

# **HF Sinclair Corporation**

## **Modern Slavery Statement**

### **Introduction**

This Modern Slavery Statement (this “Statement”) has been published pursuant to the U.K. Modern Slavery Act 2015 (the “UK Act”) and Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Canadian Act,” and together with the UK Act, the “Acts”). It sets out the steps that HF Sinclair Corporation and its subsidiaries (collectively, “HF Sinclair”, “we” or “our”), have taken to prevent forced labor, child labor, and human trafficking in their business and supply chains during the fiscal year ended December 31, 2023.

HF Sinclair is committed to conducting our business operations in a manner that complies with applicable laws and regulations and achieves the highest standards of business ethics and integrity. “Modern slavery” is an umbrella term used to describe a range of exploitative labor practices. For purposes of this Statement, references to “modern slavery” include forced labor, child labor, human trafficking, debt bondage and involuntary servitude.

We have prepared a single statement for HF Sinclair because we have global policies and compliance procedures relating to modern slavery across our business. However, not all our subsidiaries are subject to the Acts mentioned above. To the extent applicable, the signature pages to this Statement include additional disclosures specific to the entities required to prepare a statement under one or more of the laws listed in the first paragraph of this Statement.

### **HF Sinclair’s Business and Supply Chains**

HF Sinclair operates five segments – Refining, Lubricants and Specialties, Marketing, Renewables and Midstream – principally in the United States, Canada, and the Netherlands and has sales offices and operations in other countries, including the United Kingdom. Our business operating model relies upon the activities of third parties including logistics and fleet providers, distributors, subcontractors, and suppliers.

We source goods and services to support our operations globally. Our procurement activities are managed by different internal business units and functions depending on the type of product or service that we procure.

Our Marketing and Supply & Planning teams are in charge of the procurement of most of our raw materials, including crude oil and feedstocks. Our Logistics team is in charge of the procurement of all our transportation services. Our Global Procurement organization, in conjunction with Department leaders, manages the rest of our global supply chain, which includes the following categories of spend:

- Direct material which includes lubricant additives and packaging, third party manufactured lubricants, chemicals, and catalysts. These materials are predominantly sourced from North American manufacturers.

- Indirect materials, which includes materials we buy to operate our production facilities and offices, such as refinery fixed, rotating and electrical equipment, mechanical repair materials and supplies and IT supplies and software.
- Indirect labor, which largely consists of US-based maintenance, consulting, engineering and technical services supporting our facilities.

HF Sinclair sources materials and services from a diverse range of providers. These providers include maintenance contractors, equipment manufacturers, IT software companies, distributors, and raw material suppliers. The products being sourced include, but are not limited to, raw materials, chemicals, machinery components, steel, office supplies, and IT software. Products are procured from various countries based on cost and availability. Raw materials, including crude oil and feedstocks, represent more than 70% of HF Sinclair's overall procurement spend.

### **Risks of Modern Slavery in HF Sinclair's Business and Supply Chain**

HF Sinclair considers the risk of modern slavery in its business to be low due to the strength of its internal policies and procedures (as described below). Similar to other companies, we believe that our highest risk area is that modern slavery could occur without our knowledge in violation of our policies in the portion of our supply chain with which we do not have direct relationships. This risk, however, is mitigated by several reasons related to our supply chain, including:

- Based on volume of products and services and total spend, the vast majority of HF Sinclair's suppliers are based in the United States and Canada.
- HF Sinclair aims to have long-term collaborative relationships with a relatively low number of suppliers, which facilitates the management of the relationship and the understanding of the suppliers' business practices.
- HF Sinclair's existing policies and procedures to address the risks of modern slavery (as described below).

### **The Company's Position on Human Rights**

As set forth in HF Sinclair's [Human Rights and Modern Slavery Policy](#) (the "Human Rights Policy"), HF Sinclair is committed to respecting human rights in all aspects of its business and supports compliance with the applicable laws related to terms of employment, worker conditions, and human rights. HF Sinclair's policies (as described below) are intended to align 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's core conventions. As stated in the Human Rights Policy, HF Sinclair:

- Prohibits the use of compulsory labor;
- Prohibits the use of child labor;

- Prohibits the confiscation of workers' original identification documents as a condition of employment;
- Supports the rights of workers to associate freely and bargain collectively;
- Supports the rights of all persons to a safe, secure workplace free from discrimination, harassment or retaliation;
- Promotes compliance with all laws related to wages, working hours, and working conditions; and
- Prohibits payment of recruitment fees by workers to obtain work.

### **Other Relevant Policies and Reporting Mechanisms**

HF Sinclair does not knowingly conduct business with any individual or company that participates in or utilizes modern slavery. As outlined in this Statement, HF Sinclair is committed to taking necessary steps so that such practices are not taking place in any part of HF Sinclair's supply chain or business.

HF Sinclair's [Code of Business Conduct and Ethics](#) (the "Code") requires all directors, officers, and employees to conduct business with unquestionable integrity and in compliance with all applicable laws, rules, and regulations. The Code specifically prohibits human trafficking, forced labor, child labor, and other exploitive labor practices. Any employee who is proven to have violated the Code is subject to disciplinary action, up to and including termination of employment.

In addition to the Human Rights Policy, HF Sinclair sets expectations with its suppliers through its [Supplier Code of Business Conduct and Ethics](#) and its distributors through its [Distributor Code of Business Conduct and Ethics](#), which require our suppliers and distributors, respectively, to conduct their activities consistent with the Code and Human Rights Policy. HF Sinclair suppliers are expected to contractually certify that materials incorporated into the products produced for HF Sinclair comply with all applicable laws and regulations, including those pertaining to human rights, anti-slavery, child labor, and human trafficking. HF Sinclair reserves the right to terminate supplier and/or distributor contracts for violation of the respective Codes of Business Conduct and Ethics.

Anyone inside or outside of HF Sinclair may report workplace concerns through HF Sinclair's publicly available ethics and compliance reporting line. HF Sinclair's ethics and compliance reporting line provides a direct way to report suspected violations of the Code, company policies, and applicable laws or regulations. The HF Sinclair ethics and compliance reporting line is available globally, with multilingual capacities, 24-hours a day, seven days a week. Reports made through the reporting line are promptly and thoroughly investigated. HF Sinclair does not tolerate retaliation against anyone who raises questions or concerns, reports an alleged violation in good faith, or participates or cooperates honestly and completely in the investigation of a report.

## **Management of Our Supply Chain**

HF Sinclair strives to conduct business only with ethical and trustworthy business partners. To that end, HF Sinclair has implemented risk based due diligence procedures to review the background, business capabilities, and reputation of its prospective business partners in order to mitigate risks of modern slavery. In evaluating supply chain risk, HF Sinclair assesses the various categories of suppliers in its supply chain; the level of spend in each category; whether the sourcing is direct or indirect; and whether the sourcing involves products or countries with a higher risk of unethical labor practices. Our approach to mitigating risk involves certain compliance activities applicable to all suppliers and enhanced efforts for suppliers who present higher risk, primarily based on geography and spend. Suppliers who present a higher risk are required to undergo a detailed assessment. This includes completing an annual questionnaire and certification regarding their practices with respecting to mitigating modern slavery risk. As appropriate, HF Sinclair reviews these certifications and questionnaires with and addresses any gaps in compliance directly with the supplier.

If HF Sinclair identifies a gap in any of its suppliers' compliance program, the specific circumstances are reviewed by HF Sinclair's Vice President of Procurement and the Chief Compliance Officer. If needed, HF Sinclair has the right to suspend commercial operations with the supplier until the gap in their compliance program has been addressed.

Rather than immediately terminating suppliers that do not meet our expectations, we generally will seek to help our suppliers remedy identified issues. Through this approach, we seek to prevent additional harm to the employees of such suppliers and the loss of income to the most vulnerable families.

## **Training**

All HF Sinclair employees are required to take annual training on the Code and to certify compliance with the Code. Participation in the Code training is mandatory and documented in HF Sinclair's learning management system.

## **Assessment of Effectiveness**

As described above, HF Sinclair continues to monitor our suppliers for risks of modern slavery. As needed, we also review any reports made through the ethics and compliance reporting line. During the fiscal year 2023, there were no reports or findings of the presence of modern slavery in HF Sinclair's business or supply chain. HF Sinclair will continue to benchmark its standards and audit its approach against regulatory requirements and available guidance.

## **Approvals**

### **Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act**

Petro-Canada Lubricants Inc. (“PCLI”) is required to submit a statement under the Canadian Act. PCLI is a company owned by HF Sinclair Corporation and comes within HF Sinclair’s global compliance program which is discussed throughout this Statement. This Statement relates to all of HF Sinclair’s activities in Canada.

### ***About PCLI and its Supply Chain***

PCLI has approximately 650 employees in Canada, the majority of which are hired on a permanent basis. PCLI’s employees perform roles from a variety of fields including:

- Commercial:
  - Sales and Sales Support
  - Marketing
- Corporate:
  - Finance
  - HR/Communications
  - Legal
- Business Support
- Operations:
  - Labour
  - Engineering
  - Operations support
  - Transportation/Logistics
- Research and Development

PCLI’s operations include lubricants production, blending, packaging, marketing, selling and distributing.

PCLI’s supply chain mirrors that of HF Sinclair, which is discussed earlier in this Statement.

### ***Risks of Modern Slavery in PCLI’s Operations and Supply Chain***

The highest and lowest modern slavery risks of PCLI mirror that of HF Sinclair and are discussed earlier in this Statement. The policies and steps described earlier in this Statement that HF Sinclair has taken to assess, mitigate and manage the risk of forced labor and child labor are applicable to PCLI. Also, the assessment of the effectiveness of these policies and steps, and the mandatory training required of HF Sinclair employees, as each has been described earlier in this Statement, are applicable to PCLI.

**Approval**

In accordance with the requirements of the Canadian Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Canadian Act, for the reporting year listed above.

I have the authority to bind Petro-Canada Lubricants Inc.

Anthony Smith

Vice President, Operations

May 20, 2024



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**U.K. Modern Slavery Act 2015**

In accordance with the UK Act and guidance thereunder, and solely for purposes of compliance with the UK Act, this Statement was approved on April 17, 2024 by the directors of Petro-Canada Europe Lubricants Limited.

Solely for purposes of the UK Act, this Statement was signed by Matthew Joyce, a director of Petro-Canada Europe Lubricants Limited, on May 20, 2024.



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Matthew Joyce