



2022
Sustainability
Report



A Message from Tim Go



Tim Go

Chief Executive Officer and President
HF Sinclair Corporation

At HF Sinclair, we make the products that make life go. From refining and marketing traditional and renewable fuels to manufacturing lubricants and specialty products, we move and supply products essential to everyday life.

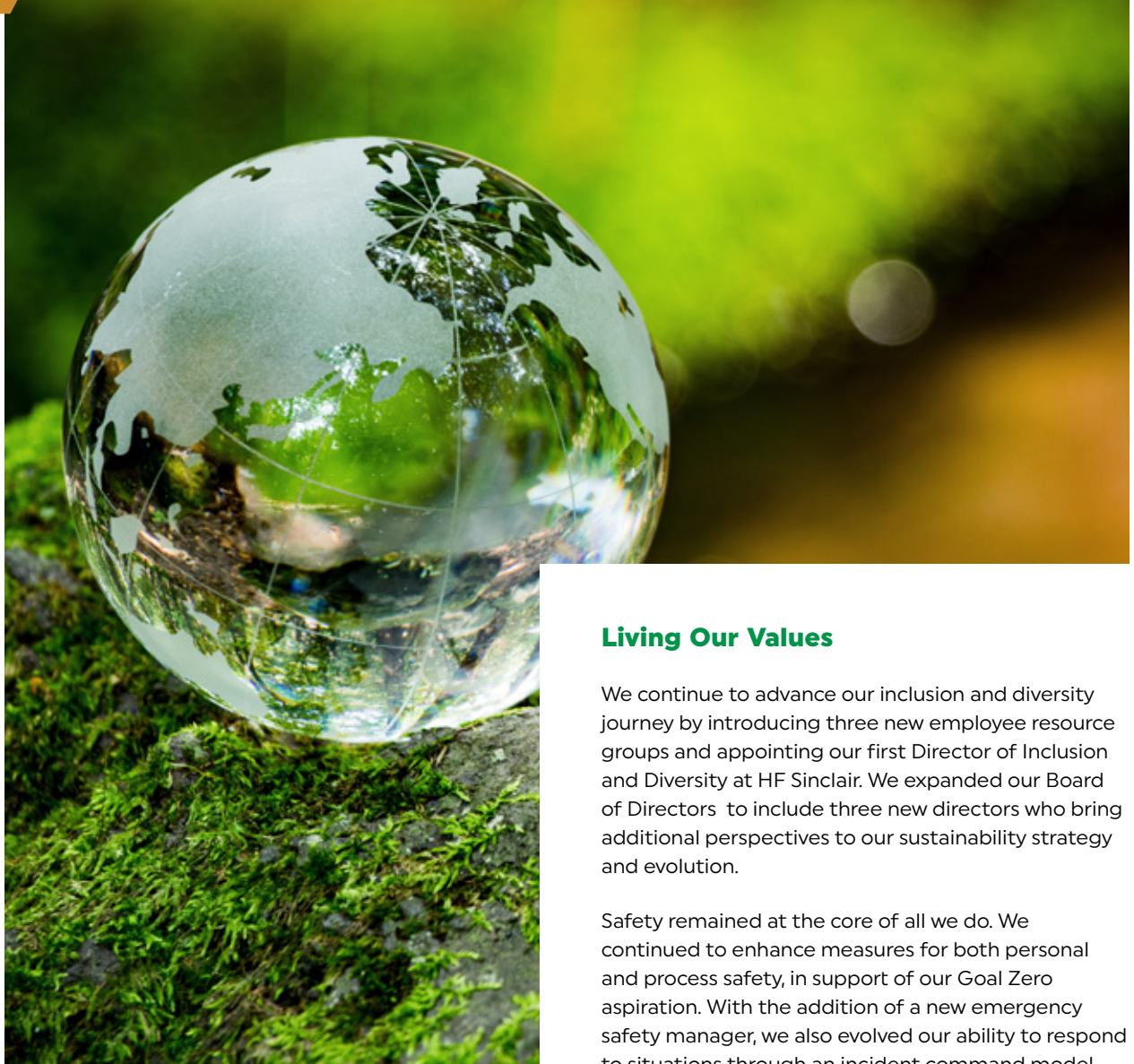
The Energy to Do More

With the establishment of our new parent company, HF Sinclair Corporation, 2022 represented a year of new beginnings and has provided us with the energy to do more, as we progress on our sustainability journey.

For us, sustainability and having an ESG mindset includes having a long-term positive impact on our customers through the products we produce, for our highly-skilled employees and in our communities. We understand that how we operate is as important as what we produce.

Progressing Our Goals

In 2022, we announced a target to reduce our net greenhouse gas ("GHG") emissions intensity by 25% by 2030 compared to a 2020 baseline. Despite acquiring additional production facilities to support the demand for our products, I'm proud to share that throughout the past year, we continued to make strong progress toward that goal.



Our Renewables segment became fully operational this past year, with the start-up of our renewable diesel and pre-treatment units in Artesia, New Mexico and our renewable diesel unit in Cheyenne, Wyoming, contributing towards our GHG goal. We also acquired a renewable diesel unit through the Sinclair transaction. This segment plays an important role in our approach to energy transition and helping to meet the world's future energy needs.

We hold ourselves accountable to execute against our strategic business priorities related to environmental sustainability, including our GHG goal. Therefore, we have expanded our environmental, social and governance (ESG) performance measures to include a metric tied to the goal. This metric, which is equally weighted with existing metrics for safety and environmental measures, signifies the importance of these efforts.

Living Our Values

We continue to advance our inclusion and diversity journey by introducing three new employee resource groups and appointing our first Director of Inclusion and Diversity at HF Sinclair. We expanded our Board of Directors to include three new directors who bring additional perspectives to our sustainability strategy and evolution.

Safety remained at the core of all we do. We continued to enhance measures for both personal and process safety, in support of our Goal Zero aspiration. With the addition of a new emergency safety manager, we also evolved our ability to respond to situations through an incident command model.

Our Role

We continue to aspire to deliver long-term sustainable results as we move our business forward.

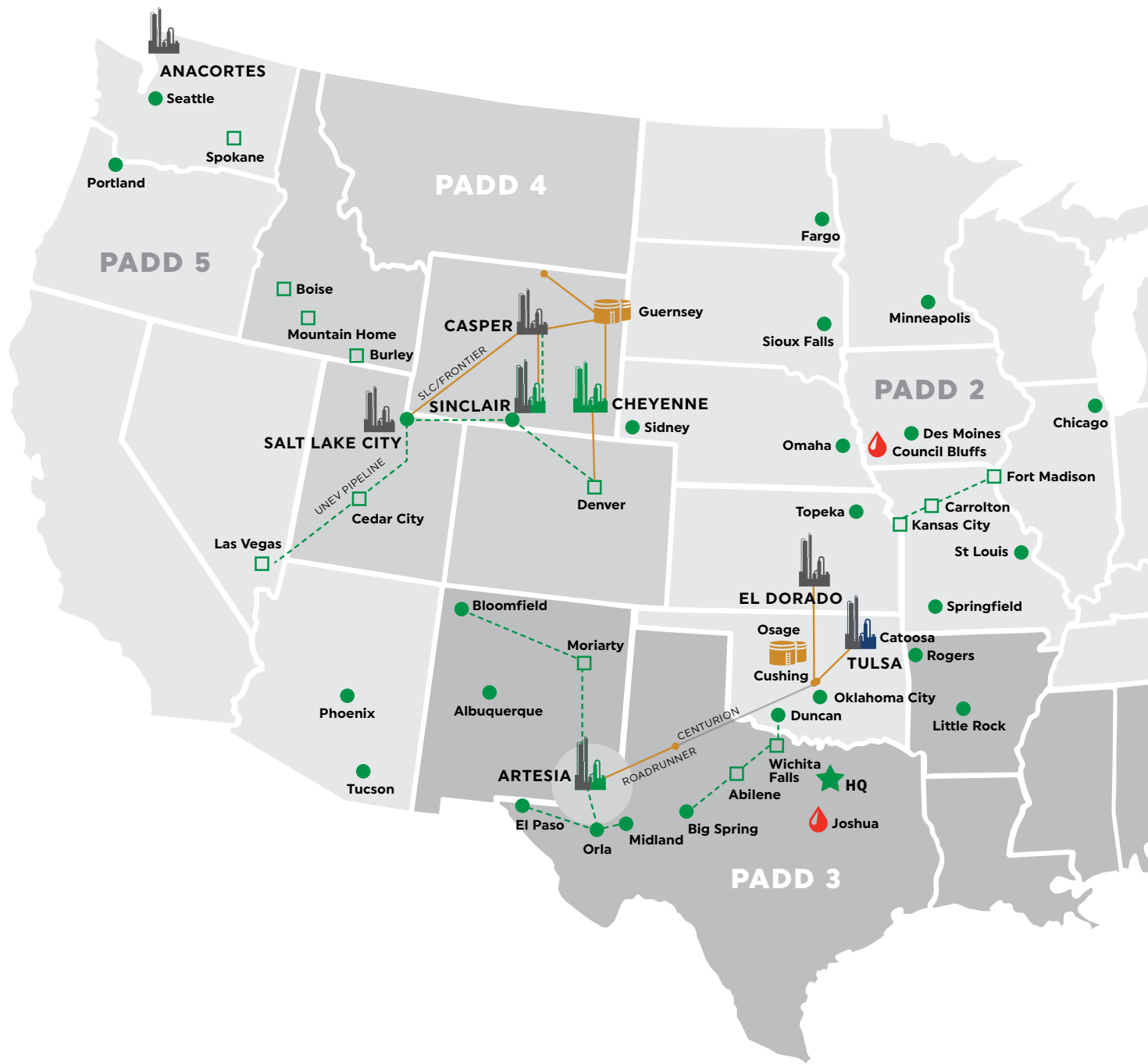
This past year underscored the importance of transportation fuels to our economy. Global events spurred fuel shortages and higher prices – bringing to the fore the importance of energy security. These events highlighted the challenges the world will face in meeting global energy needs and the fact that engaging in an energy transition in a responsible manner requires contributions from multiple stakeholders, including companies like HF Sinclair.

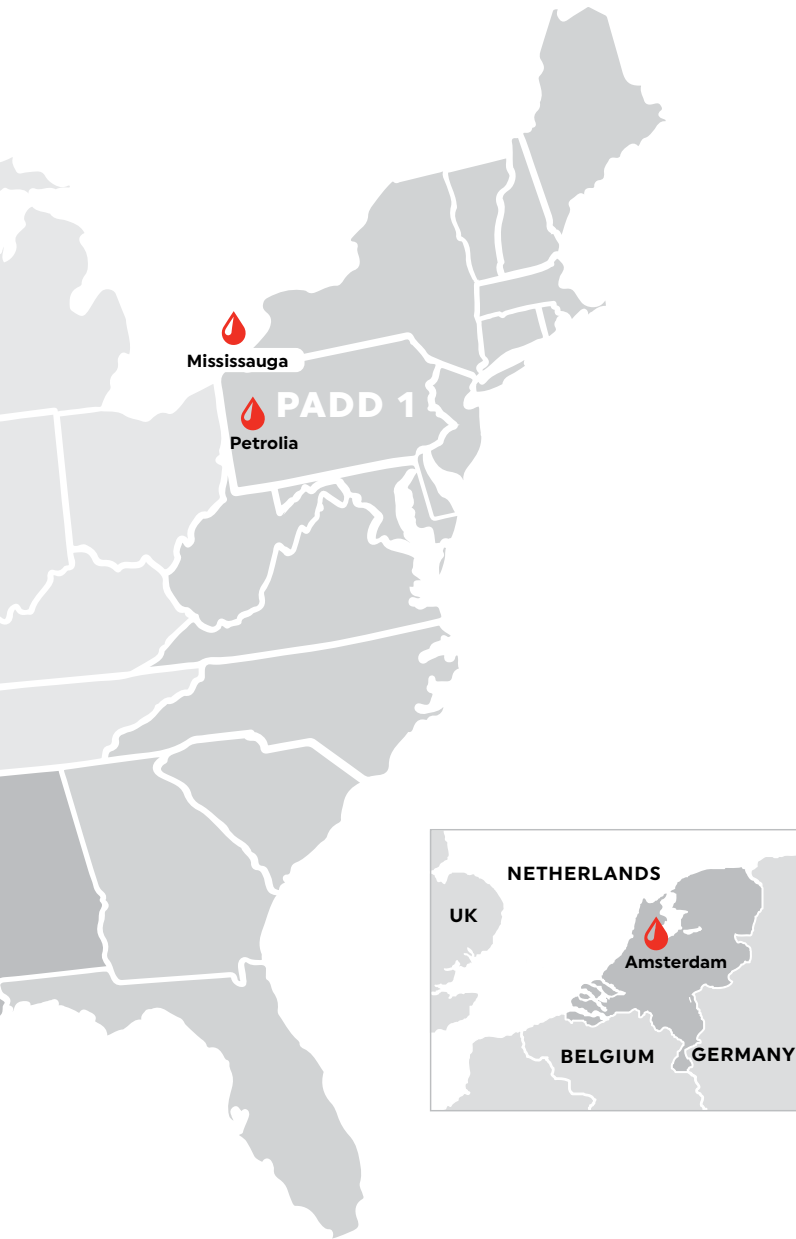
We believe we will play an important role in what's next while providing what's needed now – focusing on serving our communities and continuing our journey with meaningful action. Thank you for taking the time to read about the ways in which we have utilized our collective efforts to advance our ESG efforts.













About HF Sinclair







 HF Sinclair Refinery	 Renewable Diesel Facility
 HF Sinclair Refinery + Lubricants Production	 Lubricants Facility
 HEP Terminal/ HF Sinclair Product Markets	 HF Sinclair Product Markets
 HEP Product Pipelines	 HEP Crude Pipelines
 Crude Hub	 Crude Gathering



About HF Sinclair

HF Sinclair Corporation (“HF Sinclair”), headquartered in Dallas, Texas, is an independent energy company that produces and markets high value light products such as gasoline, diesel fuel, jet fuel, renewable diesel and other specialty products.

HF Sinclair owns and operates refineries located in Kansas, Oklahoma, New Mexico, Wyoming, Washington and Utah and markets its refined products principally in the Southwest U.S., the Rocky Mountains extending into the Pacific Northwest and in other neighboring Plains states. HF Sinclair supplies high-quality fuels to more than 1,500 Sinclair-branded stations and licenses the use of the Sinclair brand at more than 300 additional locations throughout the country. In addition, subsidiaries of HF Sinclair produce and market base oils and other specialized lubricants in the U.S., Canada and the Netherlands, and export products to more than 80 countries, under

the Petro-Canada Lubricants, Sinclair, Sonneborn, Red Giant Oil and HollyFrontier Specialty Products brands. Through its subsidiaries, HF Sinclair produces renewable diesel at two of its facilities in Wyoming and also at its facility in Artesia, New Mexico. HF Sinclair also owns a 47% limited partner interest and a non-economic general partner interest in Holly Energy Partners, L.P. (NYSE: HEP), a master limited partnership that provides petroleum product and crude oil transportation, terminalling, storage and throughput services to the petroleum industry, including HF Sinclair subsidiaries.





Our Core Values



Safety



Integrity



Teamwork



Ownership



Inclusion



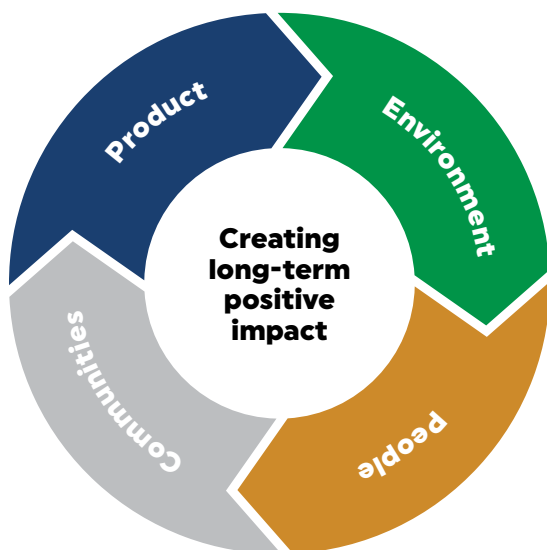
Sustainability at HF Sinclair





Sustainability at HF Sinclair

At HF Sinclair, we believe sustainability is about creating a long-term, positive impact, which we strive to do:



- ▶ With the products we produce for our customers.
- ▶ By reducing our impact on the environment through our operational processes.
- ▶ In the careers of our people and the lives of the people who depend on them.
- ▶ In the communities where we operate.



Focusing on What Matters

We continue to actively monitor and manage the ESG issues we consider of most importance to our strategic objectives. Throughout this report, you will read about how we are addressing these issues to drive sustainability.



Environment

Renewable Fuels. We anticipate that, as the world transitions to a lower carbon future, consumer demand for renewable diesel and other renewable fuels will increase. We are committed to helping meet the global energy needs of the future, and that includes providing renewable fuels. See "Our Renewable Business" for additional information.

Greenhouse Gas Emissions. Companies are consistently challenged to identify ways to operate more efficiently and with reduced impact on the environment. We endeavor to further our efforts in responding to this challenge, and one year ago, set a goal to reduce our net GHG emissions intensity that we believe is achievable and aligned with our corporate strategy. See "Reducing our Environmental Impact" for additional information.



People

Inclusion and Diversity. As we face the challenges of the future and move forward together, we believe what makes each of us different, together makes us stronger. We believe this is best accomplished by supporting diversity of experiences, backgrounds, demographics, thoughts, ideas and perspectives. In 2022 we enhanced our inclusion practices by introducing new employee resource groups and developing broader community partnerships. For more information on this, see the "Investing in Our People" section of this report.

Business Ethics. Operating with integrity has always been at the core of how we do business. Doing the right thing is essential to our ability to maintain the trust of our stakeholders. Now more than ever, trust is a currency that all businesses, including ours, require to succeed and lead. Our Global Ethics and Compliance program is continuously being enhanced to meet the evolving risks facing our company and to align with best practices. See the "Leading with Ethics" section of this report.



Communities

Community and Stakeholder Engagement. Our relationships with our stakeholders are essential to our success and our ability to operate. We strive to be a good neighbor by engaging in dialogue with communities in which we operate so we understand what's important to stakeholders and respond to feedback. Throughout 2022, we continued to positively contribute to communities. See the "Stakeholder Engagement" section of this report for additional information.



Products

Business Continuity. In order to be a leader in the energy future, we must strive to operate both efficiently and reliably. Providing for the continuous operation of our business is critical to these objectives. Incident management is an important aspect of this.

Supporting the UN SDG's

In 2015, the United Nations General Assembly established 17 Sustainable Development Goals which were intended to serve as a blueprint for peace and prosperity for people and the planet, now and into the future. As outlined in this Report, several of our sustainability priorities are made with reference to these principles including:



Affordable and Clean Energy

Access to affordable, reliable and sustainable energy is essential for continued economic growth and prosperity. This goal requires stakeholders to contribute to that objective. We believe that we have a role to play in enabling energy security going forward. Through our Renewables segment, HF Sinclair is making alternative energies and technologies available and accessible to meet future energy needs.



Decent Work and Sustained Economic Growth

This goal emphasizes the importance of providing sustained economic growth through full, productive and decent work for all. We are committed to protecting labor rights and respecting the rights of all. We provide productive employment through quality jobs in the communities where we operate and promote safe and secure working environments through our Goal Zero culture which is our commitment to operate our facilities in a safe manner each and every day.



Life Below Water

This goal relates to conserving and sustainably using the oceans, seas and marine resources for sustainable development. For us, an important aspect of this is incorporating environmental assessments into our plans for managing our marine operations and developing a strong accident prevention and response preparedness program. As further described in this Report, we believe we have developed a robust emergency response program at our Puget Sound refinery and our Mississauga facility to achieve this objective. We also collaborate with emergency response and other stakeholders in the area to respond in an emergency.



Peace, Justice and Strong Institutions

This goal relates to promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels. Human rights violations and corruption contribute to inequality, instability and inhibit economic growth. We operate globally and understand how important it is for us to respect the law and develop strong governance practices, which enable us to support societies striving to build effective institutions. We demonstrate this through our Global Ethics and Compliance program, including our anticorruption and modern slavery due diligence programs.



Climate and Innovation





Climate and Innovation

Innovation continues to play a pivotal role in our preparation for an energy transitioned future and is present in the products we produce to meet changing consumer needs and expectations. Innovation is also important to our evolving business and we routinely gather individuals from across our business segments to identify opportunities to improve and drive our business forward.

Delivering More Sustainable Products

Our research and development (R&D) department in our Lubricants & Specialty Products segment encourages employees to spend a portion of their time thinking outside the box to develop products that are environmentally responsible and meet current and future demands. A governance process is in place for vetting ideas which prioritizes the areas of biodegradability/renewable components, energy efficiency and lubricants for alternative energy systems, while assessing commercial viability and consumer preferences.



Below are some of the products that have been identified and developed through our R&D process:

Products Containing Renewable or Sustainably-Sourced Components

- ▶ SonneNatural line, a full line of unique, 100% natural plant-based products
- ▶ Improvements made in the formulation and performance of renewable components (triglyceride-based waxes) used in candles
- ▶ Formulations use sustainably sourced palm ingredients in accordance with the Roundtable on Sustainable Palm Oil (RSPO)
- ▶ Research, blending and testing of renewable components in various product applications

Products with Reduced Environmental Impacts

- ▶ Research, development and launch of lubricants that are readily biodegradable* to reduce environmental impact on our natural ecosystems
- ▶ Our product line includes ENVIRON™ MV R, ashless, non-toxic and low odor hydraulic fluids which are readily biodegradable
- ▶ CINAGRO™, PureSpray™ and CIVITAS™, which are agricultural spray oils and lawncare products for use in organic production
- ▶ Manufacture and market a mosquito larvicide oil (MLO) used to eliminate the larvae and pupae thereby decreasing the development of adult mosquitos
- ▶ Rubber processing oils for the rubber and tire industry with significantly lower levels of regulated compounds
- ▶ DURON™ Heavy Duty Diesel Engine Oil and SENTRON™ Stationary Natural Gas Engine Oils provide extended drain performance and longer lubricant life resulting in less used oil waste
- ▶ TURBOFLO™ XL, TURBOFLO™ HTS turbine fluids, COMPRO™ XL S compressor fluids, HYDREX™ AW hydraulic fluids, and Peerless™ LLG grease are all products that significantly extend service life with their oxidative and thermal stability
- ▶ CIVITAS™ TURF DEFENSE can play a role in water conservation by reducing water usage by up to 25% and by helping turf tolerate limited water conditions

Products That Improve Energy Efficiency (Improved Fuel Consumption and Reduced Carbon Emissions)

- ▶ Development and promotion of passenger motor oils meeting ILSAC GF-6A and GF-6B, designed to improve fuel economy
- ▶ Development and promotion of DURON™ heavy duty diesel engine oils meeting API FA-4, as well as lower viscosity 10W-30 and 5W-30 grades, designed to impart improved fuel economy
- ▶ Lower viscosity grade SENTRON™ Stationary Natural Gas Engine Oils (SAE 30 viscosity grade versus traditional SAE 40 viscosity grade) in order to achieve higher energy efficiency
- ▶ Lower viscosity TRAXON™ 75W-90 and 75W-85 axle fluids to promote energy efficiency
- ▶ HYDREX™ Hydraulic multi-grade fluids with proven energy efficiency
- ▶ SUPREME™ Hybrid 0W-20 and 0W-16 passenger car motor oils for energy efficient hybrid electric vehicles

Products for Alternative Energy Systems

- ▶ Development and promotion of lubricants used to support renewable power such as our HARNEX™ 320 Wind Turbine Fluid
- ▶ Development and promotion of SENTRON™ stationary natural gas engine oils and TURBOFLO™ gas turbine fluids to support use of clean burning, low emission natural gas in place of coal, fuel oil, diesel and other high emission fuels. SENTRON™ natural gas engine oils also allow energy production from landfill gas and are also used in cogeneration applications
- ▶ Development and promotion of ammonia refrigeration compressor lubricants to support low/no Ozone Depletion Potential (ODP) and Global Warming Potential (GWP) refrigeration systems

*Readily biodegradable is defined by an industry standard test (OECD 301B), which is defined as >60% biodegradability within 28 days in this test.

Partnerships to Meet the Demand for Reduced Climate Impact

In 2022, we continued key partnerships we believe we can add value in advancing a greener future.

The Advanced Fluids for Electrified Vehicles (AFEV) Consortium (the "AFEV Consortium") at Southwest Research Institute was formed to focus on increasing the understanding of the lubricant needs for electric and hybrid vehicles and to partner with the industry to optimize fluids for these applications. As a member of the AFEV Consortium, we are able to apply our knowledge of hardware and fluid requirements to product development in collaboration with other stakeholders to help advance this important goal.

The Asphalt Institute seeks to promote the safe use and benefits of asphalt through partnerships and research. We are active participants in the Health, Safety and Environment Committee of the Asphalt Institute, which collaborates globally to address health and safety issues associated with asphalt products.



DINOCARE® Technology

Through Sinclair-branded retail stations, HF Sinclair provides a TOP TIER™ gasoline that satisfies the requirements of today's most advanced engines.

Using a high-quality additive called DINOCARE®, this fuel cleans harmful deposits from your engine and fuel system, which in turn provides better gas mileage and can reduce maintenance costs.



Our Renewables Business





Our Renewables Business

The year 2022 was a transformational year for our Renewables segment. In March of 2022, we commenced operations at our Cheyenne, Wyoming renewable diesel unit and acquired the Sinclair renewable diesel unit as part of the Sinclair Transactions. In April of 2022, the Artesia, New Mexico pre-treatment unit became operational and in June of 2022, we commenced operations at the Artesia renewable diesel unit. Combined, we have the capacity to produce approximately 380 million gallons of renewable diesel per year, making HF Sinclair one of the largest active producers of renewable diesel in North America.

Renewable diesel is produced through hydrotreating renewable feedstock, such as vegetable oils and animal fats.

The end product is chemically identical to conventional diesel and fully compatible with the diesel infrastructure and engine fleet. Renewable diesel is a cleaner burning fuel and, depending on the feedstock, reduces lifecycle greenhouse gas ("GHG") emissions 50% to 80% compared to conventional diesel. The production of renewable diesel strengthens our ESG profile and will help us achieve our 25% net GHG emissions intensity reduction target by 2030 as compared to a 2020 baseline through offsets and credits.

Consumer preference and regulatory demand for low carbon fuels continues to evolve, driving the expansion of renewable fuels programs and requirements. To date, we have invested more than \$850 million in our renewables business and anticipate investing an additional \$25 million to \$30 million in 2023.

This investment demonstrates our commitment to reducing HF Sinclair's environmental footprint, while continuing to provide safe, reliable, low-carbon energy alternatives that society increasingly demands.





Cheyenne Receives Hugh K. Coble Excellence Award

The management team at our renewable diesel unit in Cheyenne, Wyoming was recently awarded the prestigious Hugh K. Coble Excellence Award for its leadership and excellence in executing the renewable diesel unit conversion project.

The Hugh K. Coble Excellence Award winners are selected from a field of projects that meet stringent criteria. Each project is graded in the following core areas:

- ▶ Safety
- ▶ Adherence to the operating system requirements
- ▶ Value creation and innovation
- ▶ Quality and continuous improvement
- ▶ Project schedule
- ▶ Project cost
- ▶ Profitability
- ▶ Client relations
- ▶ Community relations
- ▶ Human resources

Additional challenges such as site location, risks and opportunities, construction challenges, project complexities and change management are also factored into the evaluation. Only 102 projects have received the prestigious Hugh K. Coble Excellence Award since its inception in 1991.



Reducing Our Environmental Impact





Reducing Our Environmental Impact

In 2022, we announced that we set a target to reduce our net GHG intensity emissions from our operations by 25% by 2030 as compared to a 2020 baseline through improving the efficiency in our operations, and expanding our renewable diesel production and biofuel blending operations.

Our Environmental Program

We are committed to managing our operations in a manner that strives to minimize our impact on the environment. Through strong governance and our Operational Excellence Management System, we are better able to identify, monitor, mitigate and manage environmental risks across our operations. We incorporate environmental considerations, such as air quality impacts, into projects of all sizes and our five-year strategic planning process.

Our corporate environmental team, under the leadership of our Vice President, Environmental Health and Safety, provides oversight and support to our facilities as they navigate complex environmental regulations. This team includes subject matter experts in environmental disciplines including, air, waste and water, as well as leaders responsible for environmental assurance and remediation. The corporate team is also responsible for tracking key performance indicators, engaging industry experts when appropriate and leading the environmental audit program.

Each of our refineries and lubricants and specialties facilities has an environmental manager and team of specialists who actively evaluate our environmental performance. These teams work with local operations to lead compliance and improvement initiatives for their respective refinery and facility.

Our environmental audit program enables us to periodically review and systematically evaluate environmental controls across our operations. These risk-based audits are conducted by external third parties and are overseen by our corporate environmental team for each of our sites to provide a measure of independence. These audit findings are used to support continual improvement in our environmental program.

We provide environmental training at our facilities to familiarize our employees with the company's regulatory obligations for compliance with environmental laws and regulations and the alignment of these obligations with our corporate values. This training covers a variety of topics including compliance with air permits and regulations, water regulations and permits, proper storage, handling and disposal of waste materials; identifying, reporting and responding to spills and releases; proper transportation of hazardous materials and honesty and integrity with respect to environmental data management and reporting.

We participate with industry groups, such as the American Fuel and Petrochemical Manufacturers association ("AFPM"), the Western States Petroleum Association ("WSPA") and Canadian Fuel Association ("CFA"), to guide and monitor legislative and regulatory activities.



Commitment to Good Manufacturing Practices and Environmental & Quality Management Systems

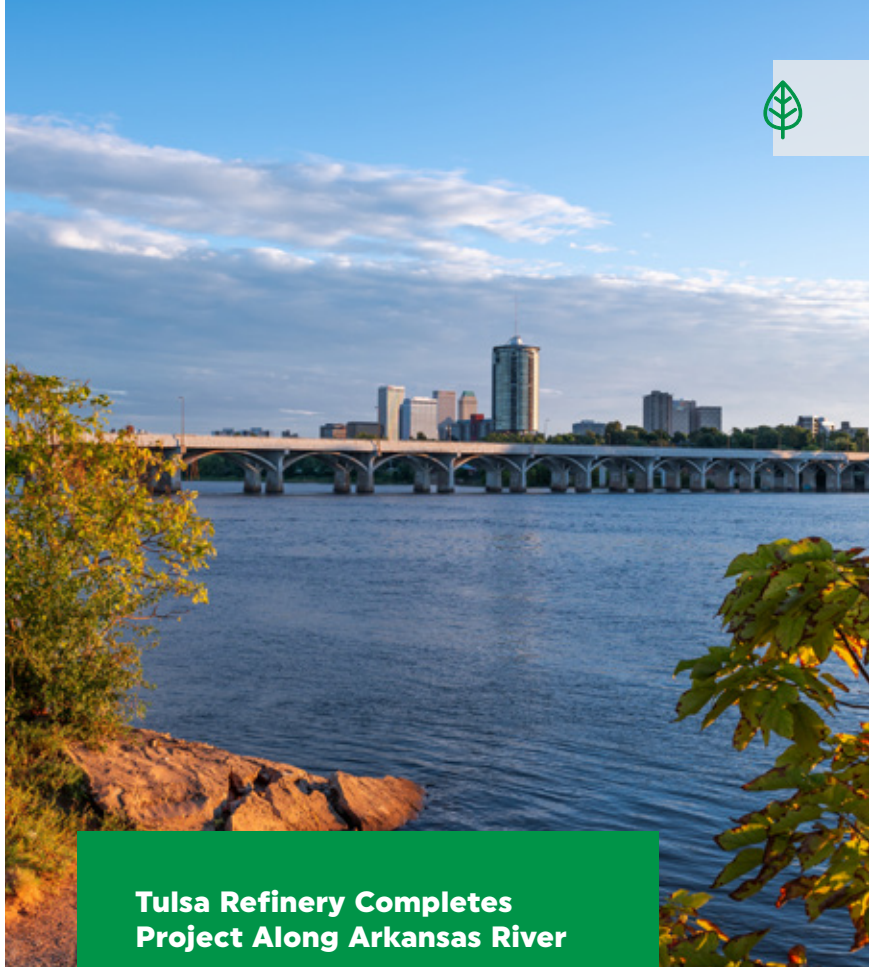
Good manufacturing practices ("GMP") are the practices required in order to meet the guidelines recommended by agencies, such as the United States Food and Drug Administration, that control the authorization and licensing of the manufacture and sale of food and beverages, cosmetics, pharmaceutical products, dietary supplements and medical devices. We were the first white oils, specialty base oils and lubricants manufacturer in the world to attain International Organization for Standardization (ISO) 14001:2015 Environmental Management System ("EMS") certification at our Mississauga facility. Our Puget Sound refinery also holds an ISO 14001:2015 certification. ISO 14001: 2015 provides the requirements for a company's EMS to enhance environmental performance and contribute to sustainability efforts. Additionally, our Mississauga, Tulsa, Petrolia, Amsterdam and Koog facilities hold a Quality Management Systems ISO 9001:2015 certification.

Third-Party Assessments

Each year, our lubricants and specialty products facilities participate in third party compliance and risk assessment surveys to reinforce and validate our sustainability practices including, but not limited to, safety, environmental compliance, labor and human rights and training.



Our participating facilities have made remarkable progress to date with EcoVadis, a trusted provider of business sustainability ratings. In 2022, our Mississauga (Petro-Canada Lubricants, Inc), Petrolia (Sonneborn, LLC), Tulsa (HF Sinclair Tulsa Refining LLC) and Amsterdam (Sonneborn Refined Products BV) received a silver sustainability rating (top 25% of suppliers with EcoVadis). This designation reflects our strong compliance management system practices in the areas of environmental practices, labor and human rights, ethics and sustainable procurement.



Tulsa Refinery Completes Project Along Arkansas River

The Tulsa refinery reached an important environmental milestone with the completion of the state-of-the-art containment cap along the Arkansas River to remediate contamination in the river from historical operations. It is locally known as the Zink Bridge "Cap and Trap" project located adjacent to our east facility.

The Tulsa refinery worked with the U.S. Army Corps of Engineers, Oklahoma Department of Environmental Quality (ODEQ), community members and outside consultants to implement the project.

Moreover, the project design and overall aesthetics were done in conjunction with Tulsa officials who have made river development a public priority.

Brenda McLaury, Vice President and Refinery Manager of the Tulsa refinery, commented, "In four years, we went from identifying an issue to executing a solution. It is a strong testament to the hard work of our employees and community partners."

Conserving Energy

As a part of our commitment to being good environmental stewards, we have implemented projects that enable us to operate more efficiently and with reduced energy consumption. For example, we have installed a flue gas recirculation system at our Petrolia facility. This equipment recycles exhaust from the boiler to preheat air as it enters the boiler, reducing the amount of energy needed to produce steam in our operations.



Air Emissions

We understand that our communities place their trust in us as a good neighbor. We incorporate applicable environmental, health and safety legal requirements in the design phase of our projects. We also develop and follow standard operating and maintenance procedures in an effort to provide safe and reliable operations.

Our operations are subject to stringent environmental regulation that serves to minimize potential impacts. In connection with these regulations, we have installed myriad control technologies that help decrease emissions from our operations, such as:

- ▶ Wet gas scrubbers are installed on all of our fluid catalytic cracking units. These scrubbers significantly reduce sulfur dioxide (SO₂) and particulate matter emissions.
- ▶ Many of our units also have nitrogen oxide (NO_x) control technologies, which reduce pollutants 80% to 95% over uncontrolled levels.
- ▶ Flare gas recovery units have been installed at five of our refineries to recover waste gases, which are then treated and recycled for use as fuel gas in our combustion units.
- ▶ We have undertaken energy reduction activities at our lubricants and specialty products facilities, including dewax exchanger cleaning, cooling tower upgrades and boiler cleaning and chemistry changes.

In addition, the Mississauga facility has initiated an alternative bulk grease transportation methodology that has converted shipment of grease to Western Canada from 18 bulk intermodal railcars to four standard bulk railcars. This has resulted in reduced truck transportation and fewer railcar shipments leading to a reduction of 686 tons of CO₂ emissions annually.



Parco Sponsors Local Environmental Project

Our Parco refinery in Sinclair, Wyoming sponsored a fencing project in collaboration with the students from Carbon County Higher Education welding department and the Bureau of Land Management.

The project required the replacement of 400 feet of wooden fence with steel tube rails on the Highwater Reservoir Wildlife Enclosure. The fence is in place to protect the wetlands, elk and wild horses in the area.

At HF Sinclair, we believe sustainability is about creating a long-term, positive impact that includes the local communities where we operate.



Emissions Data

HF Sinclair measures emissions from our operations, including GHG, nitrogen oxide (NO_x), sulfur dioxide (SO₂), carbon monoxide (CO), particulate matter (PM₁₀) and volatile organic compounds (VOCs). Emissions vary year-to-year depending upon many factors, including process unit downtime and throughputs.

Criteria Pollutants*

REFINERY EMISSIONS INTENSITY					
	2018	2019	2020	2021	2022
NO_x	15	15	16	14	17
SO₂	4	4	3	3	5
PM₁₀	3	3	3	3	5
VOC	23	25	22	21	18
CO	16	16	18	17	16

Tons per million barrels

Greenhouse Gas Emissions (GHG)*

GROUP GHG EMISSIONS					
	2018	2019	2020	2021	2022
Scope 1 GHG emissions	5,018	5,011	4,798	4,147	7,740
Scope 2 GHG emissions	800	775	659	535	997
Total GHG emissions	5,818	5,786	5,458	4,682	8,737

Thousand metric tons of CO₂e

*Sonneborn included beginning 2019; Red Giant Oil Company LLC ("Red Giant Oil" and HF Sinclair Asphalt included beginning 2020; Puget Sound, Casper and Parco refineries included beginning 2022. Full year data from Casper, Parco, and Puget Sound Refineries are included in all 2022 emissions data.



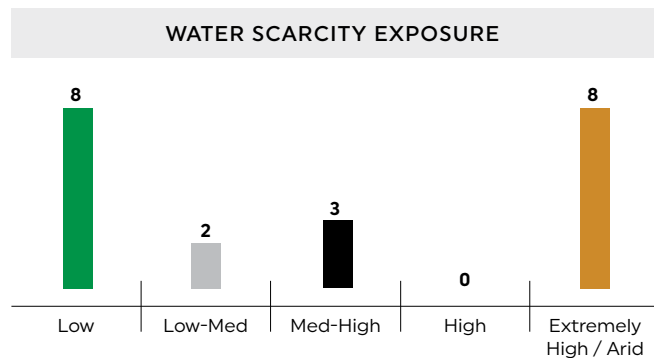
Water Use

We maintain the priority of managing water use from our operations as we continue to explore short- and long-term opportunities to reduce and recycle water.

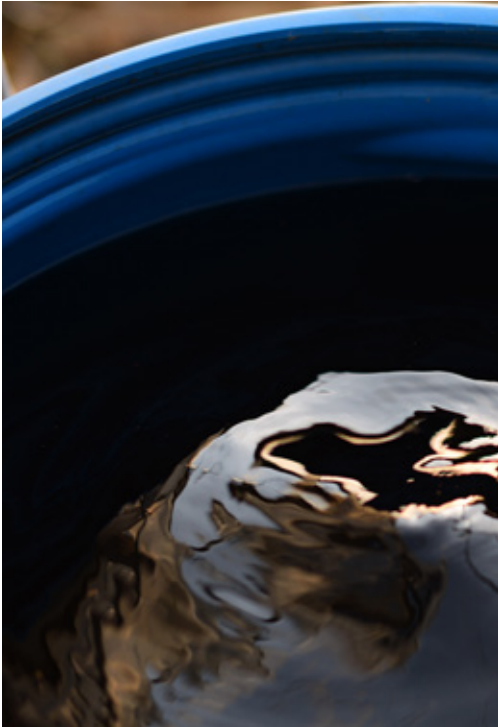


Identifying and Prioritizing Water Scarcity Risk

We regularly monitor the risks water scarcity and water stress may pose to our operations and the communities where we operate. We have analyzed our water risk exposure through the WRI Aqueduct Water Risk Atlas and have identified that 93% of our freshwater is withdrawn in low/low-med/or med-high regions. Only 7% is withdrawn from extremely high or arid regions. The assessment and monitoring of water scarcity risk falls under our standard environmental risk management process.



Number of facilities by region type



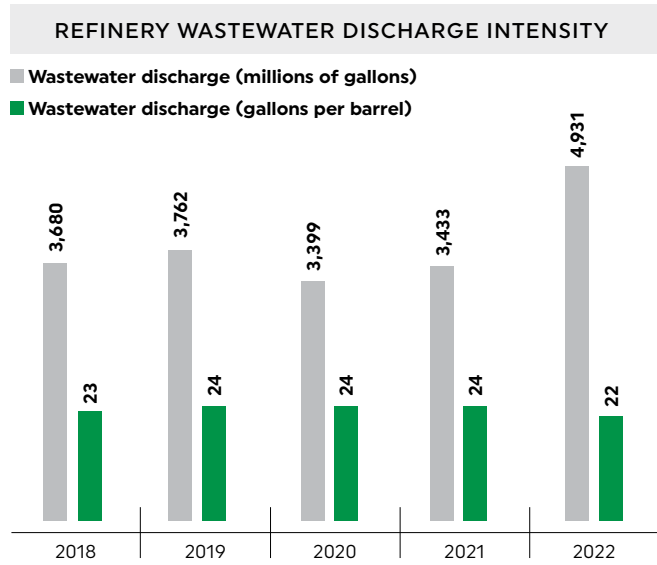
Saving Water Through Conservation Focus

Conserving water at our high-water risk exposure sites is a priority.

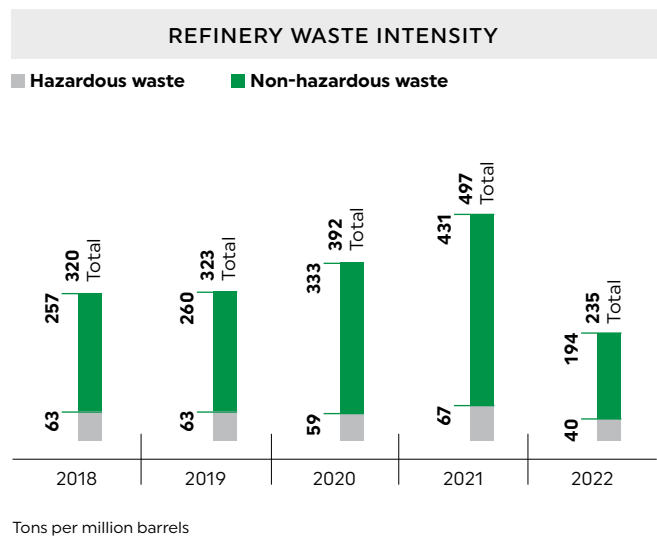
Our Woods Cross refinery has implemented a program, through a series of projects, to recapture water condensate for re-use in our operations. These projects included a new flash drum that allows condensate streams that were previously hydraulically locked to be recovered, and the installation of additional condensate collection pots. In addition to the condensate recovery, several once-through cooling water streams have been routed for reuse in our cooling water system. Through this program, the refinery has reduced its reliance on fresh water by 10%, the equivalent of roughly 10,000 to 170,000 gallons per day.

Wastewater*

We are committed to improving wastewater treatment plant operations by providing in-depth training to our wastewater treatment operators. We also provide training on wastewater treatment to other operations staff so they understand how their activities impact our ability to effectively treat our wastewater.



Solid and Hazardous Waste*



*Includes data for Puget Sound refinery beginning November 1, 2021; and data for full year for the Casper, Parco and Puget Sound Refineries beginning in 2022.



Recycling and the Circular Economy

We are committed to identifying opportunities to reduce and recycle products we use in our operations to drive efficiency. Below we describe some of our key projects related to these efforts.

- ▶ Our Mississauga facility recently increased the amount of recycled materials used in the facility, leading to waste avoidance. In 2022, approximately 67% of our packaged and bottled products used brown kraft material boxes (100% recyclable material).
- ▶ Additionally, our Mississauga facility continued use of bulk grease packaging using a fluid bag and roller system in an effort to reduce overall grease waste. This packaging minimizes residue to 1% versus more than 20% in alternate packaging options.
- ▶ In 2022, our Asphalt business recycled approximately 160,000 scrap passenger car tires. These tires are used as a component of paving asphalt, which is the equivalent of resurfacing a two-lane road approximately one inch in thickness for a distance of 550 miles or about the distance from Dallas to Kansas City. This enhances efforts by the states of Arizona and New Mexico to address their challenges of otherwise unused scrap tires that contribute to blight, including rodent and mosquito infestations. Additional benefits include quieter, longer lasting roads, making our roads more sustainable.
- ▶ Prior to 2022, our Mississauga facility was shipping intermediate bulk containers to third party locations to be packaged into Petro-Paks (22.7L or 6 USG containers), which were then shipped back to Mississauga for distribution to our customers. In 2022, our Mississauga facility began filling this packaging stock keeping unit (SKU), the activity previously outsourced, and the decrease of product shipping resulted in a reduction of approximately 8 tons of CO₂ emissions in 2022.

- ▶ In 2022, the Amsterdam facility teamed up with an industrial cleaning company to tackle the challenge of reusing waste streams. Specifically, they focused on finding ways to avoid the costly and energy-intensive treatment of waste water generated during tank cleaning processes, which use high-pressure water and steam, creating a mix of oil and water. To avoid transporting the waste off-site, the team settled and separated the waste stream, recovering an estimated 40 metric tons of hydrocarbon content for reuse in 2022. Additionally, this prevented more than 400 metric tons of water transport, equal to 20 truck journeys. This innovative approach is now fully operational and reflects our commitment to resource efficiency and sustainability.
- ▶ Our Navajo refinery implemented a project to sell useable wastewater from operations to upstream operators. This reduces the amount of freshwater that is needed in third-party upstream operations in Artesia, which is a high-risk region for water scarcity and contributes to the circular economy.
- ▶ The Mississauga facility also implemented an oil cube return program, which increases the reuse and return of steel totes, thereby reducing steel waste. In 2022, we had more than 300 steel totes in circulation.
- ▶ In addition, the Mississauga facility constructed a dedicated marine line to receive imported product, which allows it to substitute rail car shipments or trucking with more carbon efficient marine delivery. In 2022, this marine line resulted in a reduction of approximately 130 tons of CO₂ emissions.



CIRCON Partnership: By the Numbers

Through our longstanding partnership with CIRCON Environmental, we safely and efficiently recycle and repurpose waste materials from our operations. Some of this waste is converted into a fuel product, which is used to safely provide energy to cement kiln operators. Through this collaboration, we accomplished the following in 2022:

3,371 Tons of hazardous waste recovered

1,686 Tons of landfill avoidance

592,957 Gallons of waste derived fuel generated

28,500 Barrels of naphtha recycled into the circular economy

1,888 Tons of coal displaced





Driving a Culture of Safety and Risk Management





Driving a Culture of Safety and Risk Management

Our Operational Excellence Management System (OEMS) enables our Refining segment the ability to identify, monitor, mitigate and manage risks. Our OEMS contains nine elements: Refinery Leadership and Management; Process Safety and Risk Management; Safety, Security and Emergency Response; Environmental, Operations; Asset Reliability; Process Reliability and Optimization; Maintenance and Turnarounds; and Project Development and Execution.

Our Sustainability, Environment, Health and Safety Policy is foundational to our OEMS. This policy outlines our commitment to compliance with applicable environmental laws and regulations as well as workplace and process safety and emergency preparedness. The Sustainability, Environment, Health and Safety Policy, which is applicable to all of our operations, is available on our Company website.

The Environmental, Health, Safety, and Public Policy ("EHSP") Committee of the Board provides board-level oversight of our health, environmental and safety performance and compliance. The Environmental, Health and Safety ("EHS") Leadership Council provides management level oversight of the Company's EHS strategy and performance. This cross-functional group, which includes senior leaders from environmental, safety, operations, finance, human resources and legal, meets quarterly.



Growing and Expanding Our Safety Program

We added two new roles to the team this year. The Corporate Industrial Hygienist will improve upon Employee Health and Industrial Hygiene programs. This role focuses on the identification, evaluation, communication and control of hazards, including using the latest exposure control technology. Our Corporate Fire Protection Specialist provides us with a resource to better assess and manage our fixed fire protection systems, fire brigade training and qualifications for emergency responders. This role will enhance our ability to effectively respond to incidents, thus enhancing our ability to protect our employees and the communities in which we work.



1
ENGINE

DIESEL
EXHAUST
FLUID ONLY

ATTENTION
DO NOT ADD FLUID
WHEN ENGINE IS
RUNNING

Other key elements of our OEMS include:

▶ **Setting and monitoring goals.**

In support of our Goal Zero, we established a worker injury rate target that is better than industry average based on AFPM benchmarks, and we monitor key performance indicators to drive performance.



▶ **Setting goals for environmental performance, such as Perfect Environmental Days.**

A Perfect Environmental Day is achieved when there are no deviations from environmental regulations or a site's environmental permits, irrespective of duration of deviation or exceedance. Each calendar day without a permit or regulatory deviation, or environmental limit exceedance, is considered a Perfect Environmental Day.

▶ **Rigorous and regular training.** We promote understanding and adherence to our Life-Saving Principles, Hazard Identification, Emergency Preparedness and regulatory requirements through ongoing education and training. In addition to mandatory new hire safety and environmental training, employees and contractors are required to undergo environmental and safety training relevant to their roles, such as annual workplace and process safety training. Each site designates certain safety-critical topics for in-person training. Additional safety topics may be driven by lessons learned, historical trends or regulatory change. In 2022, we trained more than 300 employees in Root Cause Analysis techniques, designed to better understand events and provide us a chance to develop solutions and prevent reoccurrence of such events. This supports our goal of becoming a Learning Organization.

▶ **Contractor safety.** We utilize in-depth selection criteria, contractual requirements, third-party evaluations and scoring to improve and sustain contractor safety performance. Additionally, all Company safety policies, programs and minimum safety standards apply equally to contractors. We also participate in local contractor safety councils to identify other ways to enhance contractor safety performance.

▶ **Defining safe work procedures.** Controls and safeguards are implemented to guide the safe execution of work at our facilities. All facilities must have a process in place to inspect the facility and identify, record and track mitigations for hazards identified. Safe work procedures for critical tasks are provided to all employees at our facilities, offering clear expectations and requirements that must be met to perform the work safely.

▶ **Emergency management and response planning.** Emergency management and response plans and processes are defined at the corporate and facility level. Employees are trained to perform their responsibilities, emphasizing the hierarchy of protection of people, the environment and property. Drills are conducted annually (at a minimum) for experience, critique and continuous improvement.

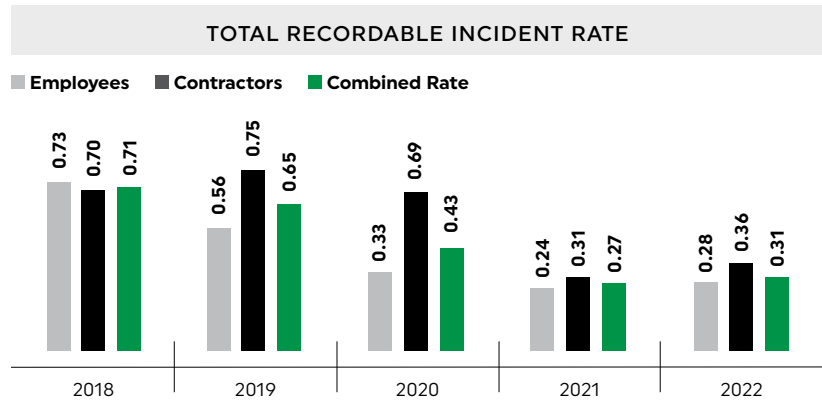
▶ **Environmental impact and risk identification, monitoring and reporting.** We incorporate various environmental considerations into projects of all sizes as applicable. All environmental regulatory requirements are identified and documented at a federal, provincial, state and local level and monitored for potential rule changes. Environmental Key Performance Indicators (KPIs) are established, monitored and communicated to stakeholders internally at all levels of the organization.

▶ **Auditing and continuous improvement.** We check for effective compliance through periodic reporting and internal and third-party compliance audits and we use the feedback for continuous improvement. To further enhance our continuous improvement, in 2022, we introduced a new compliance task management tool to more efficiently track and manage compliance tasks at each site. This tool is one of many OEMS Management Systems designed to drive Operations Excellence and Regulatory Compliance.



HF Sinclair's refinery in Artesia, New Mexico was selected as a 2022 recipient of the Elite Silver Safety Award, an American Fuel & Petrochemical Manufacturers Distinguished Safety Award. This honor recognizes sites that have attained top industry safety performance for the application year and demonstrated excellent program innovation and leadership over time. Our refining segment as a whole achieved a TRIR of .31, which is considered top tier in the industry.

Safety Performance



per 200,000 hours worked

*Historical incident rates are re-stated to reflect non-material changes resulting from a true up of the data; Mississauga facility data included beginning 2017; Petrolia facility, Amsterdam facility, Red Giant Oil data included beginning 2019; Puget Sound refinery data included beginning on November 1, 2021 and Parco refinery and Casper refinery data included beginning March 14, 2022.

WORKER FATALITY INCIDENT DATA

	2018	2019	2020	2021	2022
Employees	0	0	0	0	0
Contractors	0	0	0	0	0

of fatalities

Collaborating with Stakeholders to Operate Safely

The Company is committed to operating safely by working with local, state and federal agencies as well as community-based groups. This is particularly important when responding to events which result in a release from our facilities.

The addition of the Puget Sound refinery brought a new aspect of marine oil spill response to the Corporate Emergency Response Program. This facility transfers oil to and from large vessels at a marine wharf, which requires an extensive Oil Spill Response Plan. HF Sinclair's plan was approved by the United States Coast Guard and the Washington State Department of Ecology.

Our Mississauga facility also transfers material in a similar manner, which requires a similar plan in accordance with provincial and federal legislations, including an Oil Pollution Prevention Plan (OPPP), an Oil Pollution Emergency Plan (OPEP), and a Spill Prevention and Contingency Plan (SPCP). These plans are subject to annual reviews and/or audits by governing agencies such as Transport Canada, Ontario Ministry of Environment, Conservation and Parks, and Canada Coast Guard.

The Puget Sound facility also utilizes the Regional Northwest Area Contingency Plan. This plan is managed by local, state and federal agencies in the Northwest and outlines region-specific response procedures. This includes Geographic Response Plans that identify strategies to protect sensitive natural and cultural resources in the event of a spill. The Puget Sound refinery oil spill response team tested out two of these response strategies during deployment exercises in 2022.

The refinery has a representative on the Board of Directors for the Islands' Oil Spill Association (IOSA). IOSA is a community-based oil spill response group that focuses on responding to oil spills in the San Juan Islands which are located near the refinery. This unique organization organizes local volunteers to supplement professional response contractors in the event of a large oil spill.



Emergency Response Teams ("ERT") Attend Annual Corporate Fire School

Our annual Corporate Fire School is one of our most important public safety training initiatives. Under this program, emergency response personnel travel to Texas A&M University's campus to learn how to prepare for and respond to accidents, natural disasters and other emergency situations.

While each training scenario is different, training includes use of protective equipment, rescue procedures, incident response and management, fire behavior and other response tactics. The training also gives rookies the chance to learn from veteran ERT members and run through drills repeatedly to make improvements.

Throughout the week, each ERT member is able to take ownership of a scenario, work with a variety of team members and safely improve their firefighting skills, all lessons which they take back to the work site.



Incident Command System



Emergency Preparedness Program—for Our Communities and Ourselves

In 2022, HF Sinclair released a new standard for our refineries focusing on Emergency Preparedness activities. This standard was used to create a Corporate Emergency Response Program and a roadmap to increase emergency response capabilities at all refinery sites.

The program focuses on improving site Response Plans, in particular increasing their usability during an emergency. Local incident management teams who implement the response plans were updated and aligned with the use of the National Incident Management System (“NIMS”). This allows easy integration with local, state and federal response agencies during a response.

A formal training program for the local incident management teams was developed and training was conducted at all of the refinery locations. This training was utilized during equipment deployment and tabletop exercises. Two of the refineries, Tulsa and Puget Sound, conducted joint tabletop exercises with the local response agencies focusing on scenarios that required coordination for off-site impacts. All other refineries conducted tabletop exercises with their internal teams and are planning on incorporating response agencies into those exercises in 2023.

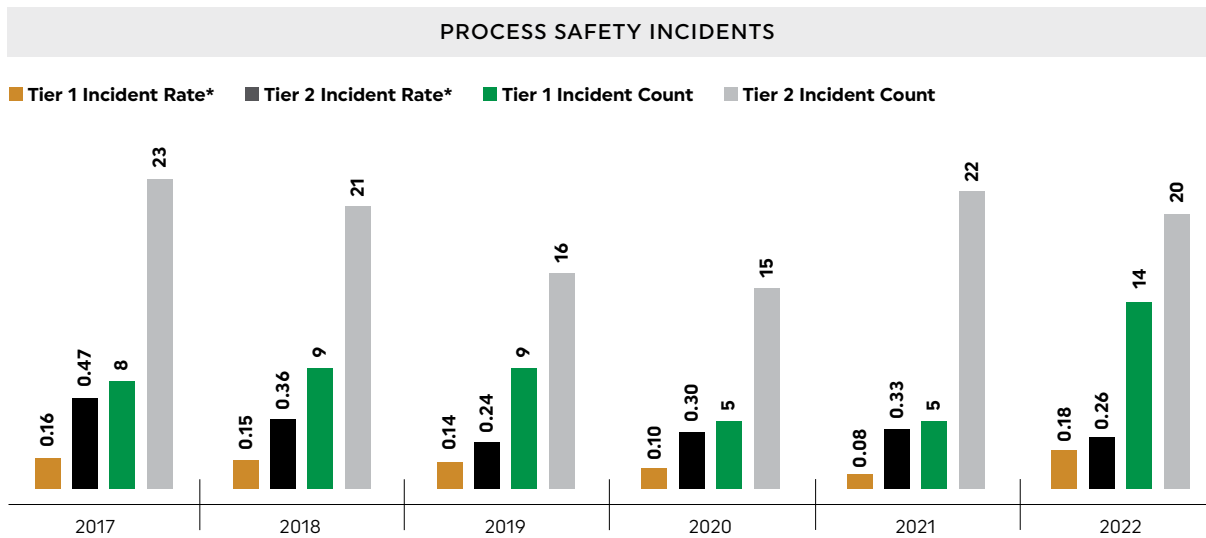
We entered into engagements with specialized response contractors to assist in the event of an emergency. These contractors specialize in oil spill response, community air monitoring, shoreline cleanup and Natural Resource Damage assessment.

Process Safety at HF Sinclair

Our approach to process safety recognizes the importance of this discipline for our operations, employees and communities. We recognize that preventing catastrophic incidents requires coordinated process safety, occupational safety, asset reliability, investment, innovation and manufacturing practices to assess historical events, enhance risk management and address process safety opportunities.

We monitor and report process safety events that have potentially high consequences as defined by the American Petroleum Institute (“API”) as either a Tier 1 or Tier 2 Process Safety Event.¹

We classify process safety events in accordance with the API Recommended Practice 754, Process Safety Performance Indicators for the Refining and Petrochemical Industries.



Per 200,000 hours worked; *Mississauga data included beginning 2017; Petrolia facility, Amsterdam facility and Red Giant Oil included as of 2020; Puget Sound refinery data included beginning on November 1, 2021; and Parco refinery and Casper refinery data included beginning on March 14, 2022.

Casper Refinery Reaches 10 Year Safety Milestone

The Casper refinery achieved 10 years without a lost time injury, as of October 18, 2022. This achievement would not be possible without contributions from the entire workforce at the Casper refinery.

Making sure our employees return home safely each day is a priority for our Company. We are proud of the team in Casper for their commitment to our core values.

Artesia Asphalt Facility Achieves OSHA Recognition for Health & Safety

In July 2022, the Artesia Asphalt facility in New Mexico received Zia Star Voluntary Protection Program (“VPP”) status, New Mexico OSHA’s top-level recognition for General Industry work sites that are able to display an outstanding dedication to worker safety and health.

The ability to fly the VPP flag demonstrates to employees, customers and the community the facility’s ongoing commitment to worker safety and health.



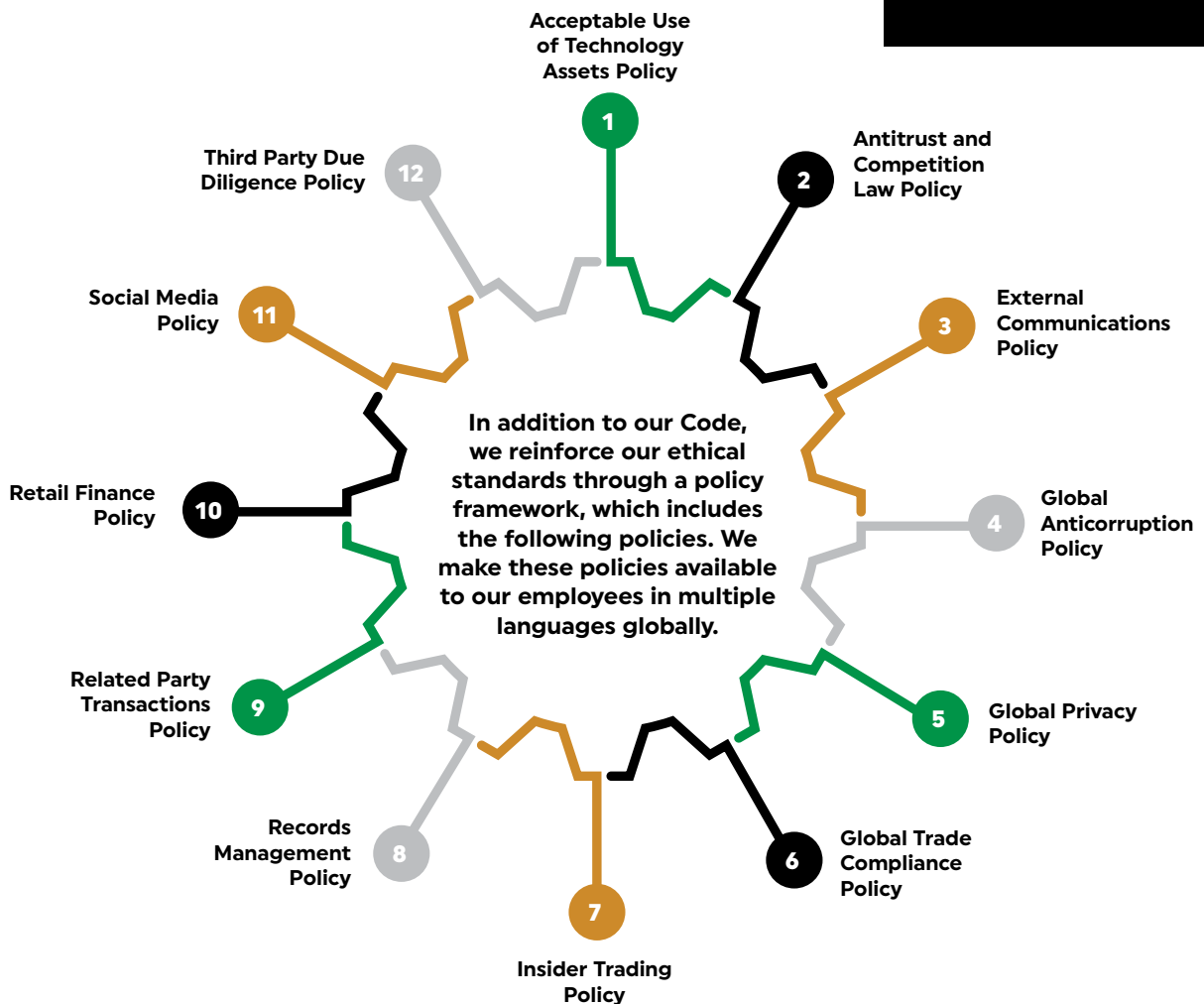
Leading with Ethics



Leading with Ethics

Integrity is one of our cultural values and defines the way we do business globally. Our Global Ethics and Compliance program includes written policies and procedures that set forth our expectations for operating with Integrity. *Living our Values*, the HF Sinclair Code of Business Conduct and Ethics ("Code"), provides the foundation for these expectations. The Code sets forth our policies in key areas and encourages our employees to utilize an ethical decision-making model. We reinforce the Code through annual mandatory training and require all employees to certify their compliance with our Code.

In 2022, 95% of our active employees completed the Code of Business Conduct and Ethics training and certification within the training cycle.





Training and communications are an important aspect of our global compliance framework. We offer a global, risk-based, role-based compliance training curriculum, which includes a combination of computer-based training and in-person training to our employees. In 2022, we provided global training to all employees on our Code and our Global Privacy Policy. Additionally, our Chief Compliance Officer provided training sessions in person and virtually on topics such as competition law, third-party risk and sanctions compliance, and respect in the workplace.

In an effort to keep key compliance topics top of mind for employees, our Legal and Compliance department provides a regular ethics and compliance column in our global employee newsletter, One Voice. These columns reinforce topics such as compliance with our conflicts of interest policy, operating with integrity and gifts.

Data Protection

We are committed to collecting and processing personal information responsibly and in compliance with applicable federal, state and international laws and regulations. Our Global Privacy Policy explains how we work to hold ourselves, and any third parties who manage personal information on our behalf, accountable for meeting this commitment. We strive to only collect and process personal information in a transparent manner and only for specific, legitimate purposes. We make efforts to manage personal information securely and conduct a data protection impact assessment before engaging in any processing of personal information that may pose a high risk to the rights and freedoms of data subjects. Our Global Privacy Policy is available on our website.

In 2022, 91% of our active employees, globally, completed Data Privacy Training.

Cybersecurity

Our Information Security Program (ISP) document defines the administrative, technical and physical safeguards we have established for protecting HF Sinclair's information technology systems, and the personal data maintained therein. The ISP also describes our incident response process when the Company is subject to an unauthorized access to its systems or data. Our incident response team includes cross-functional representatives including IT, information security, operations, legal and compliance and finance. Our Board as a whole oversees the information security program.

Disclosing and Managing Conflicts of Interest

Conflicts of interest, actual or apparent, can create risk for the company undermine and our ability to operate with integrity. Our conflict of interest disclosure process is designed to help employees identify, disclose and manage conflicts of interest. This process requires approval by the employee's line management and consultation with the Chief Compliance Officer.

Managing Risks in Our Supply Chain

▶ Supplier and Distributor Codes of Conduct

Our commitment to doing business ethically extends to our third-party business partners. Our Supplier Code of Business Conduct and Ethics and our Distributor Code of Business Conduct and Ethics set forth our expectations in areas such as conflicts of interest, gifts, travel and entertainment, fair competition, bribery and corruption and human rights, and reflect the same standards to which we hold ourselves. We expect our partners to comply with these codes, as well as applicable laws, rules and regulations, as a part of our business relationship and include this requirement in our contracts. Non-compliance, directly or indirectly, with any directive, rule or regulation stated in these codes will result in corrective action, up to and including immediate termination of the business relationship with any applicable third-party business partner, and we will seek any available remedies at law or in equity for such violation. These codes are accessible on our website, and we provide periodic training to our business partners on these principles.

▶ **Anticorruption and Trade Compliance**

Our Global Anticorruption Policy prohibits bribery in all forms as well as facilitating payments. Under the Global Anticorruption Policy, certain transactions involving either government officials or state-owned entities must be reviewed and pre-approved by the Chief Compliance Officer. The Global Anticorruption Policy is available on our website. Our Global Trade Compliance Policy provides the framework for promoting effective compliance with applicable sanctions, import and export control laws and applicable regulations. Both policies are supported by our Third Party Due Diligence Policy, which defines the procedures and actions to be followed by all of our employees to identify, assess and mitigate compliance and legal risk with respect to new business partners.

▶ **Respecting Human Rights**

Our Modern Slavery Policy reflects our commitment to respecting human rights in all aspects of our business. It describes the risk-based due diligence approach we take to mitigating the risk of human rights abuses in our supply chain. Our Modern Slavery Policy is aligned with the core principles of internationally recognized codes and conventions on human rights, including the United Nation's Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work's core conventions.

Anyone inside or outside of the company can report any concerns related to modern slavery through our Speak and Be Heard Reporting line. In 2022, we received no reports of such abuses.

The Modern Slavery Policy is available on our corporate website.

Encouraging a Speak Up Culture: Speak and Be Heard

The importance of reports of concerns of misconduct from employees and other stakeholders cannot be overstated. These reports give us the front-line insight necessary to change processes and policies that allow unethical actions to occur. Perhaps most important, "speaking up" demonstrates the strength of our culture.

We offer the Speak and Be Heard reporting line, our ethics and compliance reporting line, to serve these objectives. The Speak and Be Heard reporting line provides a means for stakeholders (including employees, vendors, customers and other business partners) to ask a question or report concerns of suspected violations of the law or company policies or ethical concerns. Speak and Be Heard is confidential and available in multiple languages globally, 24 hours a day, seven days a week.

Every report received is reviewed and followed up on, in accordance with the Company's policy and consistent with the company's Corporate Investigation Policy and applicable law. Our investigation process is designed to enable us to understand what happened and why it happened. In each investigation, we look for opportunities to improve our controls, policies and procedures, and implement discipline as warranted. Because it is important that matters be resolved in a timely fashion, our goal is to address or investigate all matters promptly and thoroughly and at all times in accordance with applicable laws. Further information about our Speak and Be Heard investigations is available in our 2022 Speak and Be Heard Annual Report which can be found on our website www.hfsinclair.com.

Consistent with applicable laws, we do not tolerate retaliation against anyone who raises questions or concerns in good faith; anyone who promptly and in good faith reports an alleged violation of the Code, the Company's policies and procedures or the applicable laws or regulations; or anyone who participates or cooperates honestly in the investigation of a report. Anyone involved in any form of retaliation may face disciplinary actions up to and including termination of employment.





Corporate Governance





Corporate Governance

Our continued commitment to good governance practices enables us to effectively manage risk and to hold ourselves accountable for achieving our strategic objectives.

Governance Framework

HF Sinclair's Board of Directors provides oversight and our Executive Leadership Team (the ELT) is responsible for the day-to-day management of our company. Management-level risk committees and working groups identify and assess our corporate risks.

We are guided by our Code and Corporate Governance Guidelines. These documents, together with the Board committee charters and governing documents, as well as our commitment to best practices to ensure our business is structured to deliver sustainable long-term returns for our investors, form the framework for our governance. More information on our key policies and governing documents may be found on the HF Sinclair website under the Corporate Governance section of the Investor Relations page or on the Ethics section of the Sustainability page.

Board of Directors

In March 2022, following the closing of the Sinclair Transactions, we welcomed Ross B. Matthews and Norman J. Szydlowski to our Board of Directors (our "Board"). In July 2022, we further expanded our Board with the addition of Rhoman J. Hardy. Each of these individuals brings diverse perspectives and significant experience in the oil and gas industry to our Board. As previously announced, with Tim Go's promotion to Chief Executive Officer effective May 9, 2023, he joined the Board in February 2023, further increasing the racial/ethnic diversity on our Board. Michael C. Jennings will not stand for reelection at the 2023 Annual Meeting in connection with his retirement from his position as Chief Executive Officer on May 8, 2023.

Following the 2023 Annual Stockholders' Meeting, the Board will consist of 12 directors, including 10 independent directors, one non-independent director and one management director. Of the 12 directors, 42% represent diversity of either gender and/or race/ethnicity. Since 2017, we have added six new independent directors, of which four, or 67%, are gender and/or racially/ethnically diverse.



Meet Our Newest Non-Management Directors



Rhoman J. Hardy

With more than 30 years of experience in the oil and gas industry, Mr. Hardy brings to the Board significant insight in the development of energy infrastructure and extensive technical and operational expertise, as well as executive and general management experience.

Mr. Hardy founded HardLine Consulting LLC in July 2022, providing expertise in strategy and leadership to companies focused on energy, technical services and infrastructure. Prior to that, he served in various leadership positions with Shell USA, Inc., having most recently served as Senior Vice President, Shell Chemicals and Products, for the U.S. Gulf Coast from December 2018 until his retirement in May 2022, and General Manager, Shell Geismar Chemical Site, from June 2015 to December 2018. Mr. Hardy first joined Shell in 1988.



Norman Szydlowski

Mr. Szydlowski brings to the Board extensive experience in the oil and gas industry and executive management and board experience with other public companies.

Mr. Szydlowski served as President and Chief Executive Officer and director of SemGroup Corporation from

November 2009 until his retirement in June 2014. He also previously served as Chief Executive Officer for Rose Rock Midstream and Colonial Pipeline Company. From 2004 to 2005, Mr. Szydlowski served as the Senior Consultant to the Iraqi Ministry of Oil in Baghdad on behalf of the U.S. Department of Defense (OSD, CPA) and Department of State (Embassy Baghdad). He was a Commissioner on the National Commission on Energy Policy and chaired the Task Force on Biofuels Infrastructure. Mr. Szydlowski co-chaired the Task Force on Ensuring Stable Natural Gas Prices for the Bipartisan Policy Center and was a member of the Working Group, Bipartisan Policy Center Response to The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling Request. From 2002 until 2004, he was Vice President of Refining for Chevron Corporation and he first joined Chevron in 1981. Mr. Szydlowski currently serves as a director of Equitrans Midstream Corporation ("Equitrans"), and he served as a director of Sinclair Oil (formerly known as Sinclair Oil Corporation), which was comprised of the refining, marketing and renewables business the Company acquired from The Sinclair Oil Companies (now known as REH Company), from April 2017 until March 2022. Mr. Szydlowski served as a director of EQT Corporation ("EQT") from November 2017 until the separation of EQT and Equitrans in November 2018. He served as a director of the general partner of 8point3 Energy Partners, LP from June 2015 until its acquisition by Capital Dynamics, Inc. in June 2018.



Ross Matthews

Mr. Matthews brings to the Board significant experience and insight into the development of energy infrastructure through his extensive experience in the oil and gas industry.

Mr. Matthews currently serves as Chief Operating Officer of REH Company and served as the Chairman and Chief Executive Officer of Sinclair Oil (formerly known as Sinclair Oil Corporation), which was comprised of the refining, marketing and renewables business the Company acquired from The Sinclair Companies (now known as REH Company), from October 2009 until March 2022. Mr. Matthews joined Sinclair Oil in June 2000, initially serving as Vice President of Exploration and Production. Mr. Matthews served as a director of Sinclair Oil from January 2006 until March 2022.

The HF Sinclair Board of Directors has six standing committees:

- | | |
|---|---|
| <p>1 Audit</p> | <p>4 Environmental, Health, Safety, and Public Policy</p> |
| <p>2 Compensation</p> | <p>5 Finance</p> |
| <p>3 Nominating, Governance and Social Responsibility</p> | <p>6 Executive</p> |

Board Oversight of ESG

Our Board and its committees oversee our approach to ESG topics impacting our Company and our stakeholders.

The Board

The Board as a whole oversees HF Sinclair's management of risk, including its cyber security programs, and receives updates from management regarding enterprise risks and mitigation plans on a quarterly basis.

Compensation Committee

The Compensation Committee oversees and periodically reviews HF Sinclair's strategies, policies and practices related to human capital management, including with respect to the promotion of diversity, equity and inclusion, talent and performance management, pay equity and employee engagement. In addition, the committee determines compensation for our executive officers.

Environmental, Health, Safety, and Public Policy Committee

The Environmental, Health, Safety, and Public Policy Committee provides oversight of HF Sinclair's environmental, health and safety performance. In addition, the committee monitors legislative and regulatory policies that have potential to impact HF Sinclair, to include the risk of future carbon regulations and their potential direct and indirect costs.

Nominating, Governance and Social Responsibility Committee

The Nominating, Governance and Social Responsibility Committee oversees HF Sinclair's governance, ethics and compliance programs and assists the Board with Board refreshment, recruitment so that the Board is appropriately structured to meet the needs of the Company and its strategy. In addition, the committee oversees HF Sinclair's policies, practices and procedures regarding human rights in its operations and supply chain, environmentally sustainable practices, and our strategies and performance in assessing and responding to climate-related risks and opportunities. The committee monitors HF Sinclair's charitable contributions and political spending insofar as total spending on such activities exceeds or can be expected to exceed 0.5% of the pre-tax income of the Corporation.



ESG Component of Annual Bonus

In 2022, when setting the annual incentive plan for the 2023 performance period, the Compensation Committee expanded the environmental, health and safety performance measures to include a metric tied to our achievement of the GHG emissions reduction target. We believe doing so appropriately ties incentives to execute against our strategic business priorities related to environmental sustainability. This metric is equally weighted with the existing safety and environmental metrics. The expanded environmental, health and safety performance measures, now referred to as the ESG performance measures, will apply to the 2023 performance period and are equally weighted with the other operational measures.



Risk Management

Our ELT has oversight of strategic risks and opportunities at the management level and oversees our HF Sinclair Risk Management Oversight Committee. Our HF Sinclair Risk Management Oversight Committee, which consists of employees across our business segments, is responsible for identifying, assessing and managing enterprise risks. The Risk Management Oversight Committee assesses our risks annually and meets quarterly to review the risk assessment and adjust as appropriate.

Climate-Related Risks Working Group

In 2022, the Risk Management Oversight Committee established the Climate-Related Risks Working Group. This group is responsible for identifying, assessing and managing climate related risks. The Company will assess climate related risks and opportunities on a short- (0 to 3 year), medium- (3-5 year) and long- (5-10 year) time horizon. This Group meets quarterly and provides regular updates to our Risk Management Oversight Committee.

Managing Cyber Risk

Our HF Sinclair Cyber Risk Committee advises the HF Sinclair Risk Management Oversight Committee on the adequacy and effectiveness of the Company's strategies and controls to identify, manage and mitigate cyber risks. Our Board receives quarterly updates related to cyber security from our Chief Information Officer.

We regularly test and monitor our technology systems to identify opportunities to enhance security and reduce risk. We also provide training to all of our employees on how to identify and mitigate cyber threats, and conduct routine phishing tests. Our incident response plan defines our response to any medium to high impact technology intrusion. In 2022, we had no such technology breaches.

We regularly monitor the external environment for cyber-related threats in order to manage this risk. We are long-standing members of the Department of Homeland Security's (DHS) Domestic Security Alliance Council, a strategic partnership in which private industry, DHS and the Federal Bureau of Investigation share timely and relevant security and intelligence information to detect and prevent cyber attacks.

Management System Certifications

Our strong governance practices extend to the management systems we deploy across our operations. These management systems enable us to achieve business objectives, including safe and reliable operations, environmental sustainability, consistent product quality and financial success.

Certifications	Amsterdam	Koog	Mississauga	Petrolia	Puget Sound	Tulsa
Quality ISO 9001: 2015	●	●	●	●		●
Environmental ISO 14001: 2015	●	●	●		●	● ²
FSSC 22000: 2018	●	●		●		
EXCiPACT GMP	●					
Automotive IATF 16949:2016			●			



Good Manufacturing Practices

Adherence to good manufacturing practices (GMP) is one of the ways in which our lubricants and specialty products facilities provide for strong governance in our operations. To learn more, please see the Reducing Our Environmental Impact section.



Investing in Our People



Investing in Our People

We recognize our employees are our strongest asset. With the addition of our colleagues who joined us in connection with the Sinclair transactions, we continued to grow and advance our people by focusing on culture and employee development. In 2022, we invested more than \$6 million dollars in our development programs and doubled participation in key programs, including Catalyst and Leading the HF Sinclair Way. From supporting leadership skills and professional development, to fostering an environment in which all employees have the ability to own and drive their careers, we understand that development of our employees is essential.

Organizational Development



Recruiting

Ensuring we have the right talent, in the right places, focused on the right priorities.



Leadership

Preparing our leaders to champion our culture and provide a sense of purpose, mentorship and inspiration to those they lead.



Development

Encouraging and guiding employees in their development, and providing tools, training and opportunities to enhance their career growth.



Retention

Providing a culture that recognizes performance and provides for employee well-being and development opportunities.



HF Sinclair Recognized by the American Opportunity Index

In 2022, we were proud to be recognized in the top 10 of the American Opportunity Index's Best Employers 2022 – number one in the Oil, Gas & Mining sector.

We believe excelling in the "Growing Talent" section further demonstrated our focus on developing our people. The American Opportunity Index, a joint project of the Burning Glass Institute, Harvard Business School's Managing the Future of Work Project, and the Schultz Family Foundation, measures how well America's 250 largest companies are doing in fostering economic mobility for workers.



Engaging Employees

To help us evaluate whether we have a foundation where our values are broadly understood and demonstrated, we issued an employee feedback survey in 2022. Seventy-one percent of our employees across the organization responded.

HF Sinclair's overall comprehensive score was 72%, an indicator of a healthy culture with opportunities for improvement. Our highest-scoring areas reflected that our employees are proud to work with HF Sinclair, that they feel comfortable exchanging candid feedback with peers and that we clearly communicate ethical expectations.

Employee Development

We offer our employees a range of educational and leadership development programs for managing their careers and professional growth. Here are some of the resources we make available.

myCareer



Our online resource center is built to equip employees with tools and guidance to develop a roadmap toward a successful career at HF Sinclair. Through myCareer, employees can follow a four-step process, which includes self-discovery, career exploration, self-development and developing an action plan to own their careers. myCareer also offers a library of inspirational stories from our employees, highlighting their career paths and development at HF Sinclair.



Career Pathing Model Grows

We expanded our career pathing program in 2022, adding three new job families. Career paths inform employees of the education, skills and competencies needed to progress within a specific job family. With this knowledge, employees and their managers can partner to plan meaningful professional development experiences for employees in all of our locations.

Education Assistance Program

HF Sinclair encourages employees to continue to learn, become subject matter experts and further their career goals through ongoing education, trainings and external education opportunities. To help employees pursue their educational goals, we offer financial assistance. We committed more than \$500,000 in 2022 to support continued education, professional licenses and memberships.

Leadership Development Programs

Consistent with our culture of ownership and growth, we offer training, development and engagement programs across every level of our organization to provide employees the opportunity to develop their career by enhancing skills and capabilities consistent with the needs of the business. Our suite of learning opportunities includes:

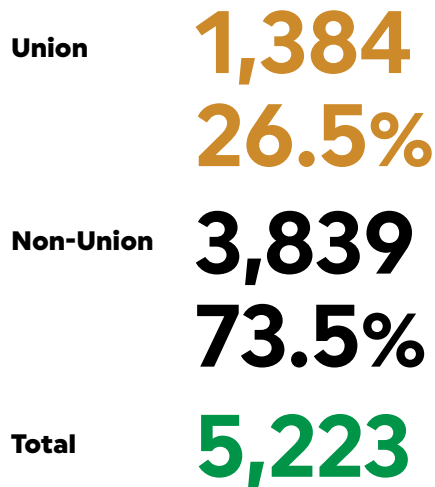
- ▶ **Accelerate.** A curated collection of on-demand e-learning for all employees.
- ▶ **Refine.** Interactive, instructor-led workshops focusing on professional and leadership development at any career level.
- ▶ **Front Line Leadership Development.** A series of leadership training for new and existing supervisors.
- ▶ **Catalyst.** A guided cohort of rising leaders gaining knowledge and experiences to prepare for further responsibility in the organization.
- ▶ **Leading the HF Sinclair Way.** A deep-dive for leaders on behaviors that support our core values and the execution of our business imperatives.



Labor Practices

HF Sinclair is committed to maintaining a positive working relationship with our local unions and their members. We strive to work together in order to create a collaborative working environment. As of December 31, 2022, approximately 26% of our employees were represented by labor unions under collective bargaining agreements.

2022 EMPLOYMENT NUMBERS*

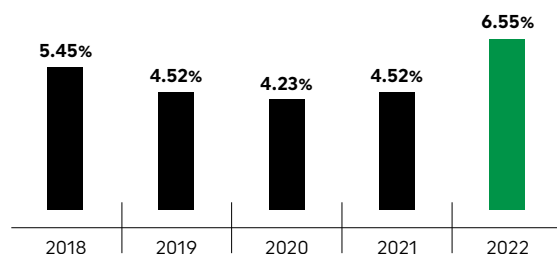


*As of December 31, 2022.

Turnover Performance

We maintain a healthy turnover rate by offering a competitive total rewards package and robust health & welfare programs. Our retention efforts are further accomplished by encouraging and guiding employees in their professional development, and providing tools, training & opportunities to enhance career growth. These efforts are bolstered by leaders who understand the importance of, and are equipped to, recognize strong performance.

VOLUNTARY TURNOVER



Inclusion and Diversity

Our leadership is committed to attracting, retaining and developing a highly engaged, high-performing, diverse workforce and cultivating an inclusive workplace where all employees feel valued and have a sense of belonging. In 2022, we appointed a Director of Inclusion and Diversity to support these continued efforts. Supporting the Director of Inclusion and Diversity are, among others, an Inclusion and Diversity Steering Committee comprised of employees across our organization to develop and further implement initiatives, to gather and report best practices and to assist in developing ongoing goals and objectives, and Employee Resource Groups ("ERGs").



As of December 31, 2022, approximately 17% of our workforce identified as female and 83% identified as male. Approximately 22% of our employees identified as Hispanic or Latino, Black or African American, Asian, American Indian or Alaskan Native, Native Hawaiian or Other Pacific Islander or as of two or more ethnicities or races. We are also committed to recruiting, hiring and retaining veterans and reservists of the U.S. armed forces, who represented approximately 5% of our U.S. workforce as of December 31, 2022.

As part of our inclusion and diversity efforts, we are increasing our visibility in the marketplace to attract diverse talent. This includes partnering with historically Black colleges and universities, Hispanic- focused non-profit organizations, and other external partners such as Carry The Load, the Women's Energy Network, the National Society of Black Engineers, Prospanica, Recruit Military and Hiring Our Heroes.

Throughout the year, we hosted events to recognize inclusion at HF Sinclair. In December, we hosted Diversity Week to celebrate and educate the organization on different dimensions of diversity. The week included volunteerism, health and welfare activities and an Employee Resource Group open house. We also hosted a number of events, including those celebrating Veterans Day, Patriot Day and Diwali.

Employee Resource Groups

Our ERGs are a valuable way to support the needs of our employees and to celebrate our diversity. The Veterans in Energy ERG is a voluntary, employee-driven group organized around a shared interest in driving veteran hiring, retention and awareness. Veteran status is not a requirement for membership. Women in Energy "(WiE)", is a women's resource group whose vision is to provide an opportunity to share information on topics of importance for women, facilitate networking and support professional development growth. WiE is open to all employees who share common interests or those looking to expand their knowledge. We recently established the three new employee resource groups: the Cultural Awareness in Energy ERG was established to promote the heritage or ethnicity of members, offer educational opportunities, networking, cultural events and social gatherings; Family Caregivers in Energy focuses on the needs and interests of employees who balance thriving careers with the demands of caring for family members and loved ones; Toastmasters in Energy aims to support the development of leadership skills through improved presentation skills to build facilitation and confidence.

Tulsa Refinery's Apprenticeship Program Assists Veterans

In early 2022, our Tulsa refinery welcomed 12 new Operators and Loaders to the team, a number of whom are veterans.

The refinery has a United States Department of Labor accredited apprenticeship program for Process Operators that began in 1976. Through this unique program, the facility is able to recruit veterans to work at the refinery and utilize the benefits associated with the GI Bill.

Tulsa typically averages two operator classes per year. For the Tulsa refinery, the GI Bill allows qualifying veterans to bridge the gap between "entry level" pay and the rate for individuals with more industry experience, providing a substantial boost in income and serving as a great incentive for veterans to work at the Tulsa refinery.

We are proud to support veterans with opportunities to build a career at HF Sinclair.

Supporting Our People

We regularly review the benefits we offer our employees to make sure they remain competitive, attract top talent and enable our employees to feel supported in their lives.

In the United States, we increased employee engagement in our health incentive program, driving positive member health and plan performance. We promoted our family-friendly benefits, such as adoption reimbursement and parental bonding leave, which supports the organization's culture of inclusion. And, we encouraged our employees to use their health benefits through the Health Advocacy Solutions digital programs supporting diabetes, pre-diabetes, pain management, weight loss and depression. In Canada, we enhanced our mental health benefits to provide better resources, and lead to more positive member experience and well-being. These offerings are designed to support the healthy lifestyle of our employees and their covered dependents, all from the comfort and convenience of their home.

▶ Living Well Health Center Offers Primary Care in Artesia

The Living Well Health Center surpassed its one-year mark since the grand opening in 2021. The clinic provides better access to primary healthcare in Artesia, New Mexico for employees and their families. Engagement continues to increase every quarter with over 40% employee engagement by the end of the third quarter of 2022.

▶ Dependent Scholarship Program

HF Sinclair offers a Scholarship Program for the dependents of our U.S. and Canadian employees and retirees who are pursuing higher education. Our U.S. and Canadian scholarship program awards \$1,800 to \$2,000 to help pay for post-secondary education. In 2022, we awarded more than \$153,000 to deserving students.

▶ Employee Recognition

The Fueling our Culture Recognition program allows employees to give peer-to-peer recognition when demonstrating our cultural values. Over 1,800 awards were submitted in 2022. HF Sinclair also recognizes career milestones and anniversaries by providing employees a custom award and personalized yearbook.



Stakeholder Engagement



Stakeholder Engagement

Being a good neighbor and engaged member of our communities is important to HF Sinclair. Through our philanthropy, active two-way dialogue and engaging in the political process, we connect with our neighbors to develop relationships of trust.



Engaging with Transparency

When we make significant changes in our operations, we not only consider potential impact on local communities, we also reach out to these communities to share our plans and hear their feedback. For example, prior to the opening of our Artesia pre-treatment unit, we invited members of the New Mexico Legislative Finance Committee, which includes members of the New Mexico State House of Representatives and New Mexico State Senate, to tour the facility to better understand its impact on the local community.

We appreciate the impact that HF Sinclair has as an employer, particularly in some of the smaller communities in which we operate. We strive to proactively engage with appropriate third parties to mitigate the impact of decisions which may have a significant impact on those communities. When we made the difficult decision to optimize efficiencies, which resulted in the reduction of headcount at our Parco refinery, we proactively reached out to community leaders. We offered a variety of employee assistance resources to ease this transition and to enable impacted employees to find new placements.

Engaging in the Political Process

HF Sinclair believes it has an important role in helping shape public policy. We believe that liquid fuels, which includes petroleum products, must and will continue to play a vital role in the clean energy transition occurring around the globe. HF Sinclair supports policies that seek to lower carbon emissions while providing affordable and reliable fuels to consumers and enabling the world to meet its energy needs. HF Sinclair supports a diverse approach to the modern mobility needs of U.S. consumers, one that promotes domestic energy security, encourages innovation, and reduces the environmental impact of the transportation sector by bringing new generations of increasingly sustainable fuels to market. We support such policies in the regulatory, legislative and political processes at the state, federal and local levels. HF Sinclair is a member of trade associations such as Western States Petroleum Association, American Fuels and Petrochemical Manufacturers and Fuels Canada.

Part of HF Sinclair's advocacy efforts include the HF Sinclair Political Action Committee, the "DINO PAC," a nonpartisan political action committee that supports candidates and elected officials who believe in a strong liquid fuels industry at the state, federal and local levels.

For additional information on the DINO PAC please visit [fec.gov](https://www.fec.gov).



Sustainably Supporting Our Communities

In 2022, we continued to support initiatives and organizations in the communities where we operate. Our Corporate Social Responsibility Policy sets forth five areas of focus where we target our financial and in-kind giving. These categories include:



Education/STEM

Organizations that promote learning and intellectual development or organizations focused on science, technology, engineering and math (STEM).

Veterans' Causes and Local Communities

Organizations that provide services to veterans' causes and the local communities in which we operate, contribute to economic stability or help communities thrive and stay safe.



Environment

Organizations that work to preserve and protect the environment for the benefit of the public or other nonprofits that support an environmental effort, such as tree planting or preserving wetlands.

Human Needs

Organizations or causes that support people in times of need, such as the Red Cross.



You can read more about our approach to philanthropy in our Corporate Social Responsibility Policy on our website.



Diversity, Equity and Inclusion

Organizations that promote diversity, equity and inclusion.

In 2022, not only did we contribute through financial donations, but also and perhaps more importantly, our employees volunteered their time. Showing up for their communities, our people make a big difference. Below are examples of where our teams gave their time, talent and heart in 2022.

Navajo Refinery

ARTESIA, NM



HF Sinclair Continues to Support High School Robotics Program in Artesia

Our Navajo refinery donated \$25,000 to Lovington Quest Center Robotics program and \$10,000 to the Lovington High School Robotics program. Funding helps with transportation cost to and from competitions and STEM program supplies.



Navajo Refinery Thanks School Nurses

Navajo refinery employees and the Lovington Robocats robotics team partnered up to say thank you to local school nurses for their hard work throughout the pandemic and for hosting vaccine clinics after hours for students. To show their appreciation, the students made yard signs using all of the equipment in their Robotics STEM Lab for each of the nurses.

Casper Refinery

CASPER, WY



Casper Refinery Donates to Meals on Wheels

Our Casper refinery donated \$1,000 to the local chapter for Meals on Wheels. Monday through Friday, Natrona County Meals on Wheels delivers meals to seniors in the local community who are homebound or unable to prepare food for themselves. Volunteers also provide well-being checks and friendly social interaction. Just \$840 can provide up to six months of meals.

Casper Refinery Hosts a Day of Safety for Kids

The Junior Emergency Response Team (ERT) Day has been a Casper refinery tradition for over a decade. This year, members of the refinery emergency response team and Evansville and Natrona County local community firefighters participated in the event to demonstrate fire safety to local children. The Casper refinery is proud to educate children in the local community on the importance of safety.





Puget Sound Refinery Supports STEM Programs Through Fun Run Event

Our Puget Sound refinery helped sponsor the annual Fun Run in Anacortes, Washington. The event raised more than \$55,000 to support the Anacortes Schools Foundation. The money raised will go towards scholarships, increased access to STEM and career technical education (CTE) and a school grant for the school with the highest percentage of participation in the run.



Puget Sound Refinery

ANACORTES, WA



Puget Sound Refinery Continues 40-Year Holiday Tradition

Employees at the Puget Sound refinery donated books, crayons, coloring books, winter gear and snacks to 250 children in the Skagit County and Island County Head Start program this holiday season.

Cheyenne Facility Volunteers at Neighborhood Night Out

Our Cheyenne facility employees volunteered their time at the annual Neighborhood Night Out event, which is a community-building event designed to bring neighbors, businesses and police together in partnership against crime in Cheyenne. Neighborhood Night Out is in its 14th year and provides a great opportunity for our employees to connect and build relationships with the citizens who live near our facility.



Cheyenne Facility

CHEYENNE, WY

Tulsa Refinery

TULSA, OK



Tulsa Refinery Assists United Way

The Tulsa refinery participated in the 2022 Tulsa Area United Way Day of Caring. Volunteers showed up with rakes, shovels and paint brushes to support the Route 66 Historical Village.



Tulsa Refinery Supports Local School

Employees at the Tulsa refinery raised money to purchase winter clothing, toys and books for 46 third graders at Eugene Field Elementary School during the holiday season.



Tulsa Refinery Participates in Food Drive

The Tulsa refinery participated in the United Way's 2022 Community Food Drive. The employee-led event collected 94 pounds of food and raised money for donations.

Parco Refinery

SINCLAIR, WY



HF Sinclair Enhances Rural Healthcare in Sinclair, WY

The Parco refinery located in Sinclair assisted Memorial Hospital of Carbon County with the purchase of new communication equipment to be used in ambulances. The new equipment will support reliable, secure and continued communication during emergency situations.



El Dorado Hosts Tim Underwood Memorial Golf Tournament

Our El Dorado refinery hosted its fifth annual Tim Underwood Memorial Golf Tournament at the end of August. The memorial tournament began in 2018 following the tragic death of Tim Underwood, a former colleague who passed away in 2017.

The event serves as an opportunity to honor Tim by raising money for local charities through contractor sponsorship and contributing to initiatives that aligned with some of Tim's passions, including sports, military veterans, music, the outdoors and helping children in need. Since the tournament's inception, \$750,000 has been raised and donated.

This year, the two-day event had its highest level of participation with 304 golfers, including 92 refinery employees and retirees. In total, \$280,000 in funds were raised, a \$60,000 increase from last year's total.

The employee-led tournament committee accepted 42 funding requests from local groups and nonprofits. Tim's spouse and other members of his family select the organizations that receive funds.



El Dorado Refinery Sponsors Annual Kids Week Event

For the second consecutive year, our El Dorado refinery joined forces with the City of El Dorado and the local YMCA to sponsor a week of children's events.

The activities kicked off by sponsoring "Movie Monday" at the local movie theater. Our employees entertained 160 children and parents as they enjoyed the showing of the new Minions movie. Other events included a community baseball game, family day and activities at the Kansas Oil Museum.

Wrapping up the week-long event, HF Sinclair employee volunteers kicked off "Friday Night Lights" at the downtown park. The inflatable obstacle course and ice cream truck were two of the favorites out of several other yard games and the YMCA's physical fitness course.

EL DORADO, KS

El Dorado Refinery

Mississauga Refinery

MISSISSAUGA, ONTARIO



Mississauga Welcomes Back In-Person Fundraising Initiatives

Employees in Mississauga were thrilled to welcome back in-person fundraising initiatives through this year's Community Connect campaign. The campaign is led by a group of cross-functional employees whose goal is to raise awareness for five local community organizations by engaging employees to participate in volunteerism, financial and in-kind giving. Through employee donations and company contributions, more than \$60,000 was raised for local nonprofit organizations.

Amsterdam Facility

AMSTERDAM, THE NETHERLANDS

Amsterdam Supports Inclusion

Sonneborn Amsterdam supported Stichting Jarige Job in 2022. The organization makes it possible for children that grow up in poverty to celebrate their birthday at home and at school. 200 kids received a birthday gift, the possibility to share a treat with their classmate and supplies for a celebration. Through this initiative, we help support social inclusion.



Petrolia Facility

PETROLIA, PA



Petrolia Facility Supports Environmental Education

Our Petrolia facility donated \$2,500 to the Outdoor Discovery Center (ODC) located at Crooked Creek in Armstrong County. The organization provides environmental education to the community and regional school districts, as well as summer camp for school aged children.



HF Sinclair Supports Folds of Honor

HF Sinclair, through our Sinclair commercial brand, partnered with the Folds of Honor, a national philanthropy organization, to raise funds for education scholarships for children and spouses of fallen or disabled veterans. Our efforts raised over \$900,000 for this worthy cause.

\$100K Raised

HF Sinclair Donates to Support Humanitarian Efforts in Ukraine

HF Sinclair donated more than \$100,000 to support UNICEF in an effort to aid those in need during the ongoing crisis in Ukraine. All funds went to support refugees and relief efforts in Ukraine, as well as to neighboring countries who have been impacted.

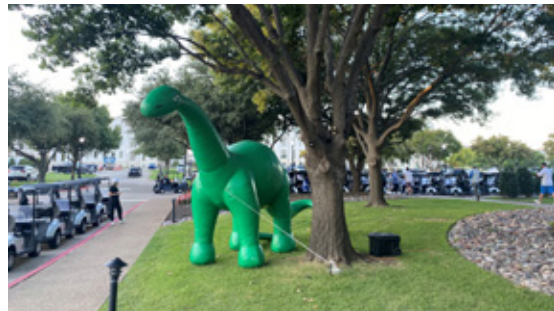


Dallas Helps with Back to School

HF Sinclair's Dallas Community Service Committee, with the help of employees in the corporate office, contributed 153 fully stocked backpacks to the Community Partners of Dallas, a non-profit organization that helps children in need in the Dallas area.

HF Sinclair Charity Invitational Golf Tournament

HF Sinclair hosted the annual HF Sinclair Charity Invitational Golf Tournament in October 2022 in Frisco, Texas. This year, 250 players were in attendance and the event raised over \$500,000 in total for our charity partners, including American Heart Association, Habitat for Humanity, Ronald McDonald House of Dallas and Community Partners of Dallas.



HF Sinclair Supports Girl Scouts Strong

In May, our Women in Energy and Veterans in Energy ERGs hosted Angie Salinas, retired Major General and CEO of Girl Scouts of Southwest Texas, who spoke to our employees about leadership. The day prior to her visit, a tragic shooting occurred in Uvalde, Texas, which left 19 students and two teachers dead. Among the victims was Amerie Jo Garza, a student and member of the Girl Scouts of Southwest Texas, who was posthumously honored with the Girl Scouts Bronze Cross. HF Sinclair proudly made a \$5,000 donation to Girls Scouts Strong.

DALLAS, TX

HF Sinclair



EARTH





DAY

At HF Sinclair, we look for ways to be better stewards of the environment every day. In honor of Earth Day 2022 on April 22, 2022, all employees were encouraged to take part in Earth Day activities throughout the week.



Appendix

Task Force on Climate-Related Financial Disclosures (TCFD)

The TCFD framework is one of the most widely used frameworks by companies who report on their climate related risks and opportunities. According to the TCFD 2021 Status Report, TCFD-aligned official reporting requirements have been adopted in eight countries. Additionally, in its proposed rules on reporting climate-related disclosures, the U. S. Securities and Exchange Commission (SEC) notes that it has modeled the proposed rules on the TCFD, which it describes as a widely-accepted framework for climate-related disclosure. Although we are still working toward further alignment with the TCFD Recommendations, we include the following disclosures informed by the TCFD to demonstrate our commitment to transparency and to enable our stakeholders to evaluate our disclosures in the context of our peers.

Governance

a) Board Oversight

While our full Board has ultimate oversight responsibility for climate-related risks and opportunities, additional oversight is provided by our Board Committees. The Nominating, Governance and Social Responsibility Committee discusses with management HF Sinclair's policies, practices and procedures relating to environmental sustainability and our strategies and performance in assessing and responding to climate-related risks and opportunities and oversees ethics and compliance programs, policies and practices regarding human rights. The Environmental, Health, Safety, and Public Policy Committee monitors public policy trends that impact HF Sinclair, such as the risk of future carbon regulations and their potential direct or indirect costs. Transition risks such as the impact of current and potential federal and state regulation of carbon emissions are a regular topic of discussion by our Board.

Our Executive Leadership Team ("ELT") has oversight of strategic risks and opportunities at the management level. Such risks are identified and monitored by the Risk Management Oversight Committee. The Risk Management Oversight Committee includes the Climate-Related Risks Working Group, which is responsible for identifying, assessing and managing climate related risks over a short, medium and long-term horizon. This Group meets quarterly and provides quarterly updates to our Risk Management Oversight Committee.

Strategy

As the world prepares for a lower carbon future, all companies including HF Sinclair face a number of risks and opportunities. In this section we will describe our climate related risks and opportunities.

While we do expect continued demand for gasoline and diesel products in the future, we are prudently investing in lower carbon alternatives to diversify our business and ensure our Company is meeting the evolving needs of our consumers and society. As part of our commitment to and planning for this transition, we have established GHG emissions intensity reduction target and a realistic timeline for achieving it.

Climate-Related Risks and Opportunities³

a) Demand Risks

We compete with other industries that provide alternative means to satisfy the energy and fuel requirements of our industrial, commercial and individual consumers. The more successful these alternatives become as a result of governmental regulations, technological advances, consumer demand, improved pricing or otherwise, the greater the impact on pricing and demand for our products and our profitability. There are presently significant governmental and consumer pressures to increase the use of alternative fuels and reduce the use of fossil fuels in the United States and we anticipate that these pressures will continue to grow.

b) Regulatory Risks

There are various risks associated with greenhouse gases and climate change that could result in increased operating costs and litigation and reduced demand for the refined products we produce and investment in our industry. Numerous proposals have been made and could continue to be made at all levels of government which could have an impact on our business.

c) Physical Risks

Physical impacts of climate change, such as extreme weather events, rising sea levels and drought could have an adverse effect on our financial condition and results of operations.



d) Financial Risks

Increasing attention to ESG matters may adversely impact our business, financial results, stock price or price of debt securities. Financial institutions may be limited in investing or financing operations such as ours, reducing our access to capital.

There are various risks associated with GHGs and climate change that could result in increased operating costs and litigation and reduced demand for the refined products we produce and investment in our industry.

e) Reputational Risks

Increasing societal expectations for companies to address environmental issues, including climate change, and increased consumer use of substitutes to energy commodities may result in increased costs, reduced demand for our products and our services, reduced profits, increased investigations and litigation, and negative impacts on our stock price and costs of and access to capital markets. To the extent that societal pressures or political or other factors are involved, it is possible that such liability could be imposed on us without regard to our causation of or contribution to the asserted damage, or to other mitigating factors.

f) Litigation Risks

There are increasing risks of litigation related to climate change effects, including shareholder derivative suits, suits alleging "green washing" and other types of government or private suits.

Risk Management

Our leadership team and Board are focused on managing the risks to our business, including climate change-related risks. We rely on our Risk Management process and OEMS framework to identify climate-related risks, including those resulting from regulatory change. Climate-related risks are in our company enterprise risk register. On a quarterly basis, the Risk Committee reviews each of these risks, along with the other enterprises risks to confirm their significance and evaluate any changes in the risk rating or risk controls. Risks from the risk register are presented to the Board at least annually. These risks are managed by each segment with corporate oversight.

Metrics and Targets

a) Metrics

We monitor absolute energy use and Scope 1 and Scope 2 GHG emissions, and intensity per barrel.

b) Scope 1 and Scope 2 GHG Emissions

Scope 1 GHG emissions (2022) 8,525 thousand metric tons of CO₂e
Scope 2 GHG emissions (2022) 1,057 thousand metric tons of CO₂e

c) Target

We have set a target to reduce our net GHG emissions intensity from our operations by 25% by 2030 as compared to a 2020 baseline through improving the efficiency in our operations, offsets from our renewable business and credits from our biofuel blending activities.

Sustainability Accounting Standards Board (SASB) Index

Based on the SASB "Oil & Gas-Refining & Marketing" standard

Accounting Metric	Code	Unit of Measure	2022 Disclosure
Greenhouse Gas Emissions			
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-RM-110a.1	Metric tons (t) CO ₂ -e, percentage	See Sustainability Report table
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	EM-RM-110a.2	Discussion and analysis	Please see the <i>Environment</i> and <i>Climate</i> and <i>Innovation</i> sections
Air Quality			
Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO ₂ , (3) particulate matter (PM ₁₀), (4) H ₂ S, and (5) volatile organic compounds (VOCs)	EM-RM-120a.1	Metric tons	(1, 2, 3, 5) See Sustainability Report table (4) Not reported
Number of refineries in or near areas of dense population	EM-RM-120a.2	Number	Not reported
Water Management			
(1) Total volume of fresh water handled in operations, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	EM-RM-140a.1	Thousand Cubic meters (m ³), percentage (%)	(1) See Sustainability Report table (2) Not reported (3) 7% of water withdrawn from extremely high/arid regions For more information, please see the section: <i>Water Use</i>
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	EM-RM-140a.2	Number	Not reported
Hazardous Materials Management			
Amount of hazardous waste generated, percentage recycled	EM-RM-150a.1	Metric tons (t), percentage (%)	See Sustainability Report table
(1) Number of underground storage tanks (USTs), (2) number of UST releases requiring cleanup, and (3) percentage in states with UST financial assurance funds	EM-RM-150a.2	Number, percentage (%)	Not reported
Workforce Health & Safety			
(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR) for (a) full-time employees, (b) contract employees, and (c) short-service employees	EM-RM-320a.1	Rate	(a) Employees (1, 2) See Sustainability Report table (3) Not reported (b) Contractors (1, 2) See Sustainability Report table (3) Not reported



HF Sinclair Group Performance Data⁴

Metric	2018	2019	2020	2021	2022
Greenhouse Gas Emissions					
Total Scope 1 and Scope 2 GHG emissions (kt CO ₂ e)	6,269	6,380	6,056	5,299	9,582
GHG Scope 1 emission (kt CO ₂ e)	5,467	5,581	5,370	4,733	8,525
GHG Scope 2 emissions (kt CO ₂ e)	802	799	686	566	1,057
Energy Management					
Energy Consumption (GWh)	22,960	23,253	22,843	23,625	36,672
Grid Electricity (GWh)	1,633	1,643	1,539	1,405	2,405
Air Quality					
NO _x (tons)	3,055	3,209	3,093	2,846	4,800
SO ₂ (tons)	1,406	1,404	1,025	1,212	2,081
PM ₁₀ (tons)	466	449	455	406	1,137
VOCs (tons)	3,795	4,091	3,308	3,186	4,408
CO (tons)	2,576	2,676	2,733	2,524	3,823
Water Management					
Fresh Water withdrawal (million gallons)	18,957	18,895	17,433	17,711	18,202
Wastewater discharge (million gallons)	11,197	12,472	11,824	11,436	12,697
Waste Management⁵					
Total Waste Generation (tons)	55,665	77,953	77,906	93,621	97,038
Hazardous waste (tons)	11,488	27,270	24,940	27,190	27,464
Non-hazardous waste (tons)	44,177	50,683	52,966	66,431	69,575
Workforce Health & Safety					
Combined Total Recordable Incident Rate (per 200,000 hours worked)	0.68	0.61	0.43	0.27	0.31
Employees per (200,000 hours worked)	0.67	0.51	0.33	0.24	0.28
Contractors (per 200,000 hours worked)	0.70	0.75	0.69	0.31	0.36
Fatalities total	0	0	0	0	0
Employees (#)	0	0	0	0	0
Contractors (#)	0	0	0	0	0
Critical Incident Risk Management					
Tier 1 incident rate (per 200,000 hours worked)	0.15	0.14	0.10	0.08	0.18
Tier 1 incident count (#)	9	9	5	5	14
Tier 2 incident rate (per 200,000 hours worked)	0.36	0.24	0.30	0.33	0.26
Tier 2 incident count (#)	21	16	15	22	20
Spills >1 barrel (barrels) ⁶	981	3,899	2,427	1,135	20,155
Spills >1 barrel (#)	60	41	52	74	75

HF Sinclair Environmental Performance Data—by Operating Unit

Metric	2018	2019	2020	2021	2022
Greenhouse Gas – Refinery Operations					
Total Scope 1 and Scope 2 GHG emissions (kt CO ₂ e)	5,818	5,786	5,458	4,682	8,737
GHG Scope 1 emissions (kMT CO ₂ e)	5,018	5,011	4,798	4,147	7,740
GHG Scope 2 emissions (kMT CO ₂ e)	800	775	659	535	997
Energy Management – Refinery Operations					
Energy Consumption (GWh)	20,622	20,430	19,938	20,629	33,307
Grid Electricity (GWh)	1,492	1,454	1,350	1,207	2,150
Air Quality – Refinery Operations					
NO _x (tons)	2,342	2,376	2,265	1,998	3,843
SO _x (tons)	633	554	413	446	1,171
PM ₁₀ (tons)	442	418	423	380	1,095
VOCs (tons)	3,652	3,951	3,136	3,0009	4,149
CO (tons)	2,498	2,525	2,583	2,365	3,628
Refinery Intensity					
NO _x intensity (tons per MMBBL)	15	15	16	14	17
SO _x intensity (tons per MMBBL)	4	4	3	3	5
PM ₁₀ intensity (tons per MMBBL)	3	3	3	3	5
VOCs intensity (tons per MMBBL)	23	25	22	21	18
CO intensity (tons per MMBBL)	16	16	18	17	16
Water Management – Refinery Operations					
Fresh Water withdrawal (million gallons)	6,477	6,010	5,884	5,225	10,070
Wastewater discharge (million gallons)	3,680	3,762	3,399	3,433	4,931
Refinery Intensity					
Fresh Water withdrawal (gallons per BBL)	41	38	41	37	44
Wastewater discharge (gallons per BBL)	23	24	24	24	22
Waste Management – Refinery Operations					
Total Waste Generation (tons)	50,453	50,414	55,789	70,039	53,603
Hazardous waste (tons)	9,912	9,773	8,363	9,385	9,214
Non-hazardous waste (tons)	40,541	40,641	47,426	60,653	44,389
Refinery Intensity					
Total Waste Generation (tons/MMBBL)	320	323	392	497	235
Hazardous waste (tons/MMBBL)	63	63	59	67	40
Non-hazardous waste (tons/MMBBL)	257	260	333	431	194
Activity Metric – Refinery Operations					
Refining Throughput (MMBBL)	158	156	142	141	228
Refining operating capacity (MBPD)	457	457	405	554	678



Cautionary Statements

While we believe all historical calculations presented herein were completed consistent with current industry standards, the numbers provided have not been audited by a third-party audit firm.

Statements made in and any oral statements made in connection with this report that are not historical facts are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “anticipate,” “project,” “will,” “expect,” “plan,” “goal,” “forecast,” “strategy,” “intend,” “should,” “would,” “could,” “believe,” “may,” and similar expressions and statements regarding our plans and objectives for future operations are intended to identify forward-looking statements. Forward-looking statements are inherently uncertain and necessarily involve risks that may affect the business prospects and performance of HF Sinclair Corporation (“HF Sinclair”) and/or Holly Energy Partners, L.P. (“HEP”), and actual results may differ materially from those discussed in this report. In particular, this report contains forward-looking statements pertaining to, but not limited to, information with respect to the following: HF Sinclair’s strategic plan, priorities, outlook and expected performance; sustainability goals, strategies, priorities and initiatives, including, among others, those related to greenhouse gas emissions reduction, identifying, developing and making available sustainable products, alternative energies and technologies, water use and conservation, waste reduction and recycling, safety, and diversity and inclusion; our plans to achieve our sustainability goals and to monitor and report our progress thereon; commitments and disclosure; and other related items.

Assumptions, standards, statistics, metrics, and measurements used in preparing this report continue to evolve and are based on management’s beliefs and assumptions using currently available information and expectations as of the date thereof, are not guarantees of future performance and involve certain risks and uncertainties. All statements concerning HF Sinclair’s expectations for future results of operations are based on forecasts for our existing operations and do not include the potential impact of any future acquisitions. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that our expectations will prove correct. Therefore, actual conduct of our activities, including the development, implementation, or continuation of any goals, strategies, priorities and initiatives, outcomes and results could materially differ from what is expressed, implied or forecast in such statements.

Any differences could be caused by a number of factors including, but are not limited to:

- our and HEP’s ability to successfully integrate the acquired Sinclair businesses with our existing operations and fully realize the expected synergies of the Sinclair Transactions or on the expected timeline;
- our ability to successfully integrate the operation of the Puget Sound refinery with our existing operations;
- the demand for and supply of crude oil and refined products, including uncertainty regarding the effects of the continuing coronavirus (“COVID-19”) pandemic on future demand and increasing societal expectations that companies address climate change;
- risks and uncertainties with respect to the actions of actual or potential competitive suppliers and transporters of refined petroleum products or lubricant and specialty products in our markets;
- the spread between market prices for refined products and market prices for crude oil;
- the possibility of constraints on the transportation of refined products or lubricant and specialty products;
- the possibility of inefficiencies, curtailments or shutdowns in refinery operations or pipelines, whether due to reductions in demand, accidents, unexpected leaks or spills, unscheduled shutdowns, infection in the workforce, weather events, civil unrest, expropriation of assets, and other economic, diplomatic, legislative, or political events or developments, terrorism, cyberattacks, or other catastrophes or disruptions affecting our operations, production facilities, machinery, pipelines and other logistics assets, equipment, or information systems, or any of the foregoing of our suppliers, customers, or third-party providers, and any potential asset impairments resulting from, or the failure to have adequate insurance coverage for or receive insurance recoveries from, such actions;
- the effects of current and/or future governmental and environmental regulations and policies, including the effects of current and/or future restrictions on various commercial and economic activities in response to the COVID-19 pandemic and increases in interest rates;
- the availability and cost of our financing;
- the effectiveness of our capital investments and marketing strategies;
- our and HEP’s efficiency in carrying out and consummating construction projects, including our ability to complete announced capital projects on time and within capital guidance;
- our and HEP’s ability to timely obtain or maintain permits, including those necessary for operations or capital projects;
- our ability to acquire refined or lubricant product operations or pipeline and terminal operations on acceptable terms and to integrate any existing or future acquired operations;
- the possibility of terrorist or cyberattacks and the consequences of any such attacks;
- uncertainty regarding the effects and duration of global hostilities, including the Russia-Ukraine war, and any associated military campaigns which may disrupt crude oil supplies and markets for our refined products and create instability in the financial markets that could restrict our ability to raise capital;
- general economic conditions, including uncertainty regarding the timing, pace and extent of an economic recovery in the United States;
- a prolonged economic slowdown due to the COVID-19 pandemic, inflation and labor costs, which could result in an impairment of goodwill and/or long-lived asset impairments; and
- other financial, operational and legal risks and uncertainties detailed from time to time in our and HEP’s SEC filings.

Additional information on risks and uncertainties that could affect the business prospects and performance of HF Sinclair and HEP is provided in the most recent reports of HF Sinclair and HEP filed with the SEC.

Moreover, while we have provided information on several sustainability topics, including goals and ambitions, there are inherent uncertainties in providing such information, due to the complexity and novelty of many methodologies established for collecting, measuring, and analyzing sustainability data. While we anticipate continuing to monitor and report on certain sustainability information, we cannot guarantee that such data will be consistent year-to-year, as methodologies and expectations continue to evolve. We hereby expressly disclaim any obligation or duty not otherwise required by legal, contractual, and other regulatory requirements to update, correct, provide additional details regarding, supplement, or continue providing such data, in any form, in future. Furthermore, there are sources of uncertainty and limitations that exist that are beyond our control and could impact HF Sinclair's plans and timelines, including the reliance on technological and regulatory advancements and market participants' behaviors and preferences.

All forward-looking statements included in this report are expressly qualified in their entirety by the foregoing cautionary statements. The forward-looking statements speak only as of the date made and, other than as required by law, HF Sinclair and HEP undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This information may be modified, updated, changed, deleted or supplemented from time-to-time without notice and we reserve the right to make any such modifications in our sole discretion. Unless otherwise provided, the information contained in this report is expressly not incorporated by reference into any filing of the Company made with the SEC, or any other filing, report, application, or statement made by the Company to any federal, state, tribal, or local governmental authority.

Endnotes

- 1 API 754 categorizes unplanned or uncontrolled releases of material from chemical and refinery processes (referred to as loss of primary containment or LOPC events) into tiers, based on the quantity, type of material, and consequences of the release. Tier 1 is the most consequential, with Tier 2 having lower release amounts or consequences. API and AFPM provide annual industry benchmarking of Tier 1 and Tier 2 events both by count and rate (normalized by working hours) by site for participating companies.
- 2 This certification applies to the Tulsa Lubricants plant only.
- 3 For additional information on these risks, see the Risk Factors section of our 2022 Annual Report
- 4 HF Sinclair Group Performance Data includes data for full year PSR and Sinclair facilities beginning in 2022. These data also include full year GHG Scope 1, Scope 2 and total emissions data for 2020. Sonneborn and Red Giant Oil included as of 2019. The 2021 rates include all business units and company beginning on November 1, 2021.
- 5 Waste values do not include Red Giant Oil.
- 6 Spills Data are reported only for refining, asphalt and renewables facilities.



This report contains statements based on hypothetical or severely adverse scenarios and assumptions, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk. While future events discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality of certain disclosures included in our filings with the SEC.



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