollover accidents. Certarus has also been updating their fleet with collision avoidance system technology. The technology provides in-cab, real-time alerts to warn drivers of potential hazards. To manage our distillates, we have leak detection systems and overfill alarms.

Over the past few years, Superior has invested significant resources into equipment upgrades, including refurbishing and refitting valves, replacing aging tanks, and upgrades to emergency shutdown systems. In 2023, 15 sites were upgraded, with 18 identified for 2024 and an additional 18 for 2025. Part of this process included a review of 151 sites to identify locations without a one-point shutdown switch, which is an effective strategy at mitigating losses due to leaks. This resulted in the identification of 91 sites eligible for this specific upgrade. This form of proactive planning allows us to maintain safe and effective equipment across all areas of operation.

Furthermore, we placed a renewed emphasis on Lockout/Tagout procedures to strengthen employee-level oversight of our facilities. This included a revised procedure and new trainings that included specific propane facility lockout examples from actual sites, as well as a heightened emphasis on tank and leak check inspections throughout the year. We believe these proactive measures contributed to our improved environmental performance in 2023.

In 2024, we are developing a process safety guideline that is verifiable and auditable, focusing on a set of definitions for a safety hazard that could result in a catastrophic or major incident. This guideline will also include information on how to mitigate significant risks, and where to focus resources to avoid future catastrophic events.

### Reportable Releases<sup>10</sup>

In 2023, Superior experienced ten reportable releases, a significant drop from 27 releases in 2022. We believe this is the result of the successful development and roll-out of a digitized safety and leak detection system.

To minimize occurrence of reportable releases, we consistently evaluate opportunities for upgrading our infrastructure and delivering new, specialized training to our employees. Sharing lessons learned from observations, incidents and near misses is also a key part of reducing the risk of repeated occurrences in the future.

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<sup>10</sup> Release data does not include Certarus.

## Other Environmental Initiatives

### Water, Waste, Biodiversity and Air Quality

Superior is committed to being a good steward of our natural resources. Due to the nature of our operations, we are not significant consumers of water, nor significant generators of waste. Our operational impacts on resources can be grouped into two categories: office-related impacts and transportation and storage impacts. Our offices have a relatively minor environmental impact, but consume water for heating, cooling, drinking, and personal hygiene. Our water sources include municipal water supplies and wells. Likewise, our office-related waste impacts are primarily non-hazardous, and managed with comprehensive recycling policies. We continuously evaluate ways to improve resource efficiency in our offices.

In regard to our transportation and storage practices, we have strict measures in place to ensure there are no spills of our fuels or heating oils that could impact surrounding lands or water bodies. We have extensive procedures regarding the inspection, reporting, and clean-up to minimize the chance of spills and any subsequent impacts. Furthermore, our propane storage tanks constitute the majority of our hazardous waste streams, and we contract with a third-party to refurbish or properly dispose of these tanks at the end of their lifecycle.

In efforts to improve air quality, our business functions provide a valuable impact in reducing air pollutants beyond greenhouse gases associated with diesel and fuel oils, including particulate matter, NO<sub>x</sub>, SO<sub>x</sub>, and VOCs. Certarus' capabilities in expanding our CNG offerings help displace the pollutants associated with traditional fuels, and we seek to minimize the use of diesel and gasoline in our own operations as well. Certarus has implemented a program to transition its vehicle fleet to be capable of running on CNG through a combination of new vehicle purchases and conversions of existing vehicles.

Certarus air emissions have increased slightly over the last two years due to growth within the business.

### Certarus Air Quality Data<sup>11</sup>

Indicator	Unit	2023	2022 <sup>7</sup>
NO <sub>x</sub> Emissions	mT	87.53	84.63
SO <sub>2</sub> Emissions	mT	0.26	0.22
VOC Emissions	mT	32.32	25.21
PM <sub>10</sub> Emissions	mT	11.17	10.25

As we look to the future, we will continue to seek opportunities to transition our fleet to CNG, RNG, or hydrogen in place of more conventional fuels. We will also continue to explore how to best prioritize the use of more efficient equipment in other applications.

We are also leveraging improved engineering controls and design to reduce the risk of environmental impacts. For example, we have identified design improvement opportunities to redesign our compressor vents to minimize risk of gas valves being left open unintentionally, including a longer-term design review of our gas recovery systems.

In order to safely and responsibly manage our environmental impacts across our operations, we have robust protocols in place to ensure compliance with all relevant and applicable environmental regulations. We continuously seek ways to improve the efficiency of our operations, including the tracking and monitoring of environmental data.

<sup>11</sup> Only includes Certarus data.



# Operating Safely

## Health and Safety

At Superior, we are dedicated to upholding the highest standards of safety to protect our employees, customers, contractors, communities and the environment. Safety, one of our top priorities, is also a core value at Superior. We established a robust framework of policies to articulate Superior's health and safety standards, guiding the development and implementation of health and safety procedures and programs. These policies also outline the responsibilities of Superior's leadership, employees and independent contractors.

- The HS&E Policy fosters a culture that prioritizes well-being and environmental stewardship, aligning with industry standards and legal requirements. Our aim is to mitigate our operational impact on the environment while ensuring safe and healthy working conditions for all stakeholders.
- The HS&E Roles and Responsibilities Policy outlines the expectations we have of Superior's Board and Management team, emphasizing their role in upholding our safety standards.
- The HS&E Performance Monitoring Policy establishes minimum standards for monitoring and reporting health, safety and environmental performance across our organization.
- The Crisis Preparedness and Communication Policy sets out protocols to ensure effective crisis preparedness and communication during a crisis event, outlining a standard for readiness and responsiveness.

### Safety is Everyone's Responsibility

At Superior, we believe that safety is everyone's responsibility, and we strive to create a culture where safety is woven into all aspects of our business. We recognize that safety is a collective responsibility, and we are committed to fostering collaboration to promote a safe and healthy environment for all. From our Board down to every individual, safety oversight is integrated throughout our business.

<b>HS&amp;E Committee of the Board</b>	Provides oversight of the effective development, monitoring and implementation of systems, programs and initiatives to manage health and safety risks to support the Board in fulfilling its mandate.
<b>Executive Committee</b>	Confirms that the HS&E Management System meets applicable regulatory requirements, addresses any other risks identified by the Board, promotes continuous improvement and provides leadership to support the Divisional HS&E Committee.
<b>Divisional HS&amp;E Committee</b>	Provides leadership across the operating segments, meets quarterly to review performance, discuss health and safety initiatives, share leading practices, updates the Executive Committee and reports quarterly to the Board HS&E Committee.
<b>Divisional HS&amp;E Leadership</b>	Accountable for establishing systems to support our health and safety goals while managers and supervisors are expected to communicate and implement health and safety policies, procedures and plans and ensure that employees have the right training to do their job safely. Each of our operating divisions has a Health & Safety department that helps drive Superior's commitment of continuous improvement by developing, implementing and maintaining policies and procedures, providing strategic leadership, conducting regular safety audits and facility inspections, and staying informed of all federal, state/provincial/territorial and local regulations.
<b>Employees</b>	Are expected to follow health and safety policies, have the right to stop unsafe work and are encouraged to intervene when they see unsafe acts.





***“We believe no job is worth doing if it cannot be done safely.”***

By leveraging consistent training and the latest technology, we equip our teams with the skills and tools needed to safely perform their work and to identify and respond to potential hazards before they lead to an unsafe situation. Central to the Human and Organizational Performance (“HOP”) approach is the recognition that errors are inherent to human nature, leading us to adopt a risk-based operating model that promotes error tolerance within organizational systems. By designing systems to fail safely, we mitigate the impact of failures if they occur. We are committed to actively engaging all stakeholders in our safety journey, with a particular focus on field-based team members.

Implementing the Corporate Process and Systems Safety Guidelines serves to unify our approach and foster this widespread engagement. We prioritize leading indicators while also conducting targeted interventions for specific incidents through “blitz” style incentivization efforts. An illustrative example of this approach is a peer-to-peer gamified competition aimed at reducing distracted driving, which yielded overwhelmingly positive results. To streamline our risk management efforts, we aim to develop a singular, standardized Superior Plus risk matrix, or risk classification plan, to facilitate internal reporting to senior leadership and operational management. This initiative seeks to ensure a cohesive approach across our divisions.

### **Health and Safety Management Tools**

Within each of Superior’s businesses, we utilize health and safety matrices to identify incidents and near misses, prioritizing the resolution of higher health and safety risks. Businesses are equipped with tools to investigate events and develop mitigation strategies to reduce the likelihood of an incident in the future. In 2023, Superior successfully developed and initiated roll-out of the digitized system safety and leak check process. The safety management software is unified across our organization so that it can be used consistently to improve all facets of our safety governance and performance. Superior voluntarily undergoes external certification of our safety management systems every three years, with the next certification scheduled for 2024. In non-certification years, we conduct maintenance audits to uphold our standards.

In gathering employee feedback, we rely on insights and data from annual engagement surveys, as well as more detailed feedback that focuses on specific areas rather than overarching themes, to identify areas of improvement for focus in the following year. Additionally, Certarus implemented Learning Teams as part of its feedback mechanism, enabling a proactive approach to gather insights from employees on policies, procedures, and equipment effectiveness. Learning Teams are a field employee-based engagement approach to risk identification and mitigation ideas to support continuous improvement of health, safety, environmental stewardship and operational excellence. These teams serve as dynamic forums wherein collective knowledge, insights, and experiences converge to drive meaningful advancements. We are currently utilizing Learning Teams in the following manner:

- Everyday Learning Teams to understand everyday successful and safe work
- Event Learning Teams to learn and improve from incidents (events) for employee and organization
- Periodic Learning Teams for management of change impacting worker safety (Human Factors Engineering)

In 2023, we launched an injury prevention pilot program around building physical resiliency to manual handling through stretching and using proper form, and we will continue making improvements to the program in 2024. The Certarus Industrial Athlete (CIA) ergonomics program has been rolling out during the year as part of our instructor-led onboarding and HS&E Leadership training. The program covers human performance, body mechanics, warm-up exercises and tool selection and setup to help improve health and safety incident prevention.

In 2023, Superior also leveraged investments in several other tools and technologies to achieve our HS&E targets. We utilized in-vehicle monitoring systems for driver safety and analytics and various technologies to support safe driving. This included implementing collision avoidance and following distance detection technology on heavy-duty and some light-duty fleet vehicles. Because the platform provides comprehensive insights into operational risks and controls, Superior is leveraging the system to enhance driver safety and analytics. Driver analytics play a large role in reducing our TRIR by offering real-time assessments of driver behaviour and safety incidents. Prompt identification and resolution of safety issues aims to decrease DART rates, and monitoring vehicle safety and route efficiency contributes to a lower TIR. The platform is implemented in over 4,200 vehicles in our fleet and is a large contributor to reinforcing operational safety measures and enhancing overall safety performance.

Additionally, we are evaluating smart technology for our trailers. This technology comprises temperature sensors on brakes, cameras, air monitoring, accelerometers, weight, and backing sensors, providing real-time data and alerts. We also finalized plans for a digital HS&E platform to help improve our data collection and analytics by streamlining HS&E data and investigations. We began data migration in 2023 and expect the tool to be integrated and implemented in 2024.

A photograph of two men in safety vests walking past large white storage tanks. The man on the left is wearing a black shirt and a high-visibility yellow vest. The man on the right is wearing a blue shirt and a high-visibility yellow vest. They are walking on a gravel path. In the background, there are many large white storage tanks with yellow lids. The image is used as a background for the 'Contractor Safety' section.

## **Contractor Safety**

*Across our business, ensuring contractor safety is critical, and we are committed to upholding the standards outlined in our Supplier Code of Conduct. Certarus has historically implemented rigorous safety protocols with third-party carriers, utilizing external HS&E databases and conducting audits. Superior is currently in the process of establishing a vetting process orientation for suppliers. We expect to launch a third-party orientation program focusing on comprehensive safety training that encompasses site access, spill prevention, valve operations, and emergency shutdown procedures.*

*Our third-party carrier team manages an inspection and auditing schedule of contractors for safety compliance, and our risk management department conducts supplementary audits at a local level, particularly in critical vendor operations, ensuring alignment between documented safety procedures and practices. With quarterly auditing, we maintain a proactive stance towards contractor safety, emphasizing rigorous oversight to mitigate risks effectively.*



## Driver Training and Safety

At Superior, our transportation of products to both residential and commercial customers primarily rely on trucks and trailers. Our drivers play a pivotal role in ensuring the safe and responsible delivery of our products, including in remote and rural areas. By prioritizing comprehensive training and equipping them with the necessary tools, we safeguard not only our employees but also our customers, assets and the environment.

In 2023, we successfully completed year one of our Safe and Smart Driver Safety Training. We rolled out the program with 104 drivers, aimed at enhancing their skills and knowledge. Upon successful completion of the program, these drivers received a certification valid for two years, enabling them to provide driver training to fellow Superior drivers. Additionally, Superior facilitates Driver Committees to provide a platform for gathering feedback and addressing concerns related to driver safety programs and training. These efforts are geared towards ensuring the safety of our employees, customers and the communities we serve. Through initiatives such as the Driver Recognition Program and the President's Club, we honor and celebrate our drivers who consistently demonstrate safe behaviours on the road. For instance, the Driver Recognition Program acknowledges the most improved driver, drivers with outstanding scores and the overall best driver.

Certarus introduced the Driver Rewards program in October 2022, and in 2023, an average of 39% of drivers received recognition for outstanding performance. We deployed an in-vehicle monitoring system across our entire fleet to enhance the on-road safety of our drivers. The system delivers real time in-cab driver coaching and captures high-definition road and driver facing footage. This industry-leading system is used to improve driver safety and lower fleet costs by identifying behavioral trends and opportunities to coach and address those trends. Our Logistics and Transportation Compliance personnel ensure 24/7 monitoring of the system to analyze the road and driver behavior. The in-vehicle monitoring system also provides us with the ability to use driver scorecards to help identify and address areas of concern related to driver safety, including harsh acceleration and turns, speed limit violations, distracted driving, roll stability activation and harsh braking. We use this information to provide each driver with their safety score and to recognize top drivers, while others are offered additional training or coaching.

Superior continues monitoring our annual TIR, an internal benchmark measuring all on-road and off-road incidents. Although our TIR experienced a slight increase in 2023 compared to 2022, it remains lower than the preceding two years. Notably, the majority of incidents were off-road and classified as non-severe, such as minor collisions with poles. We continue to actively engage in initiatives that contributed to our lower TIR last year, including enhanced driver training programs, a dedicated focus on root cause analysis to facilitate improved coaching, and having supervisors conduct in-cab assessments through ride-alongs with drivers, alongside increased face-to-face engagement efforts.

## Our 2023 Safety Performance

Our TRIR was 4.06<sup>12</sup>, and our DART rate was 3.12<sup>12</sup>, both showing improvement as compared to last year. The decrease can be attributed to our new personal protective equipment ("PPE") program, helping to reduce contact of harmful materials like chemicals or propane with skin, as well as our continued focus on leading safety indicators such as hazard identification and near miss reporting. We are pleased to see improvements in TRIR and DART and remain committed to work closely with our employees to continue to develop and implement proactive measures as we strive towards our safety goals. Although our TIR increased to 6.43<sup>12</sup>, primarily due to two large U.S. division acquisitions being integrated into our performance data set, the majority of incidents were off-road and classified as non-severe. Certarus saw an overall improvement in TRIR over the last two years, ending 2023 with a rate of 1.39 and a DART rate of 1.25. Certarus' annual accident rate ("AAR") decreased by 51% reduction from 2022 to 0.41, which can largely be attributed to performance improvement efforts through our Driver Rewards program.

It is with profound sadness that we report a fatal accident that occurred within our organization during the reporting period. We extend our deepest condolences to the family, friends, and colleagues affected by this tragic loss. Following an internal investigation, we have engaged in additional employee safety training and have undertaken a comprehensive review of onsite work procedures. Superior is committed to taking steps to ensure such a tragic accident cannot occur again and to ensure a safe work environment for all employees.

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<sup>12</sup> Certarus data excluded.



## Health and safety incident rates

Indicator	2023 (Certarus only)	2023	2022	2021
Total Recordable Incident Rate (TRIR)	1.25	4.06	4.36	4.88
Days Away, Restricted Duty and Transferred Incident Rate (DART)	1.25	3.12	3.15	4.17
Transportation Incident Rate (TIR)	Not tracked	6.43	5.29	6.97
Annual Accident Rate (AAR)	0.42	Not tracked	Not tracked	Not tracked

At Superior, safety is our core value. We are committed to continuously improving and fostering a zero-harm culture that empowers our people to make safe decisions each and every day. Operating safely is of the utmost importance and is everyone's responsibility. As our journey towards zero-harm continues to mature, our employees and leaders are becoming more adept at identifying potential hazards. The implementation of a new incident investigation process has been instrumental in uncovering the underlying nature of incidents, enabling us to swiftly communicate and rectify hazards. Additionally, we continue increasing in-person safety observations, discussions and coaching for employees and managers, which we believe is beneficial in bolstering our safety culture.

Our commitment to employee well-being extends beyond physical safety. We actively promote wellness initiatives by routinely discussing safety moments related to mental health, general wellness and healthy habits. Additionally, we provide our employees with resources and materials from our Employee Assistance Program providers, further supporting their overall well-being.

## Emergency Preparedness

We maintain site-specific Emergency Plans that adhere to local regulations and are in line with our HS&E Policy and Crisis Preparedness and Communication Policy. To ensure the efficacy of these plans, we regularly conduct exercises and promptly implement any necessary corrective actions. In 2023, we conducted over 240 emergency exercises, encompassing full-scale simulations, tabletop exercises, annual equipment inspections, and evacuation drills. Through collaborative efforts, we remain dedicated to upholding a safe and dependable supply chain. In 2023, we completed a Crisis Management mock scenario—Supply Risk—with the wholesale propane teams. This ensures that leadership remains vigilant and up to date on their crisis management skills.

In bolstering our emergency preparedness, Superior actively participates in associations such as Emergency Response Assistance Canada and the National Fire Protection Association. Additionally, we engage with local first responders through facility tours and by sharing our incident management approach. This collaborative engagement enables us to identify and address potential gaps while equipping first responders with the knowledge and confidence needed to effectively respond to incidents. Positive feedback from participating first responders underscores the value of these initiatives in enhancing their response capabilities.

Furthermore, we prioritize comprehensive training for our employees as a fundamental aspect of our emergency response strategy. Our personnel undergo monthly training sessions covering various topics such as E2 and Emergency Response Assistance Plan ("ERAP")<sup>13</sup> exercises, jurisdiction-specific safety management plans, rail security, and safe container disposal. With an average completion rate exceeding 98%<sup>14</sup> in 2023, we ensure our workforce is well-prepared to respond effectively to any emergency situation.

<sup>13</sup> Describes what to do in the event of a release or anticipated release of certain higher-risk dangerous goods while they are in transport.

<sup>14</sup> Certarus' completion rate was 100%.



### ***Emergency Response Exercises***

*In the upcoming year, Superior Propane will be conducting a full-scale simulation exercise at our facility in Ontario to comply with federal regulations. As valued partners in emergency response, we welcome the attendance of local first responders to observe the exercise firsthand, allowing them to review their plans for our facility, familiarize themselves with our operations, and witness our emergency response procedures. This exercise reaffirms our commitment to safety and preparedness, with the collaboration of our partners contributing to our collective efforts to maintain a secure environment.*



# *Supporting Our People*

***“Our employees are our greatest source of inspiration and enable us to achieve our mission. We believe that investing in the wellbeing of our people is investing in the success of our company.”***

Our people are our greatest asset, and we are proud of the talent and diverse team we have built across our business segments. Our approach to human resources management is based on a core foundation of respect for all, as outlined in our Human Rights Policy that enshrines our commitment to upholding human rights, diversity and inclusion, freedom of association, collective bargaining, and providing a safe, secure, and healthy working environment.

2023 was an important year in refreshing the ways in which we manage our people to unlock their greatest potential. We welcomed a new Chief Human Resources Officer to oversee talent management and set new priorities in collaboration with Superior's Executive team. Our people strategies are ultimately guided by the Board of Director's Human Resources and Compensation Committee, who receive regular updates on any human resources, diversity, and recruitment-related information.



## Recruitment and Retention

We are committed to creating an environment that allows our employees to flourish. A happy, healthy, and stable workforce is the driving force of the success of the company, and we strive to provide a positive work experience for our employees. We believe in providing competitive compensation and benefits packages, including health, life insurance, disability coverage, paid sick leave, financial assistance, and mental wellness programs.

In 2023, we enhanced our Workforce Planning Strategy to improve retention rates. We more carefully planned for seasonal work with a better understanding of seasonal business needs, and we expanded our flexible work arrangements to move field-based employees to a four-day workweek. Expanding our flexible work accommodations in the U.S. had a marked impact on improving voluntary turnover rates in the organization and improving the wellness of our employees. Furthermore, we enhanced our training for employment types that typically experienced higher turnover rates, such as customer service and drivers. For example, the overhaul of our driver training program contributed to better quality experiences for new drivers, which led to improved retention.

Superior conducts an employee engagement survey annually, which provides valuable insight into the pulse of the organization and action items we can improve on for the betterment of the employee experience. In 2023, a key takeaway from our engagement survey results was the need for more streamlined responses to employee feedback. Implementation of actions and strategies were moved from an individual team level up to the operational level, which achieved a sense of consistency and camaraderie towards what organizational leaders are working towards with engagement initiatives.

As part of this overhaul of our employee engagement program, in 2023 we created the Superior Team Engagement Plan (STEP), a cross-functional employee-led committee focused on the priority areas of the engagement survey to improve upon. The objective of this committee is to support Superior's culture through positive action, resulting in a significant improvement in the employee experience which in turn drives our success as a company. This committee creates action plans for the following key focus areas:

### **Career Growth and Development**

- Transparency in Decision-Making
- Career Path and Progression
- Structured Development Programs
- Communication and Engagement

### **Teamwork and Collaboration**

- Fostering a positive and collaborative work environment
- Prioritizing internal customer relationships
- Improving communication and team dynamics
- Implementing effective change management

### **Senior Leadership Team ("SLT")**

- SLT Branding and Awareness
- Demonstrated Employee Value
- Communication and Informal Connections
- SLT Interactive

This committee is the latest development in our efforts to create a culture that values and prioritizes our employees and their experience, allowing employees to take ownership over the programs and initiatives that benefit them.

To further improve the sense of engagement and satisfaction our employees feel in their work, we introduced a new employee recognition program in August of 2023 to acknowledge and reward strong work from our peers. The program utilizes a comprehensive and holistic approach to improve the accessibility of employee recognition opportunities across the organization. Our employee recognition program was expanded so all employees had easy and accessible ways to send each other recognition for good work, and as a result, over 6,000 recognitions were sent last year alone. This allows us to continue building a culture of appreciation by providing the tools for management and employees to express their gratitude for a job well done, and we are already seeing positive impacts throughout the organization.

Finally, in 2024 we look forward to expanding our mental wellness initiatives by implementing a more cohesive and comprehensive strategy. Currently, employees have access to mental health resources such as free counselling and our employee assistance program, but we plan to recommit to meaningful mental wellness support by increasing the available benefits to all employees. In January of 2024, Superior partnered with an evidence-based mental health care provider to deliver additional tools for employees to receive mental wellness support. We look forward to rolling out additional strategies in service to our colleagues.

Indicator	2023	2022	2021
Total workforce (#)	5,019	4,620	4,125
Full-time employee voluntary turnover rate (%)	15.2	19.4	10.0

### Labour Relations

Superior is proud to maintain positive relations with the unions that represent a portion of our workforce, and in 2023 we successfully negotiated three new collective bargaining agreements. There was no increase in the rate of unionization in 2023.

Indicator	2023	2022	2021
Unionization rate (%)	7.2	7.5	8.6

## Diversity, Equity and Inclusion

At Superior, we believe that DE&I enables the innovation and teamwork necessary for achieving our vision and mission as an organization. We also take our responsibility to our employees seriously and strive to create an environment where every employee feels seen, heard, respected and included.

Superior's DE&I Strategy is overseen by the DE&I Steering Committee, which is a voluntary, cross-functional team sponsored by a Senior Leadership Team in Human Resources. The mission of this committee is to develop the activities and initiatives that will support the strategy. The committee members are advocates for DE&I across the company and model the behaviors of an inclusive environment where individual and cultural differences are respected. At Certarus, diversity is governed by a DE&I Advisory Committee composed of executive and senior leadership selected by the President and Chief Operating Officer.

In 2023, we revamped our DE&I Strategy to outline a five-year roadmap to expanding and fully integrating a culture of DE&I throughout Superior. For 2023, that plan included creating a centralized DE&I Committee as mentioned above, identifying benchmarks and developing a consistent methodology aligned with our Sustainability Strategy, and the review of key people policies to ensure alignment with our overall strategy. Additionally, the DE&I Strategy developed key initiatives for the next five years, while also outlining the foundational and ongoing programs. We also adopted a new objective, which is reflected in amendments made to our Board Diversity Policy, to retain at least one racially or ethnically diverse Director by the time of our Annual General Meeting of Shareholders in 2024.



## DE&I Programs

### Foundational programs:

- Educate organization on self-disclosure and increase data accuracy for key demographics
- Ensure 100% compliance in foundational DE&I training
- Develop co-op and apprenticeship programs across all divisions

### Ongoing programs:

- Expand partnerships with under-represented community groups and organizations
- Increase focus in our internal talent and development strategies on DE&I
- Expand and standardize DE&I Index on employee feedback surveys

As part of the onboarding process, all new hires are required to complete unconscious bias training. Certarus also has existing DE&I Awareness Training modules which include topics such as unconscious bias, microaggressions, culture of inclusion, and workplace diversity workshops. In 2024, key initiatives include expanding the scope of mandatory diversity trainings, identifying new potential partnerships in the talent acquisition space, and developing a strategic communication strategy for our DE&I vision and efforts.

### Employee Resource Groups

Employee Resource Groups (“ERGs”) are a powerful tool to connect our colleagues with similar life experiences and enable networking and education, while also supporting recruitment, engagement, retention and career progression. Certarus has four ERGs: a women’s group called WE3 (Women: Elevate, Educate & Empower), an LGBTQ+ focused group called Certarus Pride, a Veterans’ ERG, and in 2023 added B.L.A.C.K (Building, Learning, Access, Community and Kindness) with the goal of empowering black employees. Each group has an executive sponsor from the Management team who supports the group’s activities and shares feedback with members of the Executive team and our Board.

Additionally, each ERG has a community investment budget to support local organizations related to that ERG. In 2023, WE3 donated approximately \$4,000 each to [Highbanks](#) and [Emma House](#), which provide housing and community support for young single mothers. Certarus Pride donated approximately \$4,000 each to the [Calgary Queer Arts Society](#) and [Skipping Stone](#), which amplifies the voices of queer people and their stories. B.L.A.C.K in both the Canada and U.S. chapters donated approximately \$7,500 each to the [Black Boys Code](#) and [Black Girls Code](#), which empowers black youth with digital literacy skills, and the Veterans ERG donated to organizations including the [Permian Warrior Partnership](#), [Wounded Warrior Project](#), and [Veterans for Child Rescue](#), which supports veteran mental and physical health resources and child trafficking efforts. We are proud to support these noble organizations through our Superior community.



## Employee Engagement

Our annual employee engagement survey asks a series of DE&I questions that gauge employees' perspectives on how our team feels about our diversity initiatives and whether we are creating a culture that embraces and respects DE&I. Our scores were strong, but there are areas of improvement identified.

### Engagement Index - DE&I<sup>15</sup>

Employees Who Responded Positively	Overall (%)
I am confident my company embraces and respects individuals of all backgrounds.	83
I feel comfortable to bring my authentic self to work including all parts of my background and identity.	81
I feel like I am valued and included by my colleagues.	72
Our organization is a diverse and inclusive workplace.	75
The culture at this organization has a positive impact on the quality of my work.	65
Overall Average to DE&I Survey Questions	76

## Diversity in Recruitment

SGL continued its partnership with the Canadian Centre for Diversity and Inclusion (“CCDI”), and in 2023, Superior continued to ensure DE&I considerations were integrated into hiring practices to improve our recruitment of diverse applicants. This has resulted in initiatives such as more focused targeting of diverse career fairs and updating job descriptions to include gender-neutral language.



*In the U.S., Superior is a member of Women in Propane and is actively involved in local groups and at the national level, helping to promote recruitment and advancement in the industry.*

<sup>15</sup> Certarus data excluded.





Our overall gender diversity has remained relatively stable over the last several years, however our women on the Board, women in executive leadership and women in management roles increased in 2023.

Indicator (%) <sup>16</sup>	2023	2022	2021
Men	72.3	71.2	72.3
Women	27.7	28.8	27.7
Women on the Board	33.3	25.0	22.2
Women in Executive Leadership	22.2	14.3	14.3
Women in Senior Leadership	26.4	26.6	20.8
Women in Management Roles	29.5	27.2	27.2

Our Indigenous employment numbers decreased due to the required divestiture of eight retail propane distribution locations in Northern Ontario required by the Competition Bureau of Canada in order for Superior to complete the Certarus transaction.

Indicator (%) <sup>16</sup>	2023	2022	2021
Visible Minorities	9.7	9.8	7.2
Military/veterans	2.5	2.5	4.2
Indigenous Peoples	0.9	1.3	1.4
People with Disabilities	1.8	1.5	0.7
Visible Minorities in Executive Leadership	12.5	Not tracked, definition changed	Not tracked, definition changed

<sup>16</sup> Diversity indicators are based on self-identification.



# Training and Development

A cornerstone of our People Strategy is providing the tools and support to help our employees achieve their greatest potential. Employee training, career development, and regular performance appraisals are a key part of the employee experience that all Superior colleagues participate in.

In 2023, we rolled out a new Superior Leaders training in the U.S. This program entailed multiple sessions to support our managers, including several modules designed to promote strong leadership and coaching capabilities. We also piloted new training programs in Canada which were targeted to support significant business projects as a way to develop internal talent. Sessions included:

- Leadership Competencies
- Emotional Intelligence and Personal Styles
- Communications Essentials
- Leading Through Change

## Leadership Competencies





The sessions not only helped increase awareness and understanding of key leadership expectations at Superior, but also introduced practical and impactful topics and “tools” to our leadership teams.

Superior also overhauled and refreshed our talent succession planning, which was rolled out in 2023 down to the manager level. This succession plan is designed to maintain efficiencies and business continuity in the event of voluntary turnover in a way that prioritizes internal promotions and trains employees ahead of time for business contingencies. We have employee populations engaged in various parts of the business and new opportunities which both trains employees and improves consistency in overall engagement and performance across our business lines. As a result, we have seen the rate of internal promotions increase in 2023 in Canada, and specifically an increase in the number of women being promoted. This strengthens the culture and work experience of the entire team when our employees are properly invested in their career development.

Training and Development

Indicator (%)	2023	2022	2021
Employees receiving annual performance and career development reviews (%)	94.7	93.9	Not tracked
Training hours (#)	33,233	24,525	1,302





# Indigenous and Stakeholder Relations

*Superior values our partnerships with our stakeholders and rightsholders as a driving force behind our success. Awareness of stakeholder and rightsholder priorities through ongoing collaboration remains a pillar in Superior's strategy.*

## Customer Engagement and Satisfaction

In our mission to deliver low carbon and reliable alternative fuels to our customers, providing best-in-class customer service and safety standards is core to our purpose. Our aim is to offer an exceptional customer experience, positioning us as leaders in the industry and fostering customer loyalty.

Through the implementation of our Customer Digital Enablement Strategy throughout North America, we have significantly increased the adoption of digital tools among our customers, empowering them to engage seamlessly with our services. Our digital systems cater to various customer needs, allowing them to request deliveries, receive automated delivery based on usage history and local temperature trends, monitor tank levels, check balances, and settle bills. One notable addition is our Promise Date Applications, which offer enhanced functionality through the mySUPERIOR™ portal, mobile application, and interactive voice response call centers, providing customers with greater flexibility in placing orders and confirming delivery schedules.

In 2023, we revamped our customer portal and made extensive enhancements to our website, underscoring our commitment to providing an optimal digital experience. Moving forward, Superior remains dedicated to leveraging digital technologies and artificial intelligence (“AI”) to elevate customer satisfaction. These initiatives not only improve operational efficiencies but also contribute to our environmental goals by reducing fleet mileage and lowering GHG emissions. As our digital solutions continue to evolve, we remain committed to transparent communication, providing customers with insights and guidance to fully realize the benefits of these advancements.

- Over 58% of tank locations have a sensor
- Over 62% of customers have signed up for automatic delivery
- Over 57% of customers are using mySUPERIOR™ portal
- Over 80% of net new customers have signed up on the mySUPERIOR™ portal
- Nearly 70% of deliveries are digitally enabled

### Energy Affordability

Providing clean and affordable energy is core to our mission, which we accomplish through several mechanisms:

- **Contract options:** We offer customers two contract options. Fixed price contracts help customers lock in a set price to remove the variability of prices. Through Superior's fixed price program, residential customers can lock in a price for an unlimited volume as opposed to pre-selecting their volume. Our fixed price customers are guaranteed all the fuel they need at the set price.
- **Equal payment plans:** These plans allow customers to spread their costs evenly throughout the year each month. It provides residential customers with predictable monthly billing and helps with budgeting so customers will not be faced with a substantial bill in a particular month.
- **Assistance programs:** In the U.S., we offer discount programs for military members and senior citizens, and work with customers enrolled in Low Income Home Energy Assistance Programs. We have a dedicated administrator that helps to process the applications, and in 2023 supported 8,567 customers in assistance programs.
  - Residential customers: 8,463
  - Commercial customers: 66
  - Agricultural customers: 38

### Customer Satisfaction

The Customer Net Promoter Score ("NPS") is a tool we utilize to regularly check the pulse of customer feedback and identify trends in the customer experience and varying stages. For example, customer surveys are distributed when a new customer is onboarded, or a after a delivery has been made. The results of the NPS and customer satisfaction responses are surveyed daily and reviewed by Superior to ensure we promptly address customer concerns.

In 2023, we saw our customer satisfaction scores increase in both Canada and the U.S. across our propane business where NPS applies. This is a testament to our high-quality customer service and delivery teams. Despite our improving scores, we will continue to review our customers' journey and experiences – from onboarding to delivery to payment – to evaluate opportunities for improvement.

Indicator (Score)	2023	2022	2021
Net Promoter Score			
Superior Propane	57	42	55
U.S. Propane	66	58	56



# Indigenous Relations

Superior's commitment to working with Indigenous communities and businesses is part of our company DNA, ingrained into our governance and management systems and practices. Our strategy is based on our Indigenous Relations Policy and overseen by dedicated staff to ensure leading practices are consistently being met. 2023 was a key year for integrating and expanding our Indigenous Strategy, which included hiring two new Indigenous relations advisors, developing new employee training programs, expanding our participation with the Canadian Council for Aboriginal Business ("CCAB") to be part of the Procurement Champions Program and working directly with more Indigenous communities.

We also introduced new metrics to track our progress with Indigenous relations and representation, including several leading and lagging indicators monitored on both a quarterly and annual basis. These metrics cover:

- Senior Leadership community visits
- Job postings communicated directly with communities
- Participation at career fairs and Indigenous employment
- Indigenous education training for Superior employees
- Annual Community Involvement Plans for each market

Our Indigenous Strategy is designed to be a comprehensive and holistic approach to supporting Indigenous communities, following the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP") and built upon the following four key pillars:



Superior is proud of the progress we have made in improving our internal culture and education to support our Indigenous Strategy. We have implemented a required training module “Importance of Indigenous Relations to Superior” as part of the onboarding process for all new employees, and in 2024 will roll out a new training program mandatory for people leaders, and sales and market managers in Superior Propane that work with Indigenous communities. This new program consists of six modules:

1. **Introduction and Cultural Background:** An overview of Indigenous community, culture and challenges.
2. **Misconceptions and Dispelling Myths:** Common misconceptions about financial aid to Indigenous communities and the reality of their economic context.
3. **Education and Cultural Preservation:** The challenges to and importance of education for Indigenous youth and the preservation of traditional ways.
4. **Treaties, Economic Development and Traditional Values:** The role of economic development, the need for self-determination and pride within the Indigenous Community.
5. **Empowerment through Education and Employment:** The empowerment of Indigenous peoples through education and their participation in the workforce.
6. **Hope and Healing - Embracing the Future:** Conclusion focusing on the themes of hope, healing, and the collective journey towards a better future.

While this training is required for select staff of Superior Propane, it is made available to all employees across all business segments.

As part of our commitment to equitable Indigenous representation in our workforce, we strive for continuous year-over-year improvement. In 2023, we were required to divest our business operations in Northern Ontario to in order to address concerns raised by the Competition Bureau of Canada with the acquisition of Certarus, which resulted in a partial loss of our Indigenous workforce. We managed the transition in a mindful way to limit impact on Indigenous employment, but the divestiture resulted in an overall decrease in Superior’s proportion of Indigenous employees to 0.9% from 1.3% for overall Superior operations. In the Canadian propane segment, Indigenous employees constitute 2.4% of Superior’s workforce. Improving Indigenous employment is a key component of our strategy, and we have refreshed our focus on initiatives such as attending job fairs within Indigenous communities and improved communications around employment opportunities with the Indigenous communities we work with. We are optimistic that our renewed outreach strategies will result in continuous improvement in our workforce representation year-over-year.

We also continued our sponsorship of the Outland Youth Employment Program (“OYEP”) annual Indigenous summer life skills and employment training camps. This is part of our holistic initiative to contribute to skill building and employment opportunities for Indigenous youth. The camps are focused on high-school youths providing a training and education experience that replicates various work environments to develop practical skills for success. In 2023, Superior provided approximately \$7,500 in giving, and along with OYEP’s other partners, supported 156 Indigenous youth. We also donated approximately \$1,000 of in-kind propane donations to OYEP Esker Lakes and Mink Lake Camps.

Both Superior and Certarus are avid supporters of Indspire, an organization that supports Indigenous education. In 2023, we contributed over \$54,000 to help provide financial assistance through bursaries for post-secondary education for Indigenous students.

Indicator (%)	2023	2022	2021
Employees that received Indigenous awareness training	98	96.3	94.4

### Working with Indigenous Communities and Businesses

Indigenous business development is a cornerstone of our strategy, and we are committed to providing the tools and partnerships that enable Indigenous businesses and communities to flourish. We strive to conduct our business in a way that creates shared value for both Indigenous economies, as well as the entire supply chain for alternative fuels. In 2023, we joined the CCAB's Procurement Champions Program, which streamlines our ability to conduct business with certified Indigenous businesses. Furthermore, Superior is making improvements within its new internal financial system to better measure Indigenous vendor spending as part of our efforts to increase our overall support for Indigenous businesses.

Superior deeply values our partnerships with Indigenous communities. We have several existing business partnerships across Canada that include elements such as fuel supply and equipment agreements, revenue sharing agreements, or preferred fuel supplier agreements. Each partnership is unique and tailored to be mutually beneficial, after extensive time and relationship-building efforts are spent with community leaders to mutually agree on the nature of the relationship. In 2023, Superior formed three new partnerships with Indigenous communities, and continues to build relationships with Indigenous Economic Development Corporations ("EDCs") across Canada.

In 2023, we developed Community Involvement Plans ("CIPs") for each of our 38 markets across Canada, which serve as drivers to provide integrated support to the community by our local employees. These CIPs entail key contacts within the community, annual events and programs that Superior should attend for proactive relationship building, as well as terms and support that Superior will provide to the community throughout the year, in order to maximize our shared success.

Across Canada, we are working to support Indigenous communities as they phase out diesel fuel by being the trusted supplier of energy solutions for Indigenous communities.

## Community Prosperity

We are dedicated to embodying responsible corporate citizenship and actively contributing to the communities in which we live, work, and play. Guided by our Corporate Social Responsibility Policy, we strive to foster open and transparent communication, engage in meaningful dialogue with the communities in which we operate, incorporate community perspectives into our decision-making processes and business strategies, and create opportunities for employment, economic growth, and capacity building.

Our strategy employs several avenues for giving back to communities, including charitable donations, employee volunteerism, training and development services, and other economic partnerships. We employ a variety of initiatives to encourage community outreach from employees, such as SGL's Volunteer Time Off Policy.

### Investing in Communities

Our Community Investment Strategy is designed in an intentional way to generate positive benefits for the community and the issues Superior cares about. The strategy focuses on four pillars:

- **Community Development:** To support broader social and economic development in a community.
- **Diversity, Equity and Inclusion:** To enhance diversity or to improve conditions for underrepresented groups.
- **Health and Wellness:** To support health research, health infrastructure or enhance access to health services.
- **Youth:** To enhance physical conditions, educational opportunities or children's general health and wellness.

Each region has the autonomy to tailor its community investment budget towards the specific needs of their respective communities while maintaining alignment with our four focus areas. We believe this allows for a more impactful and effective use of our investment dollars.



## HEAT YOUR HOME. PRESERVE OUR PARKS.



### Donation to the National Park Foundation

The National Park Foundation (“NPF”) is the nonprofit partner to the U.S. National Park Service, with a focus on generating private support and building strategic corporate partnerships to protect and enhance America’s national parks. Superior is proud to be an official partner of the NPF and support their noble mission to serve as key stewards of our national parks, fund priority initiatives, encourage diverse connections with national parks, and create long-term solutions to complex problems. In 2023, Superior committed \$250,000 to demonstrate our commitment to preserving our precious natural resources.

Each year Certarus conducts its annual Employee Donation Matching Campaign, which provides that for every donation an employee submits to an eligible registered charity, Certarus doubles that initial donation, tripling the total positive impact.

We are proud of the willingness of our colleagues to step up and extend a helping hand to those in need, and the ability of the entire organization to come together to champion the charitable causes we care about. Here are some examples of our areas of giving:

#### Cancer research charities:

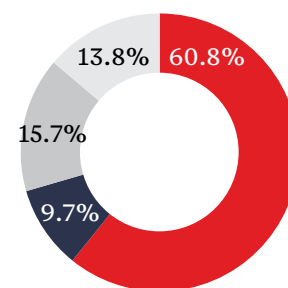
- Over \$10,000 contributed to the breast cancer awareness cause - in addition to the corporate donation of \$7,500, Superior employees raised over \$2,800 in sweater sales
- Over \$37,000 contributed to the Breast Cancer Research Foundation as part of our annual pink truck initiative
- Our employees raised over \$11,000 for the Princess Margaret Walk to Conquer Cancer

#### Local food banks:

- Over \$165,000 to local food banks across our operating areas

Indicator (\$ millions)	2023	2022	2021
Total community investments	0.9	0.5	0.4

#### Community Investment by Pillar, 2023



- Community Development
- Diversity & Inclusion
- Health & Wellness
- Youth

#### Our Economic Impact

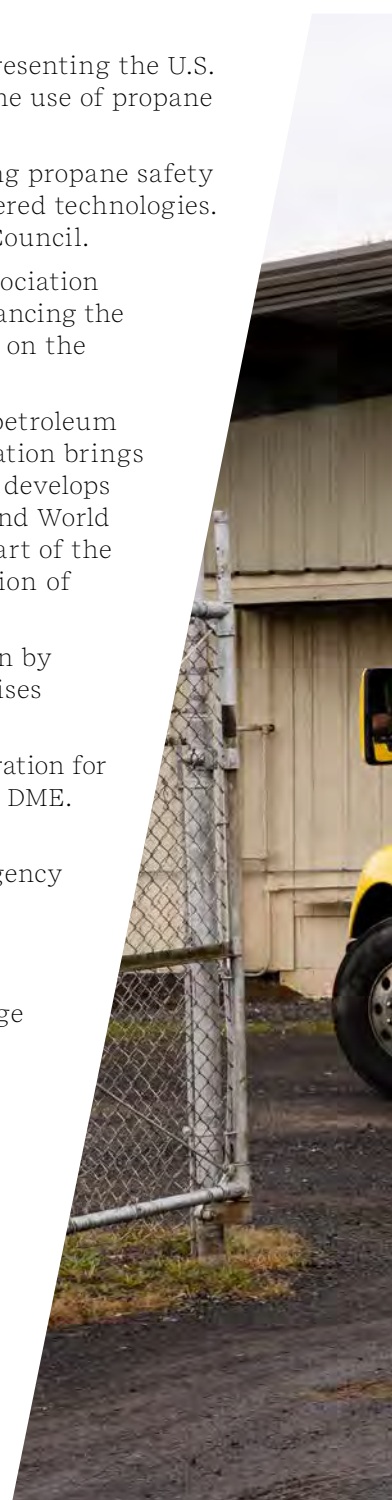
Our goal is to create lasting advantages for our employees, communities, and local economies. We achieve this by offering competitive wages and benefits to our employees, thereby generating economic value. Additionally, we bolster local economies through our contracts, procurement of goods and services, and the taxes we pay. Shareholders benefit from dividends, and we actively support community investments in the regions where we live and operate. In 2023, Superior’s total economic contribution was over \$3 billion.

- \$408.2 million in employee wages and benefits
- \$209.1 million payments to providers of capital
- \$10.3 million payments to government
- \$0.9 million community investment

## Industry Association Memberships

In order to maximize our outward impact to create a more sustainable and prosperous industry, Superior participates in several industry associations to advance the use of leading practices amongst the industry.

- **The Canadian Propane Association** (“CPA”) is the national association for Canada’s propane industry, representing over 400 member companies in every region of the country. Superior Propane is a member, with one of our Directors is a director on the Board and Chair of the Retail Council, and a Regional Manager is the CPA Regional Director of the British Columbia Regional Committee. This industry association works with governments and regulators to ensure health and safety, while promoting Canadian propane businesses as an essential part of Canada’s energy transition and provides a forum for us to stay up to date on regulatory and safety requirements.
- **The National Propane Gas Association** (“NPGA”) is the national trade association representing the U.S. propane industry. This industry association works to advance safety and to increase the use of propane through sound public policy.
- **The Propane Education and Research Council** is a U.S. non-profit that provides leading propane safety and training programs and invests in research and development of new propane-powered technologies. Our Vice President of Marketing and Business Development (U.S.) is the Chair of this Council.
- **The Canadian Hydrogen and Fuel Cell Association** is a national, non-profit sector association comprising industry, academia, research agencies and other stakeholders focused on advancing the use of clean hydrogen and fuel cell technologies and products. One of our Directors sits on the Government Relations Committee.
- **The World LPG Association** is a global association that promotes the use of liquefied petroleum gas (“LPG”) to foster a safer, cleaner, healthier, and more prosperous world. The association brings together over 300 private and public companies operating in more than 125 countries, develops long-term partnerships with international organizations such as the United Nations and World Health Organization, and implements projects on local and global scales. Superior is part of the Renewable Fuels Working Group, which is focused on the development and introduction of renewable products into the LPG industry.
- **The Industry Council of the World LPG Association** directs the World LPG Association by identifying issues, developing strategies and formulating projects. The Council comprises leading companies from the LPG industry worldwide.
- **The International DME Association** (“IDA”) focuses on advocacy, education and collaboration for the DME industry. IDA also advocates for the development and deployment of renewable DME.
- **Emergency Response Assistance Canada** is a not-for-profit emergency preparedness and response organization that develops, implements and responds to more than 400 emergency response plans for its members.
- **The National Fire Protection Association** (“NFPA”) is a global self-funded non-profit organization, devoted to eliminating death, injury, property and economic loss due to fire, electrical and related hazards. The association provides information and knowledge through more than 300 consensus codes and standards, research, training, education, outreach and advocacy.
- **The RNG Coalition** is a non-profit organization dedicated to advancing renewable natural gas as a clean, domestic energy resource. As a trade association, the RNG Coalition advocates for and educates stakeholders about the RNG industry.
- **The American Biogas Council** is the sole national trade association advocating for the comprehensive U.S. biogas industry. The Council is dedicated to leveraging biogas systems to achieve carbon reductions and drive economic growth across the nation.





## Public Policy Engagement and Advocacy

As an organization dedicated to the advancement of the energy transition through provision of reliable alternative and low carbon fuels, our corporate strategy is heavily impacted by public policy decisions in the U.S. and Canada. We strive to work with our legislators as partners in ensuring the industry can continue providing affordable, reliable, and lower carbon energy in a safe and sustainable way.

Our Anti-Corruption and Code of Business Conduct and Ethics policies outline expectations in regards to lobbying and political contributions. Any contributions to political parties, campaigns or candidates for election to any level of government requires approval of the CEO. In 2023, Superior made no political donations.





# Data Table

Topic	Performance Indicator	Unit	2023	2022	2021
<b>Overview of Superior</b>					
<b>Propane Delivered by Customer Type<sup>17</sup></b>	Residential	millions of gal	247	265	239
	Commercial	millions of gal	427	462	383
	Wholesale	millions of gal	390	349	285
<b>Volume of Propane Delivered</b>	Volume of propane delivered <sup>18</sup>	millions of gal	1064	849	782
<b>Volume of Natural Gas and Hydrogen Delivered</b>	Volume of Natural Gas and Hydrogen Delivered	thousands of MMBtus	24,283	21,055	
<b>Economic</b>					
<b>Value Generated</b>	Revenues	\$ millions	2,482.1	2,596.0	1,908.6
<b>Value Distributed</b>	Operating costs <sup>19</sup>	\$ millions	1,627.6	1,928.7	1,304.9
	Canada	\$ millions	473.8	604.3	495.1
	U.S.	\$ millions	1,153.3	1,323.2	809.4
	Other <sup>20</sup>	\$ millions	0.5	1.2	0.4
	Employee wages and benefits	\$ millions	408.2	341.8	285.5
	Canada	\$ millions	138.7	114.8	107.8
	U.S.	\$ millions	269.6	227.0	177.6
	Other <sup>21</sup>	\$ millions	-	0.0	0.0
	Payments to Providers of Capital <sup>22</sup>	\$ millions	209.1	190.2	192.6
	Canada	\$ millions	168.8	166.8	187.5
	U.S.	\$ millions	40.3	23.4	5.1
	Other <sup>23</sup>	\$ millions	-	-	-

<sup>17</sup> The SASB-IF-GU-000.B activity indicator has been modified to be consistent with how it is reported within the company's Management's Discussion and Analysis (MD&A). Superior reports by residential, commercial and wholesale segments in the MD&A. Superior's industrial customers fall under the commercial segment.

<sup>18</sup> Wholesale volumes picked up and delivered by third-parties are not included.

<sup>19</sup> For the purpose of this report, Operating Costs are defined under GRI Disclosure 201-1 and should not be confused with those defined by the IFRS. Operating costs include payments made outside the organization for materials, product components, facilities, and services purchased. It excludes restructuring and transaction costs.

<sup>20</sup> Includes Superior Luxembourg Sarl.

<sup>21</sup> Includes Superior Luxembourg Sarl.

<sup>22</sup> Payments to providers of capital include interest payments for bank loans and lease obligations and dividends paid.

<sup>23</sup> Includes Superior Luxembourg Sarl.

Topic	Performance Indicator	Unit	2023	2022	2021
Value Distributed	Payments to Governments <sup>24</sup>	\$ millions	10.3	13.3	12.1
	Canada	\$ millions	4.8	6.8	5.1
	U.S.	\$ millions	3.9	4.8	5.1
	Other <sup>25</sup>	\$ millions	1.6	1.6	1.9
	Community Investments	\$ millions	0.9	0.5	0.4
Value Retained <sup>26</sup>	Value Retained	\$ millions	226.0	121.5	113.1
Social					
Net Promoter Scores	Canadian Propane	Score	57	42	55
	U.S. Propane	Score	66	58	56
Workforce Profile	Total workforce <sup>27</sup>	Number	5,019	4,620	4,125
	Full-time employee voluntary turnover rate	%	15.2	19.4	10.0
	Unionization rate	%	7.2	7.5	8.6
Gender Diversity	Men	%	72.3	71.2	72.3
	Women	%	27.7	28.8	27.7
	Women on the Board <sup>28</sup>	%	33.3	25.0	22.2
	Women in executive leadership <sup>29</sup>	%	22.2	14.3	14.3
	Women in senior leadership <sup>30</sup>	%	26.4	26.6	20.8
	Women in management roles	%	29.5	27.2	27.2
Designated Groups Diversity <sup>31</sup>	Visible minorities	%	9.7	9.8	7.2
	Military/veterans	%	2.5	2.5	4.2
	Indigenous peoples	%	0.9	1.3	1.4
	Persons with disabilities	%	1.8	1.5	0.7
	Visible minorities in executive leadership <sup>32</sup>	%	20.0	15.4	28.6
Age Diversity	Under 30	%	8.0	8.6	Not tracked
	30-50	%	47.1	43.0	Not tracked
	Over 50	%	44.9	48.3	Not tracked
Training and Development	Indigenous awareness training <sup>33</sup>	% of employees	98	96.3	94.4
	Employees receiving regular performance and career development reviews <sup>34</sup>	%	94.7	93.9	Not tracked
	Training hours <sup>35</sup>	Hours	33,233	24,525	1,302

<sup>24</sup> Payments to governments only pertain to corporate taxes. Property taxes are included in Operating costs.

<sup>25</sup> Includes Superior Luxembourg Sarl.

<sup>26</sup> Value retained represents value generated minus value distributed and should not be confused with retained earnings, net income or any other measure prescribed by the IFRS.

<sup>27</sup> Includes all active employees.

<sup>28</sup> Includes all independent Board members as December 31, 2023. Data is based on voluntary Director self-identification.

<sup>29</sup> The terminology for our diversity classifications has been modified, but the definition remains the same. The previously reported metric used the classification “officer positions,” whereas this classification has now been modified to “executive leadership,” to include C-suite, divisional Presidents, and Senior Vice Presidents. The percentage of women in leadership positions has been restated to reflect a change in classification definition. The previously reported metric used the classification “corporate and functional leadership positions,” whereas this category has now been further broken down by “senior leadership” and “management roles.” The data reported in 2022 and 2021 was therefore recalculated using the new criteria and thresholds and restated in this report. Data is based on voluntary self-identification.

<sup>30</sup> Includes employees with Vice President or Director in their title.

<sup>31</sup> As defined under Section 3 of the Employment Equity Act (Canada) and based on annual voluntary self-reporting. In 2023, 87% of employees answered at least one demographic question.

<sup>32</sup> Certarus data excluded as unknown.

<sup>33</sup> Indigenous awareness training is offered to Superior Propane, Superior Gas Liquids and Superior Plus employees.

<sup>34</sup> Applies to permanent employees – seasonal, contract and casual are excluded.

<sup>35</sup> 2021 data includes Superior Gas Liquids only.

Topic	Performance Indicator	Unit	2023	2022	2021
Health and Safety	Superior Plus <sup>36</sup>				
	Fatalities	Number	1	0	0
	Fatality Rate	Number of cases x 200,000 / the number of hours worked	0.03	0	0
	Total Recordable Incident Rate (TRIR) <sup>37</sup>	Number of recordable injuries x 200,000 / the number of hours worked	4.06	4.36	4.88
	Days Away, Restricted Duty and Transferred Incident Rate (DART) <sup>38</sup>	Number of days away, restricted duty or transferred x 200,000 / the number of hours worked	3.12	3.15	4.17
	Transportation Incident Rate (TIR) <sup>39</sup>	Total preventable motor vehicle incidents x 1,000,000 / miles driven	6.43	5.29	6.97
	Number of hours worked	Number	8,074,449	7,298,345	7,090,931
	Safety Measurement System BASIC percentiles for: <sup>40</sup>				
	Unsafe Driving	Percentiles	1.67	1.50	Not reported
	Hours-of-Service	Percentiles	0	0.00	
	Driver Fitness	Percentiles	0	15.33	Not reported
	Controlled Substances/Alcohol	Percentiles	0.33	0.00	Not reported
	Vehicle Maintenance	Percentiles	10.83	10.33	Not reported
	Hazardous Materials Compliance	Percentiles	9.83	30.33	Not reported
	Certarus <sup>41</sup>				
	Fatalities	Number	0		
	Fatality Rate	Number of cases x 200,000 / the number of hours worked	0		
	Total Recordable Incident Rate (TRIR)	Number of recordable injuries x 200,000 / the number of hours worked	1.25		
	Days Away, Restricted Duty and Transferred Incident Rate (DART)	Number of days away, restricted duty or transferred x 200,000 / the number of hours worked	1.25		
	Transportation Incident Rate (TIR)	Total preventable motor vehicle incidents x 1,000,000 / miles driven	0.42		
	Number of hours worked	Number	1,442,064		

<sup>36</sup> Certarus data excluded. Due to improvements in data collection, previous year safety performance numbers were restated. Safety performance of acquired companies is reported one year after closing date to demonstrate performance after integration into Superior's safety culture. In the 2022 Sustainability Report, for 2021 performance had reported TRIR was 4.49, DART was 3.76 and TIR was 6.57.

<sup>37</sup> Total Recordable Incident Rate (TRIR) is the rate of occurrence of recordable injuries based on a worksite of 100 employees over a one-year period.

<sup>38</sup> Days Away, Restricted Duty or Transferred Incident Rate (DART) is an incident where an injured employee required days away, restricted duty or was transferred to another position to recover from their workplace injury.

<sup>39</sup> Transportation Incident Rate (TIR) is the rate of occurrence of preventable motor vehicle incidents (PMVI) based on number of miles driven over a reporting period and includes preventable on-road and off-road incidents.

<sup>40</sup> Behavior Analysis and Safety Improvement Categories ("BASICS") percentiles are calculated by the U.S. Federal Motor Carrier Safety Administration and only include U.S. Propane data. Due to acquisition activity, U.S. Propane operates under 12 Department of Transportation ("DOT") numbers. For the purposes of reporting, the percentiles of all 12 DOT numbers have been averaged for the prior 24-month period ending December 31st.

<sup>41</sup> Certarus data only.



Topic	Performance Indicator	Unit	2023	2022	2021
Health and Safety	Safety Measurement System BASIC percentiles for				
	Unsafe Driving	Percentiles	1		
	Hours-of-Service	Percentiles	0		
	Driver Fitness	Percentiles	0		
	Controlled Substances/Alcohol	Percentiles	0		
	Vehicle Maintenance	Percentiles	19		
	Hazardous Materials Compliance	Percentiles	n/a		
Asset Integrity and Process Safety	Superior Plus <sup>42</sup>				
	Number of reportable releases <sup>43</sup>	Number	10	27	22
	Volume of reportable releases (non-propane) <sup>44</sup>	m <sup>3</sup>	0.75	1.05	Not tracked
	Length of gas distribution pipelines	km	91	91	91
	Reportable pipeline incidents <sup>45</sup>	Number	0	0	0
	Corrective Action Orders <sup>46</sup>	Number	0	0	0
	Notices of Probable Violations <sup>47</sup>	Number	0	0	0
	Percentage of distribution pipeline that is <sup>48</sup> :				
	Cast and/or wrought iron	% by length	0	0	0
	Unprotected steel	% by length	0	0	0
	Percentage of gas distribution pipeline inspected <sup>49</sup>	% by length	65	65	65
	Significant environmental fines	Number	0	0	0
	Emergency response drills conducted	Number	212	314	196
	Certarus <sup>50</sup>				
	Number of reportable releases	Number	3		
	Emergency response drills conducted	Number	43		

<sup>42</sup> Certarus data excluded.

<sup>43</sup> Reportable releases are defined by the applicable regulatory body for the jurisdiction in which the release occurs.

<sup>44</sup> Represents US distillate and gasoline business only.

<sup>45</sup> Includes Canadian Propane's Stittco utility business in Manitoba and Hay River, Northwest Territories.

<sup>46</sup> Includes Canadian Propane's Stittco utility business in Manitoba and Hay River, Northwest Territories.

<sup>47</sup> Includes Canadian Propane's Stittco utility business in Manitoba and Hay River, Northwest Territories.

<sup>48</sup> Includes Canadian Propane's Stittco utility business in Manitoba and Hay River, Northwest Territories.

<sup>49</sup> Includes Canadian Propane's Stittco utility business in Manitoba and Hay River, Northwest Territories.

<sup>50</sup> Certarus data only.

Topic	Performance Indicator	Unit	2023	2022	2021
<b>Environmental<sup>51</sup></b>					
<b>Energy Use<sup>52</sup></b>	Total energy use	GJ	1,955,680	1,859,641	947,119
	Propane	GJ	91,489	93,007	6,041
	Gasoline	GJ	160,082	189,714	141,798
	Diesel	GJ	1,009,368	1,011,136	797,099
	Natural Gas	GJ	524,009	401,707	249 <sup>53</sup>
	Electricity	GJ	170,732	163,819	1,932 <sup>54</sup>
	Energy Intensity	GJ/MMBtu	0.0169	0.0189	Not tracked
<b>GHG Emissions<sup>55</sup></b>	Total Scope 1 and 2 GHG emissions	tCO <sub>2</sub> e	157,869	147,673	65,972
	Scope 1 (Direct) GHG emissions	tCO <sub>2</sub> e	140,611	130,082	65,855
	Scope 2 (Indirect) GHG emissions	tCO <sub>2</sub> e	17,258	17,591	117 <sup>56</sup>
	Scope 1 and 2 emissions intensity	tCO <sub>2</sub> e/millions of L	0.0014	0.0015	0.0097
	Scope 3 GHG emissions <sup>57</sup>	tCO <sub>2</sub> e	TBD	7,303,425	Not tracked
	Category 1	tCO <sub>2</sub> e		1,218,159	
	Category 2	tCO <sub>2</sub> e		8,097	
	Category 3	tCO <sub>2</sub> e		27,488	
	Category 4	tCO <sub>2</sub> e		54,208	
	Category 5	tCO <sub>2</sub> e		468	
	Category 6	tCO <sub>2</sub> e		108	
	Category 11	tCO <sub>2</sub> e		5,994,896	

<sup>51</sup> In last year's report, we set 2022 as our baseline year for emissions data. As such, we have recalculated 2022 emissions and energy use to include Certarus data.

<sup>52</sup> Local energy conversion factors were applied, sourced from the U.S. Energy Information Administration and Canadian Energy Regulator.

<sup>53</sup> Only includes the Toronto office.

<sup>54</sup> Only includes the Toronto, Valley Forge and Rochester offices.

<sup>55</sup> Scopes 1 and 2 emissions for all operations have been verified by MICONE Consulting Inc.

<sup>56</sup> Only includes the Toronto, Valley Forge and Rochester offices.

<sup>57</sup> Category 1 and 2: Upstream emissions associated with the products that Superior Plus purchases and sells to customers were estimated using upstream emission factors for the products. Note that upstream emissions are estimated based on sold volumes. Category 3: Fuel- and energy-related activities (not included in Scope 1 or Scope 2) includes the emissions associated with the upstream activities associated with these fuels. Category 4: Includes mainly the emissions associated with the transportation services purchased by Superior Plus. This includes trucking and rail transportation services used by Superior Plus companies. Category 5 and Category 6: Emissions were roughly estimated using the spend-data provided by Superior Plus and an EEIO emission factor from the EPA EEIO model. Category 11: Emissions in this category were estimated assuming all Superior Plus products are energy products (fuel) that are combusted. Note that Superior Plus products include Renewable Natural Gas (RNG) which is considered a biomass for the purposes of this reporting. Therefore, as per the GHG Protocol, the biogenic CO<sub>2</sub> emissions from combustion of RNG were quantified separately but not included in the total GHG emissions.

# Framework Index Tables

## GRI Index Table

Superior has reported with reference to the GRI Standards for the period from January 1 to December 31, 2023.

GRI Topic	GRI Disclosure	Location in Report, Additional Information or Link
<b>General Disclosures</b>		
GRI 2: General Disclosures 2021	2-1 Organizational details	About Superior Plus
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	About This Report
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	About This Report
GRI 2: General Disclosures 2021	2-4 Restatements of information	About This Report
GRI 2: General Disclosures 2021	2-5 External assurance	About This Report
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	About Superior Plus
GRI 2: General Disclosures 2021	2-7 Employees	Supporting our People, Data Table
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Corporate Governance
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Corporate Governance
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Corporate Governance
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Corporate Governance
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance



GRI Topic	GRI Disclosure	Location in Report, Additional Information or Link
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	2023 Management Information Circular (Integrity - pg. 38), 2023 Annual Information Form (Our approach to governance and corporate social responsibility - pg. 21)
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Corporate Governance
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	<a href="#">2023 Management Information Circular</a> (Director Education - pg. 49-51)
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	<a href="#">2023 Management Information Circular</a> (Board Assessment - pg.52)
GRI 2: General Disclosures 2021	2-19 Remuneration policies	<a href="#">2023 Management Information Circular</a> (Director Compensation - pg.58-59)
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	<a href="#">2023 Management Information Circular</a> (Director Compensation - pg.58-59)
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Message to our Stakeholders, Strategy
GRI 2: General Disclosures 2021	2-23 Policy commitments	Policies
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Policies
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Policies, <a href="#">2023 Management Information Circular</a> (Integrity - Whistleblower Policy - pg.38)
GRI 2: General Disclosures 2021	2-28 Membership associations	Industry Association Memberships
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder Engagement
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Labour Relations
<b>Material Topics</b>		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Issues
GRI 3: Material Topics 2021	3-2 List of material topics	Material Issues
<b>Topic Specific Standards</b>		
<b>Economic Performance</b>		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Economic Impact
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Managing Risks
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	<a href="#">2023 Management Information Circular</a> (Pension Benefits - pg.97-99), 2023 Annual Report (Pension Plans - pg.25)
GRI 201: Economic Performance 2016	201-4 Financial assistance received from government	Superior did not receive financial assistance from government in the reporting year.
<b>Anti-Corruption</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Anti-Corruption Policy and Code of Business Conduct and Ethics as found on our website.

GRI Topic	GRI Disclosure	Location in Report, Additional Information or Link
<b>Energy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Emissions
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Emissions
GRI 302: Energy 2016	302-3 Energy intensity	Emissions
<b>Water and Effluents</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Other Environmental Initiatives
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Other Environmental Initiatives
<b>Emissions</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Emissions
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG Emissions	Emissions
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG Emissions	Emissions
GRI 305: Emissions 2016	305-4 GHG Emission Intensity	Emissions
GRI 305: Emissions 2016	305-5 Reduction of GHG Emissions	Emissions
<b>Waste</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Other Environmental Initiatives
<b>Employment</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Supporting our People
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Supporting our People
<b>Occupational Health and Safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Health and Safety
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	Health and Safety
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Health and Safety
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Health and Safety
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Health and Safety
<b>Training and Education</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Supporting our People
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Supporting our People
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	Supporting our People

GRI Topic	GRI Disclosure	Location in Report, Additional Information or Link
<b>Diversity and Equal Opportunity</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Diversity and Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion
<b>Non-Discrimination</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Policies
<b>Freedom of Association and Collective Bargaining</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Labour Relations
<b>Rights of Indigenous Peoples</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Indigenous Relations
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	To the extent of our knowledge, we are not aware of any incidents of violations involving rights of Indigenous peoples.
<b>Local Communities</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Community Prosperity
<b>Customer Health and Safety</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Emergency Preparedness
<b>Customer Privacy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topic	Information Technology and Cyber Security
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints received concerning breaches of customer privacy and loss of customer data	We did not receive any substantiated complaints related to customer privacy. We did not have any identified leaks, thefts or losses of customer data in 2023.





# SASB Index Tables

Superior Plus is reporting against the metrics listed within the Sustainability Accounting Standards Board Infrastructure Sector – Gas Utilities and Distributors Standard and Road Transportation Sustainability Accounting Standard.

## Gas Utilities and Distributors Standard

Topic	SASB Code	Metric	Response, Link or Additional Information
Energy Affordability	IF-GU-240a.1	Average retail gas rate for (1) residential customers, (2) commercial, (3) industrial customers, and (4) transportation services only	Propane distribution is a local, relationship-based business, and competition is driven by price and level of service. Propane commodity prices are not rate regulated. Superior manages pricing at the corporate, regional and local market level. It is mostly based on a margin above product and transportation costs which are typically passed onto customers but is also affected by the local costs of other fuels. For more information on Superior's approach to support customers, please see the Customer Engagement and Satisfaction section of this report.
	IF-GU-240a.2	Typical monthly gas bill for residential customers for (1) 50 MMBtu and (2) 100 MMBtu of gas delivered per year	Propane commodity prices are not rate regulated. For more information on Superior's approach to support customers, please see the Customer Engagement and Satisfaction section of this report.
	IF-GU-240a.3	Number of residential gas disconnections for non-payment, percentage reconnected within 30 days	For more information on Superior's approach to support customers experiencing financial challenges, please see the Customer Engagement and Satisfaction section of this report.
	IF-GU-240a.4	Discussion of impact of external factors on customer affordability	Propane is a commodity whereby supply and demand can be impacted by a number of factors including catastrophic events, natural disasters, severe weather, disease, and war. While we engage in emergency preparedness, including business continuity planning, to mitigate risks, such events can evolve very rapidly and their impacts can be difficult to predict. These factors can influence our business including costs of our products and services. For further information on risks to our business, please see Superior's 2023 Annual Information Form (Financial and Corporate Risks – pg. 43-47).
End-Use Efficiency	IF-GU-420a.1	Percentage of gas utility revenues from rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)	Not applicable to Superior Plus, as propane commodity prices are not rate regulated.
	IF-GU-420a.2	Customer gas savings from efficiency measures by market	Not applicable to Superior Plus, as propane commodity prices are not rate regulated.

Topic	SASB Code	Metric	Response, Link or Additional Information
<b>Integrity of Gas Delivery Infrastructure</b>	IF-GU-540a.1	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	Data Table
	IF-GU-540a.2	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	Data Table
	IF-GU-540a.3	Percentage of gas (1) transmission and (2) distribution pipelines inspected	(1) Not applicable. Superior does not operate transmission pipelines. (2) Data Table
	IF-GU-540a.4	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Please see the Asset Integrity and Transportation Safety and Emergency Preparedness sections of this report.
<b>Activity Metric</b>	IF-GU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	Data Table
	IF-GU-000.B	Amount of natural gas delivered to: (1) residential customers, (2) commercial customers, (3) industrial customers, and (4) transferred to a third party	Data Table
	IF-GU-000.C	Length of gas (1) transmission and (2) distribution pipelines	(1) Not applicable. Superior does not operate transmission pipelines. (2) Data Table



## Road Transportation Sustainability Accounting Standard

Topic	SASB Code	Metric	Response, Link or Additional Information
Greenhouse Gas Emissions	TR-RO-110a.1	Gross global Scope 1 emissions	<p>We have been gradually expanding our climate-related disclosures since we started to publicly report on our Scope 1 emissions in 2020. Both in 2022 and 2023, we engaged an external consultant to quantify our Scope 1 emissions and a third party to verify these emissions.</p> <p>Our total Scope 1 GHG emissions were 140,611 tCO<sub>2</sub>e. For more information, see the Emissions section of the report.</p>
	TR-RO-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	<p>Superior is committed to being a part of the climate solution. Climate-related mitigation plans are developed with input from subject matter experts across our business, which is reviewed by the Management team. Superior continues to reduce our GHG emissions through established initiatives such as fleet optimization, route optimization, and other digital strategies such as tank monitoring system upgrades. Superior is also investigating alternative and lower carbon energy opportunities.</p> <p>In last year's report, we set 2022 as our baseline year for emissions data. As such, we have recalculated 2022 emissions and energy use to include Certarus data. Superior is working to harmonize its processes, before establishing targets</p> <p>For more information, see the Managing Risks section of the report.</p>
	TR-RO-110a.3	(1) Total fuel consumed, (2) percentage natural gas, (3) percentage renewable	(1) Data Table
Air Quality	TR-RO-120a.1	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , and (3) particulate matter (PM <sub>10</sub> )	See Other Environmental Initiatives, pg. 39
Driver Working Conditions	TR-RO-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	<p>Total Recordable Incident Rate (TRIR) measured by injuries/200,000 work hours</p> <p>(1a) 4.06<sup>58</sup></p> <p>(2a) One fatality</p>
	TR-RO-320a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	<p>(1) Our full-time voluntary employee turnover rate was 15.2%.</p> <p>(2) We do not disclose involuntary turnover rate of employees.</p>
	TR-RO-320a.3	Description of approach to managing short-term and long-term driver health risks	Driver Training and Safety

<sup>58</sup> Certarus data excluded.

Topic	SASB Code	Metric	Response, Link or Additional Information
Accident & Safety Management	TR-RO-540a.1	Number of road accidents and incidents	We measure driver incidents using the Transportation Incident Rate (TIR). TIR is the rate of occurrence of preventable motor vehicle incidents (PMVI) based on number of miles driven over a reporting period and includes preventable on-road and off-road incidents. $TIR = \text{Total PMVI} \times 1 \text{ million} \div \text{miles driven in the period}$ . Our TIR was 6.34 <sup>59</sup> .
	TR-RO-540a.2	Safety Measurement System BASIC percentiles for: (1) Unsafe Driving, (2) Hours-of-Service Compliance, (3) Driver Fitness, (4) Controlled Substances/Alcohol, (5) Vehicle Maintenance, and (6) Hazardous Materials Compliance	Superior uses trusted, third-party driver safety software that monitors on-road behaviours, speed, distractions, fatigue and other key indicators. Managers are promptly notified of any unsafe driving behaviour and are responsible for coaching drivers. See Data Table for performance data.
	TR-RO-540a.3	(1) Number and (2) aggregate volume of spills and releases to the environment	Data Table

<sup>59</sup> Certarus data excluded.

## STATEMENT OF VERIFICATION



### This Statement of Verification is for:

Company Name:

**Superior Plus**

Mailing address:

401, 200 Wellington Street West. Toronto, Ontario  
M5V 3C7

Operation Locations:

Canada & USA

### Introduction:

MICONE Consulting Inc. (MICONE) was retained by Superior Plus (Superior) to provide third party verification for their sustainability report. Superior's sustainability report covers their sustainability metrics, which includes GHG emissions and safety metrics, for all their operations in Canada and USA for the 2023 Calendar Year.

This verification was carried out in accordance with ISO standards, Canada's Greenhouse Gas Quantification Requirements - Greenhouse Gas Reporting Program, Canada's National Inventory Report: Greenhouse Gas Sources and Sinks in Canada, the US EPA GHG Emission Factors Hub, the WBCSD/WRI GHG Protocol, SASB Standards for Gas Utilities & Distributors, and the GRI Sustainability Reporting Standard.

The verification was conducted to a reasonable level of assurance for Scope 1 emissions and safety metrics, and a limited level of assurance for Scope 2 emissions.

### Verification Scope:

<b>Item</b>	Sustainability Metrics Verification – Superior Canada & USA Operations
<b>Verification Boundary</b>	Canadian Propane, US Propane, Certarus, and Superior Gas Liquids business units.
<b>Sustainability Metric Sources</b>	<p><b>Scope 1 emissions:</b> Stationary, Vehicle Fuel Combustion (Diesel, Propane and Gasoline), flaring, venting and fugitives.</p> <p><b>Scope 2 emissions:</b> Heating - Natural Gas, Purchased Electricity, Cooling – Chilled Water</p> <p><b>Safety Data:</b> Total Recordable Incident Rate (TRIR) Days Away, Restricted, or Transferred (DART) Total Incident Rate (TIR)</p>



<b>GHG Scope</b>	Scope 1 and 2 emissions Carbon dioxide (CO <sub>2</sub> ); Methane (CH <sub>4</sub> ); Nitrous oxide (N <sub>2</sub> O)
<b>Time Period</b>	January 1, 2023 – December 31, 2023
<b>Quantification Protocol(s)</b>	<ul style="list-style-type: none"> <li>• Canada's Greenhouse Gas Quantification Requirements - Greenhouse Gas Reporting Program</li> <li>• Canada's National Inventory Report: Greenhouse Gas Sources and Sinks in Canada</li> <li>• US EPA GHG Emission Factors Hub</li> <li>• SASB Standards for Gas Utilities &amp; Distributors</li> <li>• GRI Sustainability Reporting Standard</li> <li>• The World Business Council for Sustainable Development (WBCSD) / World Resources Institute (WRI) Greenhouse Gas protocol</li> </ul>
<b>Activities</b>	Propane and distillates supplier
<b>Fuel</b>	Natural Gas, Propane, Diesel and Gasoline
<b>Final Assertion for Sustainability Metrics</b>	<p><b><u>GHG Data:</u></b></p> <p><b><u>Canada Propane, US Propane, Superior Gas Liquids (SGL) and Certarus:</u></b></p> <ul style="list-style-type: none"> <li>▶ Total Scope 1 GHG emissions [metric tonnes of CO<sub>2</sub>e] - 113,667.80</li> <li>▶ Total Scope 2 GHG emissions [metric tonnes of CO<sub>2</sub>e] - 44,203.04</li> <li>▶ Total Emissions [metric tonnes of CO<sub>2</sub>e] - 157,870.84</li> </ul> <p><b><u>Safety Data:</u></b></p> <p><b><u>Canada Propane, US Propane, and Superior Gas Liquids (SGL):</u></b></p> <ul style="list-style-type: none"> <li>▶ Total Recordable Incident Rate (TRIR): 4.23</li> <li>▶ Days Away, Restricted, or Transferred (DART): 90</li> <li>▶ Total Incident Rate (TIR): 4.20</li> </ul>
<b>Verification Objective</b>	The objective of the verification was to provide an independent assessment of Superior's sustainability report and to identify any material and immaterial errors, omissions, or misrepresentations to the sustainability metrics reported and to provide our opinion on whether the report was prepared in accordance with applicable standards and regulations
<b>Level of Assurance</b>	The verification was conducted to a <b><u>reasonable level of assurance</u></b> for Scope 1 emissions, which provides a high level of assurance that the facility's assertion is materially correct and prepared in accordance with the requirements of applicable standards and regulations. The verification was conducted to a <b><u>limited level of assurance</u></b> for Scope 2 emissions, which provides assurance that the facility's assertion is not materially incorrect and did not deviate from the requirements of applicable standards and regulations.

<b>Program Criteria</b>	<p>Generating sufficient and appropriate evidence to support our opinion will involve executing verification procedures that assess the assertion against the following criteria:</p> <ul style="list-style-type: none"> <li>• SASB Standards for Gas Utilities &amp; Distributors</li> <li>• GRI Sustainability Reporting Standard</li> <li>• The World Business Council for Sustainable Development (WBCSD) / World Resources institute (WRI) Greenhouse Gas protocol</li> <li>• ISO 14064 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, ISO,(ISO 14064-1).</li> <li>• ISO 14064 Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements</li> <li>• Canada's Greenhouse Gas Quantification Requirements - Greenhouse Gas Reporting Program</li> <li>• Canada's National Inventory Report: Greenhouse Gas Sources and Sinks in Canada</li> <li>• US EPA GHG Emission Factors Hub</li> <li>• *Should any discrepancies exist between ISO and regulatory criteria, the regulatory criteria shall take precedence.</li> </ul>
<b>Verification Scope</b>	<p>The verification assesses Superior's operations as well as calculations and supporting information used to quantify sustainability metrics for the period January 1, 2023 – December 31, 2023.</p>

## Opinion:

Based on the verification conducted by MICONE Consulting, the assertion was determined to be free of material misstatements, fairly presented, substantiated by sufficient and appropriate evidence, and was prepared in accordance with the quantification standards and relevant criteria.

We believe that the evidence we have obtained throughout the verification process is sufficient and appropriate to provide a basis for our opinion. It is our opinion that the assertion/statement presents fairly, in all material respects, the reported metrics of Superior Plus for the period January 1 to December 31, 2023, in accordance with the applicable criteria, regulations and standards.

## Conclusion:

### Scope 1 emissions & Safety metrics:

The verification is Positive

The level of assurance is reasonable.

The data for the indicators listed above is supported by appropriate evidence.

The data for the indicators listed above is free of material misstatements, errors or omissions.

The data for the indicators listed above was prepared in accordance with the applicable criteria, regulations and standards.

### Scope 2 emissions:

The verification is Positive

The level of assurance is limited.

The data for the indicators listed above is supported by appropriate evidence.

There is no indication that Superior's assertion is not materially correct.

There is no indication that this submission was not prepared in accordance with the applicable criteria, regulations and standards.

Afure Onekpe, Lead Verifier



August 9, 2024

SCC Accredited

VEB-GHG



OVE-GES

Accrédité CCN

TM

Tobore Majemite, Independent Reviewer



August 9, 2024





# ***Forward-Looking Info and Non-GAAP Finan***

## **Forward-Looking Information**

Certain information included herein is forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information may include statements regarding the objectives, business strategies to achieve those objectives, expected financial results (including those in the area of risk management), economic or market conditions, and the outlook of or involving Superior and its businesses. Such information is typically identified by words such as “anticipate”, “believe”, “continue”, “estimate”, “expect”, “plan”, “forecast”, “future”, “outlook”, “guidance”, “may”, “project”, “should”, “strategy”, “target”, “will” or similar expressions suggesting future outcomes.

Forward-looking information in this document includes; our developing strategy to distribute low carbon and renewable energy to our customers, including our initial hydrogen distribution project, inclusion of additional sustainability objectives in our executive compensation program, plans to enhance our sustainability reporting, our sustainability hiring plans, board diversity objectives, improvements to our customer digital experience, expansion of our customer outreach and communication activities, changes to our employee benefits programs, implementation of a new HS&E strategy and management framework and expansion of our internal HS&E reporting.

The content and data referenced in this report focus primarily on our operations from January 1 to December 31, 2023, unless otherwise indicated. Information regarding some known events or activities in 2023 are also included. No party should place undue reliance on these forward-looking statements, which speak only as of the date of the Report. All forward-looking statements are based on management’s knowledge and reasonable expectations at the time of publication. We do not undertake to provide any further updates or changes to any data or forward-looking statements in this Report. Neither future distribution of this material nor the availability of this material in archive form on our website should be deemed to constitute an update or re-affirmation of these figures or statements as of any future date. Any future update will be provided only through a public disclosure indicating that fact.

These publications have been prepared at shareholders’ request or for their convenience and intentionally focused on unknown future events that we have been asked to consider. Forward-looking and other statements regarding environmental and other sustainability efforts and aspirations are not intended to communicate any material information or represent that these are required disclosures under applicable securities laws.

In addition, historical, current, and forward-looking environmental and other sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future, including future laws and rulemaking. Forward-looking and other statements regarding environmental and other sustainability efforts and aspirations are for informational purposes only and are not intended as an advertisement for Superior’s equity, debt, businesses, products, or services and the reader is specifically notified that any investor-requested disclosure or future required disclosure is not and should not be construed as an inducement for the reader to purchase any product or services. The statements and analysis in these publications represent a good faith effort by Superior to address these investor requests despite significant unknown variables and, at times, inconsistent market data, government policy signals, and calculation, methodologies, or reporting standards.



# Information Financial Measures

Further forward-looking information is provided for the purpose of providing information about management's expectations and plans about the future and may not be appropriate for other purposes. Forward-looking information herein is based on various assumptions and expectations that Superior believes are reasonable in the circumstances. No assurance can be given that these assumptions and expectations will prove to be correct. Those assumptions and expectations are based on information currently available to Superior, including information obtained from third party industry analysts and other third-party sources, and the historic performance of Superior's businesses. Such assumptions include anticipated financial performance, current business and economic trends, the amount of future dividends paid by Superior, business prospects, utilization of tax basis, regulatory developments, currency, exchange and interest rates, future commodity prices relating to the oil and gas industry, future oil rig activity levels, trading data, cost estimates, our ability to obtain financing on acceptable terms, expected life of facilities and statements regarding net working capital and capital expenditure requirements of Superior, the assumptions set forth under the "Financial Outlook" section in our Management's Discussion and Analysis accompanying our financial statements for the first quarter of 2024 ("MD&A"). The forward-looking information is also subject to the risks and uncertainties set forth below.

By its very nature, forward-looking information involves numerous assumptions, risks and uncertainties, both general and specific. Should one or more of these risks and uncertainties materialize or should underlying assumptions prove incorrect, as many important factors are beyond our control, our actual performance and financial results may vary materially from those estimates and intentions contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include incorrect assessments of value when making acquisitions, increases in debt service charges, the loss of key personnel, the anticipated impact of the COVID-19 pandemic and the economic recession, fluctuations in foreign currency and exchange rates, inadequate insurance coverage, liability for cash taxes, counterparty risk, compliance with environmental laws and regulations, reduced customer demand, operational risks involving our facilities, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) our MD&A under the heading "Risk Factors" and (ii) Superior's most recent Annual Information Form. The preceding list of assumptions, risks and uncertainties is not exhaustive. When relying on Superior's forward-looking information to make decisions with respect to Superior, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Any forward-looking information is provided as of the date of this document and, except as required by law, neither Superior nor Superior Plus LP undertakes to update or revise such information to reflect new information, subsequent or otherwise. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

## **Non-GAAP Financial Measures**

Sometimes we use Non-GAAP financial measures, which are financial terms that do not have a standardized meaning under generally accepted accounting principles. Refer to the "Non-GAAP Financial Measures" section in our 2023 Annual MD&A dated February 21, 2024, available on [www.sedar.com](http://www.sedar.com) for more information on how we calculate them.



# Superior Plus

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