

2022



# Sustainability Report

**ARKO**  
A Family of Community Brands

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# Opening Remarks

A MESSAGE FROM  
THE CHAIRMAN,  
PRESIDENT AND CEO

We are proud to share our 2022 Sustainability Report, which builds upon our inaugural 2021 ESG report released last year. We're pleased with our progress over the past year advancing sustainable business practices, which we believe will aid our success and long-term value creation as we continue to integrate ESG into our strategic vision.

ARKO Corp. is a Family of Community Brands, with an important role in the communities where we live and work. Our employees (sometimes referred to internally as associates) are the core of the Company, and their hard work, great service, and respect for our guests is what helps us thrive.

This report includes insights from team leaders into how we operationalize ESG within our company. I'm especially proud that we are able to provide our employees a pathway to build successful careers, develop their leadership skills, and take on even more rewarding roles as they advance within the Company.

We've taken some major steps forward in this report, including:

- Measured greenhouse gas (GHG) emissions as part of our effort to more deeply understand and manage our climate impact;
- Engaged a third-party to improve our tracking of water consumption across our sites. This more accurate water accounting enables us to effectively manage our consumption and identify opportunities to improve water efficiency;
- Set a target to stop the procurement of Styrofoam cups by the end of 2023; and
- Expanded our efforts to transition to energy efficient lighting and installed LED lighting in additional stores and sites.

Our goal is to manage the environmental impact of our operations, and incorporate sustainable management practices in our daily operations. We want all employees to thrive while promoting ESG practices throughout the business. And for guests, we strive to create inviting, safe spaces in our stores.

We are committed to good governance. We think and act for the long-term, and understand that governance, environmental stewardship and social responsibility are important aspects of our business and are taken very seriously by our many stakeholders.

I invite you to read this report and learn more about the important work we are doing.

*Arie Kotler*

**ARIE KOTLER**

Chairman, President and CEO, ARKO Corp.



# Our Story

Founded in 2003 and based in Richmond, Virginia, ARKO and our Family of Community Brands is the 6th largest convenience store chain in the United States, as of December 31, 2022 operating 1,404 retail convenience stores, supplying fuel to 1,674 independent dealer locations and operating 183 cardlock locations (unstaffed fueling locations), spanning more than 30 states and the District of Columbia.<sup>1</sup> Since our founding, we have grown to become a Fortune 500 company with over 12,000 employees at the end of 2022. We started our growth path in 2013, and as of the end of 2022, our Family of Community Brands included a portfolio of more than 20 regional store brands that have been in existence for an average of 50 years, offering fuel products and other merchandise to our customers. GPM Investments, LLC, which we refer to as GPM, is our operating entity and our indirect wholly owned subsidiary.

We are committed to being the premier convenience destination delivering total customer satisfaction. Our customers rely on us: as of December 31, 2022, approximately 40% of all our retail stores are in cities with populations of fewer than 20,000 people and approximately 20% of all our retail stores are in geographies with populations between 20,000 and 50,000 people.

## OUR VALUES



**Always do the right thing**



**Show concern and respect for others**



**Demonstrate commitment to equal opportunity, fair treatment, and diversity**



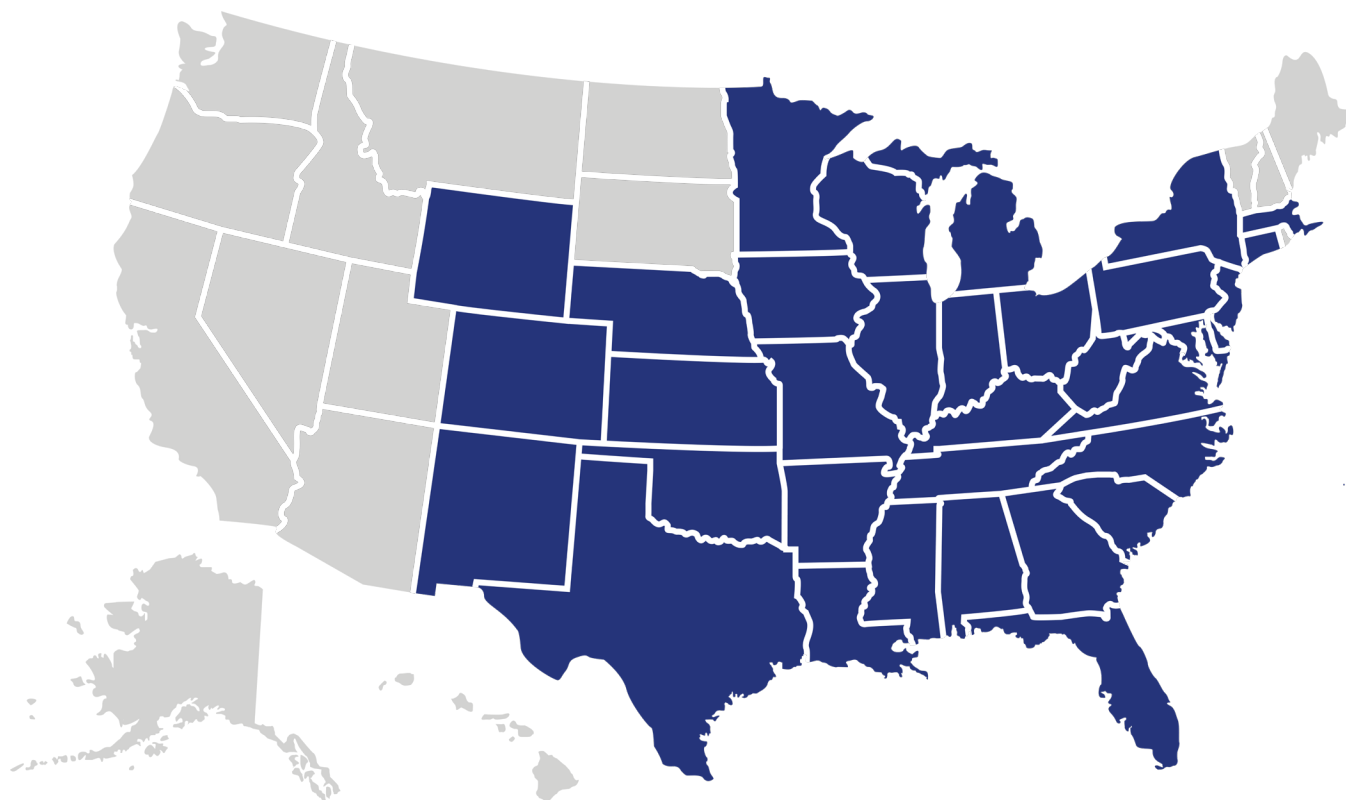
**Constantly improve**

<sup>1</sup> As of June 30, 2023, our activity included the operation of 1,547 retail convenience stores, the supply of fuel to 1,824 gas stations operated by dealers and the operation of 293 cardlock locations.



We currently operate in four segments:

- As of the end of 2022, we had **operations in 34 states and the District of Columbia:**



ARKO 2022 Sustainability Report

## OUR GROWTH

Our acquisition strategy has led to significant and rapid growth over the past years. As we grew we remained committed to our belief in the importance of maintaining the unique and familiar nature of each of our Family of Community Brands, while ensuring that they meet ARKO's standards of quality and safety. This dual approach allows our sites to seamlessly maintain the close ties they have developed with local communities, while striving to improve their performance.

In 2022, we successfully continued the growth of our business through acquisitions, expanding to new geographic locations and offering our services to new customers and communities. We expanded our Family of Community Brands, with two new acquisitions. We acquired the Quarles Petroleum fleet fueling business, with over 200 locations focusing on cardlock locations and independent dealers, and Pride, a chain of 31 convenience stores in Connecticut and Massachusetts. We also announced two additional acquisitions – Transit Energy Group and WTC Fuels – which we closed in 2023, adding over 450 locations.



### DECEMBER 31, 2022 SNAPSHOT

# 1,404

Company-operated Convenience Stores

# 3,898,234 sq ft

Total Area of Retail Space

# \$9.14 billion

Annual Revenue

# 1,674

Independent Dealer Locations

# 183

Cardlock Locations

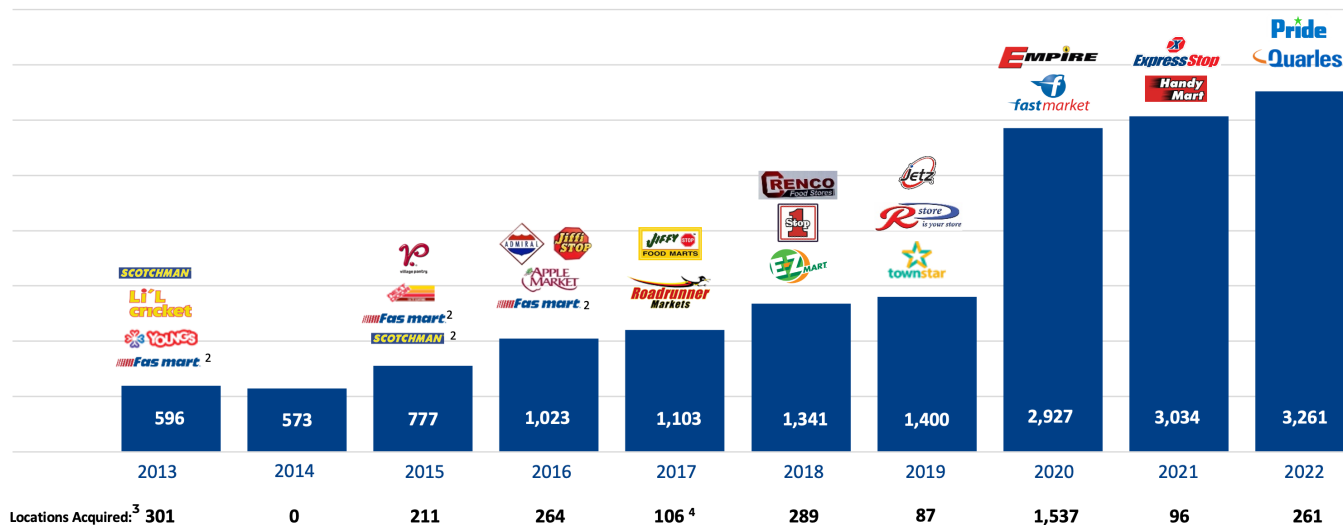
# 12,000+

Employees

# ~1.3 million

Members Enrolled in Our Loyalty Program

## A decade of growth:



<sup>3</sup> Includes wholesale and cardlocks

# Our ESG Journey

**In 2022, we set out on our ESG journey with an in-depth process to develop our ESG Policy.** The policy was developed following a dedicated engagement process with many of our stakeholders in order to align our goals with their expectations.

This policy, designed under the auspices of our Senior Management and approved by the Nominating and Corporate Governance Committee of our Board of Directors (our “Board”), has guided our activity, and serves as our north star for ESG issues.

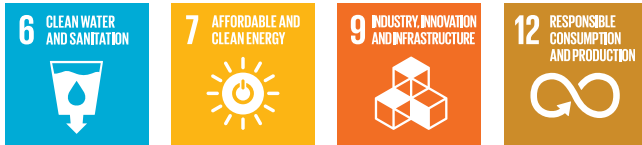


Following the adoption of our ESG Policy, we set out to compose and initiate the effective implementation of workplans to improve ESG management and performance in key strategic areas, in alignment with our strategic business goals and growth. An integral part of these workplans is establishing and improving our ESG processes and data management necessary for measuring our progress. Our Senior Management and their professional teams collaborated to prioritize top-of-mind ESG areas of activity and to lay out clear actions to improve ESG-related performance. These plans are currently underway, and we look forward to communicating our improvement in the coming years.

## OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

Our ESG Policy takes into account the United Nations' Sustainable Development Goals (SDGs) adopted by the UN general assembly in 2015. These 17 SDGs represent the global efforts that according to the UN should be taken in order to achieve global sustainable socio-economic development. Our ESG Policy is intended to advance **eight of the 17 SDGs**, which are the goals most relevant to our business.

### Environmental Sustainability



#### Building a Sustainable Future

We aim to incorporate environmental considerations and improve our environmental performance across all areas of operation.

#### Responsible Resource Management

We are committed to managing the environmental impact of our operations and incorporating sustainable management practices that promote the responsible use of natural resources, particularly surrounding fuel storage.

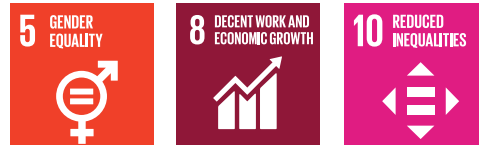
### Governance



#### Business Ethics

We are committed to conducting our operations honestly, transparently and ethically, both inside and outside of our company, and implementing responsible marketing practices for our products.

### Social Responsibility



#### Promoting Our People

We invest in our people's wellbeing, professional and personal growth and in increasing employee retention. We invest in creating and maintaining a work environment in which employees can thrive and achieve success.

#### Protecting Our Customers

We are committed to creating a comfortable and safe environment for our customers, implementing strict fuel storage protocols, and investing in protecting the privacy of our customers through robust data-security measures.

#### Diversity, Equity, and Inclusion

We implement measures to ensure fair and equal opportunity in all of our employment practices and we consistently work to promote diversity, equity and inclusion across our entire workforce and activities.



## 2022 ESG HIGHLIGHTS



## Environment and Climate

**38<sup>4</sup>**

electric vehicle charging units across 9 sites

**65%**

of our stores have LED lighting fixtures on their canopies

**32%**

of our stores participate in waste recycling programs



## People and Communities

**70%**

of our management roles are filled by women, higher than the company-wide rate of 56% female employment

**354,848**

total training hours provided to our employees, with 32 training hours provided to new Sales Associates

**\$433 thousand**

donated by customers and invested in social causes and the local communities in which we operate

<sup>4</sup> This figure includes 17 Tesla-owned chargers.



# The Environment

## OUR FUEL OFFERING

A primary part of our business activity is providing fuel to our customers. Our fuel business, which spans over 3,200 locations, includes retail, wholesale and fleet fueling services and provides various types of fuel to end-customers and independent dealer locations. Fleet fueling services were added to our portfolio of fuel activities in 2022, expanding our fuel services and providing a solution for corporate customers. Our fuel offerings enable the mobility of millions of people and drive local economies.



### 2022 FUEL HIGHLIGHTS

**~2 billion**

gallons of fuel sold through our retail, wholesale, and fleet fueling offering

**15.1 million**

gallons of clean fuels sold across our operations

**1,357**

retail sites offering fuel services, **146** of which offer clean fuels

**1,674**

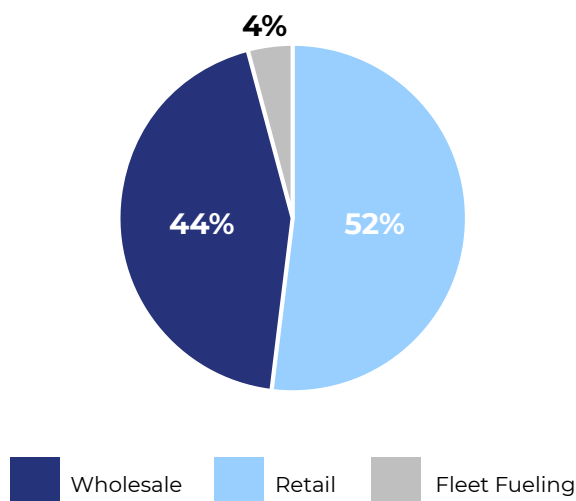
independent dealer locations, **70** of which offer clean fuels

**183**

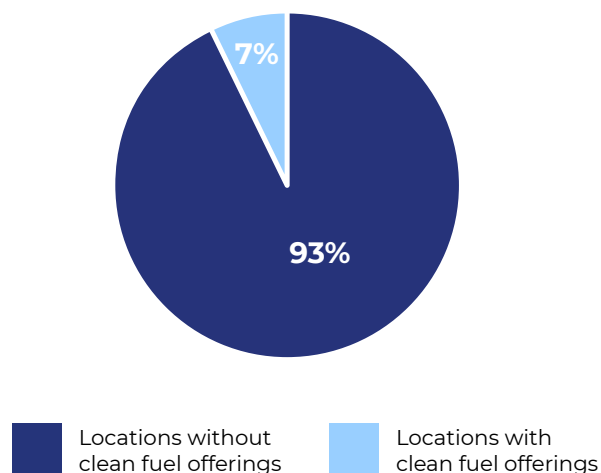
cardlock locations, **8** of which offer clean fuels

While conventional fuels are a necessary part of our economy – both today and in the foreseeable future – we acknowledge the environmental implications of fuel consumption, and we do our part to offer more sustainable alternatives. Our fuel offering includes various types of clean fuel options including ethanol-blended fuels (E15, E-85) and biodiesel, which have reduced environmental impacts and lower carbon emissions. As of December 31, 2022, clean fuels were offered at 224 of our retail gas stations, independent dealer locations, and cardlock locations.

**\$7.4 BILLION IN FUEL REVENUES IN 2022**



**AS OF THE END OF 2022, CLEAN FUELS<sup>5</sup> WERE OFFERED AT 7% OF LOCATIONS**



### Fuel Sales, thousands of gallons<sup>6</sup>

	Gasoline sold (clean gasoline sold)	Diesel sold (biodiesel sold)	Total fuel sold (total clean fuel sold)
Retail	905,829 (697)	99,700 (2,095)	1,005,529 (2,792)
Wholesale <sup>7</sup>	806,160 (470)	97,706 (10,525)	903,866 (10,995)
Fleet Fueling	11,336 (0)	47,686 (1,332)	59,022 (1,332)
Total	1,723,325 (1,167)	245,092 (13,952)	1,968,417 (15,119)

<sup>5</sup> Clean fuels include E-85, E-15 and Biodiesel.

<sup>6</sup> These figures do not include a small amount of kerosene and other fuels sold.

<sup>7</sup> Includes GPMP segment sales to external customers.

## OUR PART IN THE ELECTRIC VEHICLE (EV) REVOLUTION

Although fuel sales are a significant component of our business, we are proud to take part in the EV transition. We see installing EV charging stations as an opportunity to diversify our business operations and create an excellent customer experience. We also see investment in EV infrastructure as a channel through which we can support the gradual transition to a low-carbon economy and support climate goals. Our dedicated team is constantly monitoring the needs and looking out for opportunities to expand EV charging capabilities across our footprint, while relying on government grants to ensure that these ventures are viable. In 2022, through our acquisition of Pride Convenience Stores, we grew our charger count by 36 charging units at an additional 8 sites. Out of 36 chargers, 24 chargers are level 3 high-powered chargers, offering our customers fast and efficient charging services.

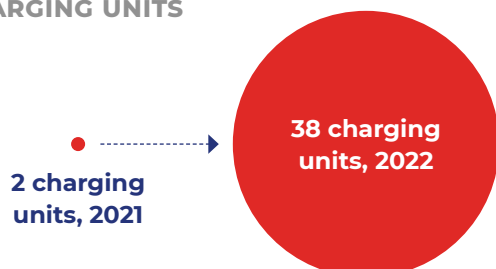
Our strategy is designed to target investments where we see higher levels of consumer EV charging demand. To date, consumer EV demand in our geographic footprint is lower than in other parts of the nation, but we intend to continue investing in our EV charging network and expanding our role in the country-wide electric vehicle endeavor as EV demand increases.

**In 2022, we significantly increased our network of electric vehicle charging facilities.**

### YEAR-OVER-YEAR GROWTH OF SITES WITH CHARGING FACILITIES



### YEAR-OVER-YEAR GROWTH OF EV CHARGING UNITS





## PREVENTING ENVIRONMENTAL HAZARDS

With almost 7,000 operational underground storage tanks (USTs) and above ground storage tanks (ASTs), ARKO is committed to storing its fuels using high safety standards. Leaking USTs and ASTs containing hazardous substances pose a threat to human health and the environment, as they can contaminate soil or groundwater, potentially contaminating the drinking water of our communities. We implement robust testing protocols designed to prevent and detect leaks and substance releases and our USTs and ASTs systems comply with the most significant operational compliance requirements and local laws for construction and monitoring.

**In our routine UST and AST monitoring and maintenance procedures, we use advanced technologies and equipment for detection and prevention of leaks and spills, which helps us to promptly respond to system malfunctions or emergencies.**

Our dedicated Environmental Management team develops and oversees environmental impact processes, including extensive environmental data management, measuring and assessment, alongside the development and implementation of inspection, maintenance, and supervision procedures. The Environmental Management team provides employees hands-on training and guidance, covering tank maintenance, leak detection, and reporting and documentation processes. The training also covers a variety of other topics such as Vapor Intrusion, Spill Procedures, State Inspection Protocols, and ATG training. Our Environmental Department is trained with Class A, Class B, and Class C Operator certification. As required by law, store-level associates, among others, obtain Class C Operator certification. Each site is inspected by a third party every 30 days to ensure compliance with operator requirements.

We aim for close and transparent collaboration with the local authorities in environmental matters, and we believe that our collaborative, transparent and compliant approach is key to ensuring high standards of environmental management.



# Point of View

## ROLFE LANN

Vice President of Environmental  
*24 years at the Company*



Something that we are always aware of is our obligation to keeping our team, customers, and communities safe. Our job is to protect the Company from exposure and liability, minimize risks and ensure safe, continuous operations while managing almost 7,000 underground and above ground storage tanks. The training of our store operators is key, and we collaborate with our Operations team to ensure that we are complying at the store level, where Associates and others are required to have at least their mandated Class C Operator certification in addition to our recognized internal training program.

**Attention to detail is fundamental to what we do. We have a great team, who understand that the stakes are high. We have people with academic backgrounds in environmental sciences, Army veterans who worked in petroleum supply — this is the ‘E-Team.’**

Each acquisition adds responsibility. I believe our team performs best in class due diligence, but environmental management is a 24/7 mindset. Daily, weekly, monthly, yearly, you must be vigilant. We owe that to the communities where we operate, and we take it very seriously.”



## ENERGY EFFICIENCY & GHG EMISSIONS

### Our Company Fleet Management

While our fleet is not extensive, we are committed to optimizing our fuel consumption, becoming more eco-efficient and reducing our GHG emissions. Our vehicle fleet primarily consists of vehicles for our maintenance department but also includes a limited number of trucks transporting petroleum products. In addition to owned vehicles, our “fleet fuel” consumption below also includes fuel consumed by certain other employees (primarily operations field staff) in their private vehicles. Through our acquisitions which took place in 2022, many additional company fleet users were added. In 2022, we installed a fleet maintenance system to improve the efficiency of our vehicle-based operations. We also implement measures to reduce fleet fuel consumption, for example, by tracking and optimizing the routes of our drivers, making sure the most direct and efficient route is taken.

**Effectively managing our fleet and fuel consumption, alongside maintaining strict vehicle maintenance practices, contributes to our efforts to minimize our environmental impacts.**

### Fleet fuel consumption in 2022:

Type of Fuel	Gallons consumed by fleet
Unleaded/ Unleaded+/Premium	683,907
ULDD/UE10/E85	3,668,627
Diesel	238,500
Other	309



### Energy Efficiency

Reducing our energy consumption remains a high priority for us. We view energy efficiency investments as a way to reduce our environmental footprint and improve operational efficiency. We take a proactive approach to enhancing energy efficiency across our operations.

**In 2022, we engaged with an external provider to collect relevant data on our energy consumption from various sources, including electricity and fuels. This data allows us to analyze our energy consumption, facilitate operational efficiency and assess our carbon footprint. Through this process, we set a baseline for our energy consumption which we will monitor going forward.**

Throughout 2022, we installed LED lighting in additional sites. As of the end of 2022, 912 stores had LED lighting fixtures on their canopies (65% of stores), with 67 installations occurring in 2022. Photocells were also added to 67 of our sites in an effort to reduce the electrical consumption of canopy lighting. These sensors detect light and automatically turn the lights light off and on as needed. We also install LED lighting in the interior of our stores where feasible. As of the end of 2022, 214 of our stores had interior LED lighting, with 11 installations occurring in 2022. Looking forward, we plan to execute an additional 40+ LED canopy light fixture installations in 2023.

### 2022 Energy consumption, by source:

Source of energy	Unit	2022
On-site fuels	GJ	69,889
Grid electricity	GJ	757,812
Vehicle fuels	GJ	569,407
<b>Total</b>	<b>GJ</b>	<b>1,397,108</b>

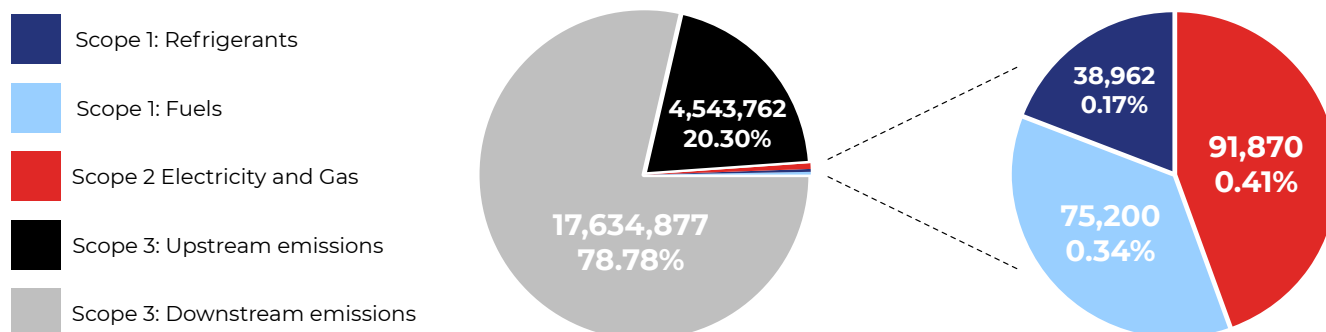
## Managing Our GHG Emissions

In 2022, we began measuring our GHG emissions as part of our effort to more deeply understand and manage our climate impact. In order to capture a broad picture of our GHG emissions, we assess our scope 1 and scope 2 direct emissions, and we assess our indirect scope 3 emissions relating to upstream and downstream fuel supply and consumption by our customers<sup>8</sup>. This process included establishing significant data management infrastructures and mapping each component of our scope 1 and 2 emission sources across our operations. The primary sources of our direct emissions that we identified include fuel consumption by our fleet of company vehicles, and electricity, gas, and refrigerant consumption at our company-operated stores. We then set out to collect and analyze the relevant operational data to be used in the

calculation of the Company's carbon footprint. In light of the widespread distribution of our sites, and the challenge it poses to the collection and management of our environmental data, we set up streamlined processes to efficiently consolidate and calculate key environmental metrics, including GHG emissions. We conducted an inventory breakdown of our material sources of Scope 1 and 2 GHG emissions and measured these GHG emissions at 206,032 MTCO<sub>2</sub>-e. To measure GHG emissions relating to refrigerant use, we formulated a specific methodology in which we sampled our stores according to their size and refrigerant units and measured the emissions which are associated with the various refrigerant uses.<sup>9</sup> We see 2022 as a baseline year from which we will continue to monitor and manage our GHG emissions.

### 2022 GHG EMISSIONS, METRIC TONS CO<sub>2</sub>-E

Scopes 1, 2, and 3 (upstream and downstream emissions)



## 2022 Carbon Footprint

	Unit	2022
Scope 1 emissions from refrigerants	MTCO <sub>2</sub> -e	75,200
Scope 1 emissions from consumption of fuels	MTCO <sub>2</sub> -e	38,962
Scope 2 emissions	MTCO <sub>2</sub> -e	91,870
<b>Total scope 1 and 2 emissions</b>	<b>MTCO<sub>2</sub>-e</b>	<b>206,032</b>
Scope 3 upstream fuel-related emissions	MTCO <sub>2</sub> -e	4,543,762
Scope 3 downstream fuel-related emissions	MTCO <sub>2</sub> -e	17,634,877
<b>Total scope 3 fuel-related emissions</b>	<b>MTCO<sub>2</sub>-e</b>	<b>22,178,639</b>
<b>Total GHG emissions</b>	<b>MTCO<sub>2</sub>-e</b>	<b>22,384,671</b>
<b>GHG emissions intensity, by area of retail space</b>	<b>MTCO<sub>2</sub>-e per sq ft.</b>	<b>5.74</b>
<b>GHG emissions intensity, by revenues</b>	<b>MTCO<sub>2</sub>-e per million USD</b>	<b>2,448.3</b>

<sup>8</sup> Scope 3 emissions were assessed using default emissions factors for fuel supply and consumption.

<sup>9</sup> The sampling included 13% of our stores.

## WATER STEWARDSHIP

We believe that our Company has a duty to manage our water use responsibly and effectively. Water scarcity is an increasingly concerning issue, affecting communities and wildlife both in the United States and worldwide. In 2022, we engaged with a third-party to improve our tracking of water consumption across our sites on a monthly basis. We anticipate this water monitoring will enable us to effectively manage our consumption and identify opportunities to improve our water efficiency. The past year served as a baseline year, by which we will track our progress in the coming years. In 2022, water consumption across our sites totaled 337.8<sup>10</sup> million gallons.

In addition to tracking our water data, we actively invest in improving the water efficiency of our sites. When we renovate sites, we invest in installing water-conserving systems, such as low-flow faucets and water-saving toilets. These actions improve the efficiency of our operations and cut costs, while also reducing adverse impacts on the environment.

### Water Efficiency at Our Car Washes

At our 80 car wash sites, we invest in water reclamation and recovery systems, thereby “closing the loop” and reducing our overall water consumption. Our environmental management of our car wash sites also extends to our usage of cleaning agents. Cleaning agents are vital to our car wash operations, and we adapt our use to local conditions and regulations to minimize potential environmental harm. We also invest in environmentally friendly alternatives, with approximately all of our sites using biodegradable cleaning agents at the car wash stations.

## 2022 Water metrics

	Unit	2022
Water consumption	Gallons	337.8 million
Water consumption intensity, by area of retail space	Gallons per sq ft.	58
Percentage of car washes with biodegradable cleaning agents	Percentage	100%



<sup>10</sup> Water consumption monitoring started in May 2022. This figure is an estimate based on the daily water consumption data from May-December 2022.



## PACKAGING AND WASTE

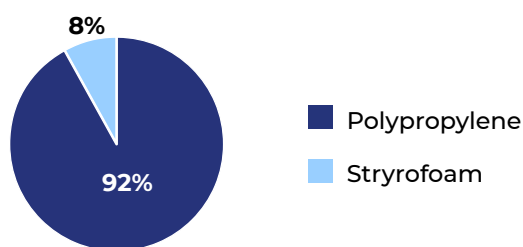
### More Sustainable Packaging

Transitioning to more sustainable packaging is an integral part of our environmental efforts. Today, a substantial amount of our packaging consists of materials with a lower environmental impact than other alternatives and efforts are underway to reduce packaging in our operations. For example, our ongoing process to transition from drip coffee dispensers to bean-to-cup machines minimizes waste by removing coffee filters from the brewing process and avoids excess beans and water being brewed and then discarded. In addition, **47.2% of our plastic-based packaging procured in 2022 for our store operations is composed of recyclable plastics.**

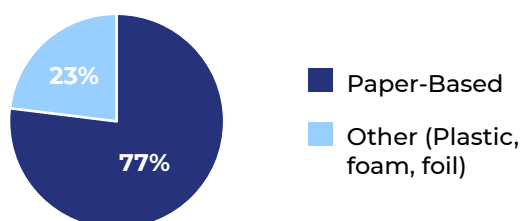
Nonetheless, we are constantly striving to improve our performance in this area. Following a detailed mapping of our packaging materials, we set out workplans to enable and advance our gradual transition to more sustainable packaging. As a part of these workplans, **we have set a target to stop the procurement of Styrofoam cups by the end of 2023.** We are also working toward assessing viable, sustainable alternatives for other types of packaging.

**In 2022, more sustainable packaging was commonplace across our stores<sup>11</sup>:**

**92% OF CUPS USED WERE NON-STYROFOAM**



**77% OF TO-GO BOXES USED WERE PAPER-BASED**



<sup>11</sup> Figures represent a breakdown of packaging materials by weight.

## Tackling Food Waste

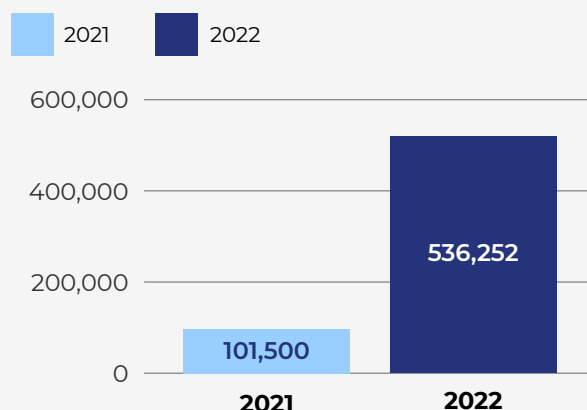
With approximately 30% of the food supply in the United States left uneaten<sup>12</sup>, food waste is a serious issue with far-reaching environmental and social consequences. When food is thrown into the trash, it decomposes in landfills and produces methane, one of the most potent greenhouse gases. Tackling food waste is also a critical aspect of improving food security for millions of people throughout the country.

We aim to reduce food waste through effective and efficient inventory management, thereby minimizing cases of discarding expired foods. Although expired and unsold store-prepared foods are discarded, we have agreements with our major suppliers by which some food products are reclaimed and returned to our suppliers to be appropriately processed. In 2022, \$1.9 million worth of food waste (13% of the total value of our food waste) was reclaimed by suppliers.

Our flagship program to reduce food waste is our frying oil recycling initiative. At participating sites, leftover frying oil that was used in food preparation is safely collected and transferred to a third-party partner to be recycled and reused in other processes. In 2022, we significantly expanded the number of sites participating in the program and successfully recycled over 500,000 gallons of frying oil.

### 2021-2022 FRYING OIL RECYCLED ACROSS OUR SITES (GALLONS)<sup>13</sup>

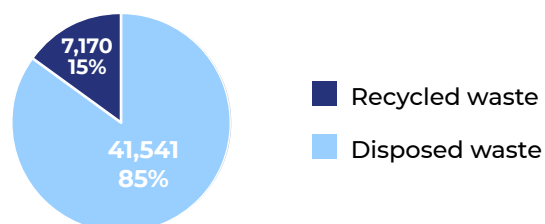
A year-over-year increase of +11900%



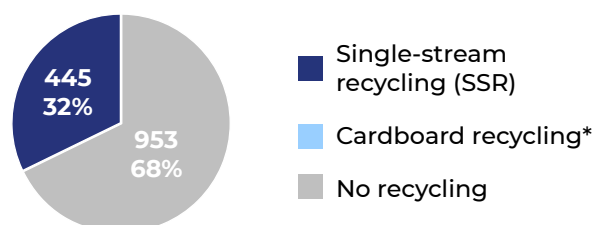
## Waste Recycling Programs

As of the end of 2022, we participated in recycling programs at 451 stores, approximately one-third of our retail sites. These programs were mainly single-stream recycling (SSR) programs, with a smaller number of dedicated cardboard recycling programs. These programs led to around 15% of our waste being recycled, thereby diverting it from landfills and enabling its reintroduction into production processes. As part of our workplans to constantly improve our environmental performance, we are assessing the feasibility of further expanding our recycling programs to additional sites.

### WASTE TREATMENT, BY METHOD (METRIC TONS), 2022



### SITES WITH RECYCLING PROGRAMS, 2022



\*6, ~0% CARDBOARD RECYCLING

### Waste Treatment by Method of Disposal, 2022<sup>14</sup>

Type of waste	Unit	Municipal Treatment	Recycled
General waste	Metric tons	41,541	-
Recyclables	Metric tons	-	7,145
Cardboard	Metric tons	-	24
<b>Total</b>	Metric tons	41,541	7,169
<b>% of Total</b>	Percentage	<b>85.3%</b>	<b>14.7%</b>

<sup>12</sup> According to the U.S. Department of Agriculture, "Estimates of Food Loss at the Retail and Consumer Levels".

<sup>13</sup> Calculated based on procurement of oil and an estimated 25% reclamation and recycling rate due to absorption, losses, and waste.

<sup>14</sup> Calculated based on a waste volume estimation model and Volume-to-Weight Conversion Factors provided by the U.S. Environmental Protection Agency



## SUSTAINABLE SOURCING

Our transition from drip coffee dispensers to bean-to-cup coffee machines launched in 2021, and in 2022, 544 stores transitioned to bean to cup services, surpassing our 2022 target of 525 installations. We are in the process of expanding the bean-to-cup programs to additional stores and set a target of 365 more installations in 2023. This transition process included a shift to high-quality coffee blends, two of which are certified by leading sustainability certifying organizations:



The Rainforest Alliance is an international non-profit organization working at the intersection of business, agriculture and forests. They aim to create a better future for people and nature by making responsible business the new normal. [www.rainforest-alliance.org](http://www.rainforest-alliance.org)

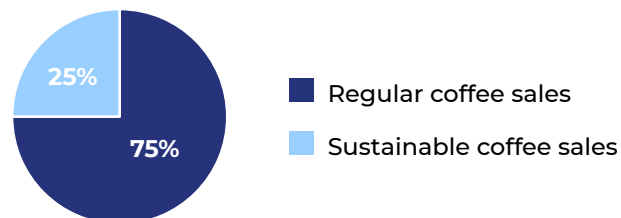


Raiz Sustainability® (Raiz) is a proprietary third-party verified sustainable farming program. Raiz farmers are part of **inclusive and dedicated supply chains**, where farmers receive trainings, services, and a guaranteed premium that makes their farms **more environmentally sustainable and profitable**.

We also recognize the rising demand for ethically sourced, cage-free eggs. While we do not actively manage the sourcing of the eggs in our products directly, we have conducted a mapping of our egg vendors to assess their commitment to cage-free eggs. This process revealed that a vast majority of our vendors and large franchisers have committed to addressing the concerns of cage-free eggs in their products, including setting cage-free targets for the coming years.

## Coffee sales, 2022

25% OF COFFEE SOLD IS SUSTAINABLY SOURCED



# Our Commitment to Our People

## PROMOTING EMPLOYEE WELLBEING AND WELFARE

Our employees are fundamental to our success, so we are committed to providing them with a welcoming and positive work environment, as well as the benefits they need to support their health and wellbeing. In addition to providing fair wages, we strive to strictly abide by all labor law requirements and make efforts to provide our employees with perks and benefits which target their needs. In 2022, 80% of employees earned above local minimum wage and the average hourly wage for hourly store employees was \$13.56. While we respect our employees' freedom of association, none of our employees are currently covered by collective bargaining agreements.

All of our full-time employees are eligible for health insurance after their first 30-60 days, depending on state and position. In 2022, 3,097 eligible employees opted for this program (44% of the eligible employees). We also assist our employees in saving for their future and support their retirement planning. Employees are eligible to take part in our 401(k) program starting immediately from their first day of work. In 2022, 727 employees participated in the program. We offer additional benefits to employees depending on position, including paid vacation and other voluntary insurance.

Employees are provided paid time off after completing their first year of employment. After their first year, employees are offered 8 days, and this number increases with an employee's tenure with us.





In addition to employee benefits, we provide our employees with the opportunity to earn performance-based cash bonuses and incentives. Throughout 2022, 1,767 employees, ranging from store associates, their management, and office staff received performance-based bonuses. In addition, store associates and store managers who worked at least 500 hours, and store managers after completing their first six months of employment, received retention incentive bonuses in 2022. In total, 10,148 payments were made to store associates for retention bonuses and 2,109 payments were made to Store Managers for retention bonuses.

Performance reviews are a key tool to enable the ongoing personal and professional development of our people. They are also an opportunity to identify and recognize outstanding performance of employees. Employees undergo a performance review after their first 90 days of employment, and annual reviews are conducted thereafter. In 2022, 3,848 employees underwent a 90-day performance review, and 4,548 employees underwent an annual review.

Most of our store employees are in entry-level or part-time positions, which have high turnover rates in line with trends in our industry.

	2022 <sup>15</sup>
Average employee hiring cost	\$1,200
Total number of employees	12,218
Turnover rate	164%
Voluntary turnover rate	155%



<sup>15</sup> The average employee hiring cost is based on an internal estimate. The average hiring cost is the total amount spent on recruitment and on-boarding; including but not limited to, cost of recruiter salary, technology costs, on-boarding and training resources, background check cost, nametags, uniforms, etc.

# Point of View

**BETTY FOLSOM**

HR Business Partner

*20 years at the Company*



When I started, GPM was a regional chain, and now we're a Fortune 500 company with operations across the country and over 12,000 employees.

**I started out as a Sales Associate, then became a Store Manager, then a District Manager before moving into my current role as a Human Resources Business Partner.**

I think that the perspective gained along the way has sharpened how I help people grow and thrive at the Company. I love that we take the work that we do seriously and have fun along the way. It's hard to believe that I've been with the Company for over twenty years. I think my work has expanded my horizons. Everyone is unique, but we share common experiences, through training, customer service, and through life. Harnessing all of that and focusing on a shared goal and sharing successes and lessons makes us all better."

## EMPLOYEE HEALTH AND SAFETY

Managing our employees' health and safety is a top priority for us, and we believe that maintaining a corporate culture of safety across all levels is essential to our success. We take a proactive approach towards health and safety in all our sites and have robust safety protocols in place which follow or exceed Occupational Safety and Health Administration (OSHA) requirements.

The implementation of safety protocols at our sites is overseen by our District Managers, Store Managers, and Assistant Store Managers. Our Safety Manager actively monitors safety protocols implementation in sites across the country by conducting routine safety audits, performing a risk analysis and identifying proactive solutions to address safety issues. We have designed a robust safety management system to increase employee awareness and involvement in personal safety. These procedures are specifically targeted to reduce safety risks that our employees face, including, lifting-related back injuries; fire hazards; slips and falls; housekeeping and property maintenance related risks; driving safety; machine operation safety; and robbery incidents.

Our safety management system is composed of:

- Day-to-day safety protocols that are supervised and implemented by District Managers, Store Managers and Assistant Store Managers
- Audits and visits by the Safety Manager
- Store employee's ability to report safety incidents or infringement directly to the Risk Management Department

**In 2022, we initiated the Monthly Safety Topic link on our intranet. Through this initiative, a safety topic is selected and presented at the beginning of each month. The selected safety topics are relevant to current trending safety incidents, as well as topics related to climate and weather conditions and incidents.**



We continue to implement on-site safety practices and measures which enhance everyday employee safety. These include Personal Protective Equipment (PPE), safety vests and uniform, and placement of traffic cones and barricades to prevent vehicle accidents.

Our employees have direct access to the Safety Manager and the Risk Management Department and can report any health and safety concerns or suggestions to contribute to a safer working environment.

We work proactively and plan for extreme weather events and have targeted emergency programs in place to execute a response, protect our people and infrastructures and provide appropriate communication as needed. As climate change is becoming ever more prominent, we work to build resilience against natural hazards and climate threats and have incorporated considerations of extreme weather events. All protocols and procedures for emergency scenarios are outlined in the official Safety Manual, providing guidance to the stores while operating during such events.

### SAFETY TRAINING

Mandatory safety training is provided to our people across our company-operated convenience stores. These training programs

cover the various risks faced by our people in the daily activities. Safety trainings, resources, and the official Company Safety Manual are available to employees 24/7 via our intranet.

**In 2022, approximately 12,800 hours of safety training were provided to employees, including basic safety training covering general safety practices, and advanced, role-specific training for employees in relevant positions.**

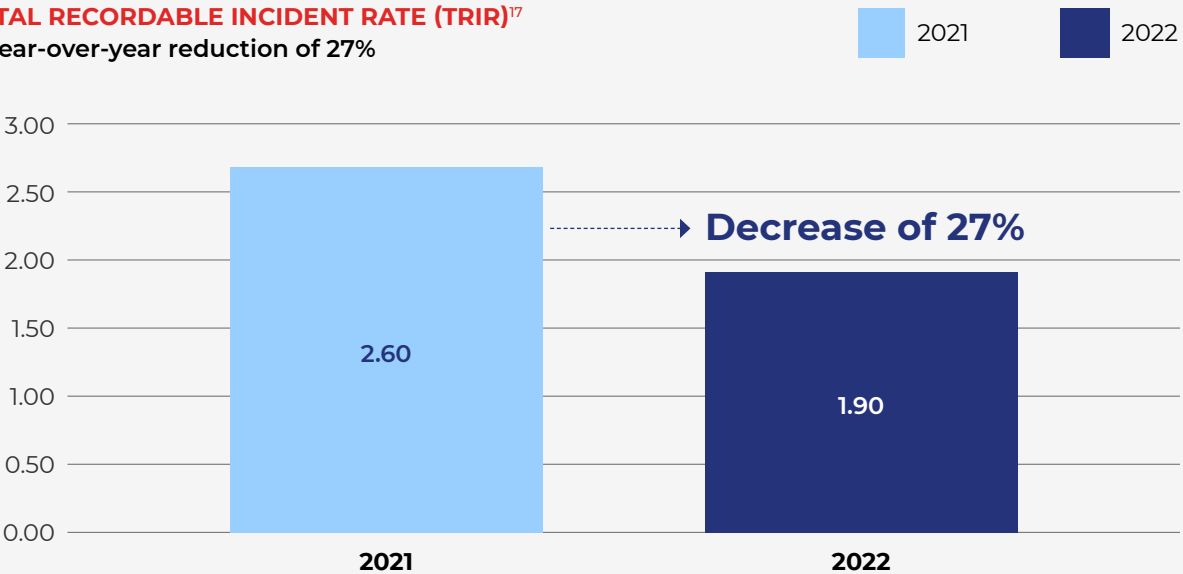
### SAFETY INCIDENTS

We have strict safety requirements and processes in place to prevent, handle and address safety concerns at our sites. We continue to work towards reducing the number of safety incidents to a minimum. In 2022, the Total Recordable Incidence Rate (TRIR) was 1.90.<sup>16</sup> A total of 190 safety incidents occurred in 2022, of them 89% were light or mild injuries. In addition, 21 incidents of severe injuries were recorded ranging from slips and falls, robbery assaults, improper lifting, vehicle strikes, cuts, and burns. Each incident is thoroughly investigated, and root causes are reviewed by the Safety Manager and involving others to ensure the occupational health and safety issues are resolved.

**2021-2022**

**TOTAL RECORDABLE INCIDENT RATE (TRIR)<sup>17</sup>**

**A year-over-year reduction of 27%**



<sup>16</sup> Rate calculated per 200,000 working hours.

<sup>17</sup> 2021 safety incidents data was updated from our 2021 ESG Report to include all additional recordable safety incidents alongside OSHA-reported safety incidents which were reported in 2021.



## EMPLOYEE LEARNING AND DEVELOPMENT

Investing in our people is essential to creating a strong and capable team and supporting our Company's long-term resilience, growth, and success. We are committed to providing our employees with opportunities for professional and personal development and helping them prepare for career advancement. Employees benefit from various training programs which develop their knowledge and skillsets, including on-the-job and virtual training courses. Our targeted training programs are tailored to address specific position requirements, equipping employees with necessary hard and soft skills to perform their duties and improve their performance. These programs are designed to foster a quality and experienced workforce and enable professional advancement for our employees. Some of the training topics include effective customer service, food preparation, responsible marketing, payment methods, and more. Employee training programs and procedures are overseen by our dedicated Director of Training & Leadership Development, with functions in other departments providing specialized professional training when necessary.

In 2022, we provided extensive training programs to new employees including:

- **32 hours for new Sales Associates**
- **80 hours for new Assistant Managers**
- **40 hours for Store Managers**



### 2022 LEARNING & DEVELOPMENT HIGHLIGHTS

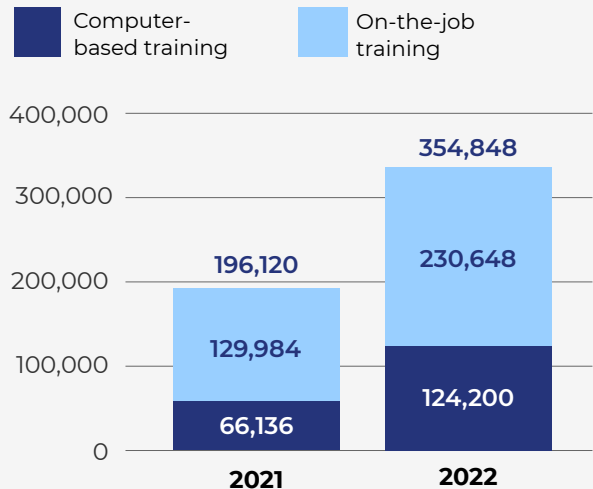
**~96%**

average course completion rate<sup>18</sup>

**3,600**

employees completed management and leadership courses

### 2021-2022 TRAINING HOURS PROVIDED TO EMPLOYEES, A year-over-year increase of +80%



<sup>18</sup> Calculated as the weighted average of regional completion rates according to the number of courses assigned in 2022



As part of our efforts to revamp our employee learning experience, we have initiated a process to implement advanced learning platforms across the Company. Our new learning management system is designed to provide in-depth insights on training execution across employee groups, while allowing us to broaden the scope of our learning offering. This platform, planned to be fully rolled out by September 2023, will enable us to enhance our training execution and monitoring capabilities. Looking forward, we intend to conduct training efficacy assessments to ensure that programs are optimized and that they provide our employees with the skills they both need and want to succeed in the workplace.

**Training and development metrics, 2022**

	2022
Total training hours provided to employees	354,848
Average training and development spending per full-time employee	\$1,200
Average completion rate of courses	96%



# Point of View

## VERONICA DONCHEZ

Senior Vice President of Human Resources  
*7 years at the Company*



Convenience stores are a very resilient industry. We were deemed essential during the pandemic, and the industry grew during the Great Recession. We want people to recognize that regardless of your background, you can start here and find a path to leadership. Our job is to nurture our employees along the journey by building their skills.

We also collaborate with subject matter experts and third parties to make sure our trainings are impactful and relevant. Our team monitors and assesses these programs all the time because they help develop a great workplace and give our employees qualifications that lead to other opportunities.

**There's nothing more rewarding** than making a hire and watching someone develop into a leader who is making their own hires and developing their own teams to our high standards. It lets me know that our training programs are making a difference."



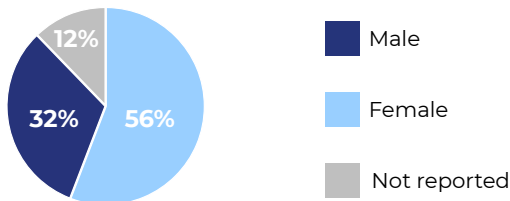
## FOSTERING A DIVERSE AND INCLUSIVE ENVIRONMENT

We strive to promote a safe and inclusive work environment and create a workforce which best reflects the diverse communities in which we operate. We believe that a diverse workforce is key to creating equal opportunities and we are proud in our ability to develop diverse talent and leadership and in our ability to provide equal employment, fair promotion practices, and a nurturing work environment for employees

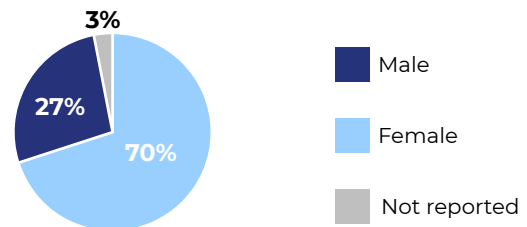
from diverse backgrounds. We are proud of the representation of female employees across the Company, particularly in leadership positions, with 70% of management positions filled by women, including 77% of store managers.

As we continue in our efforts to foster a more inclusive work culture, we are currently formulating a Diversity, Equity, and Inclusion (DEI) Policy and intend to integrate DEI training modules in our new learning management system and employee training programs.

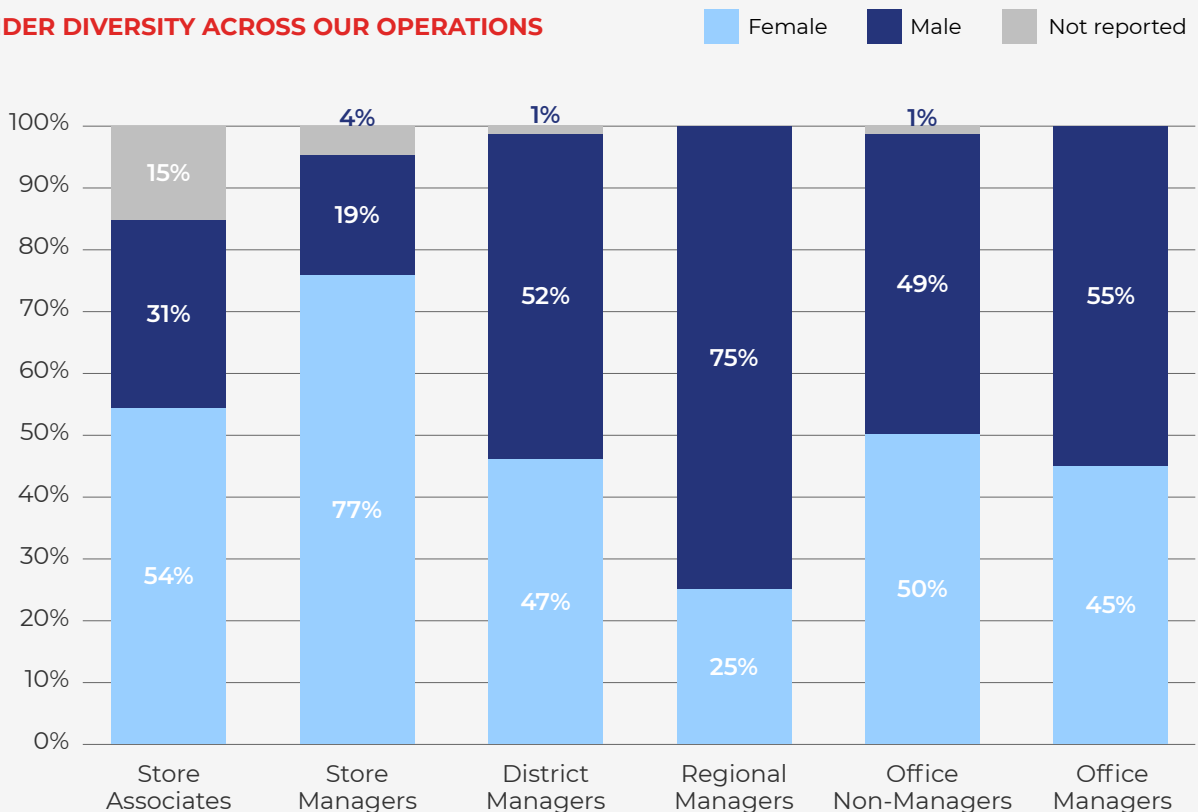
COMPANY GENDER DIVERSITY IN 2022



MANAGEMENT GENDER DIVERSITY IN 2022



GENDER DIVERSITY ACROSS OUR OPERATIONS



## Creating an Inclusive and Comfortable Work Environment

We aim to protect our employees and have a zero-tolerance policy towards all forms of discrimination. As an Equal Opportunity Employer, we foster a diverse workforce and driving inclusiveness across all departments and operations. We have policies which prohibit any form of discrimination based on race, gender, age, religion, or sexual orientation and aim to eliminate discrimination and retaliation against employees. These policies are communicated to employees, and we provide employees with

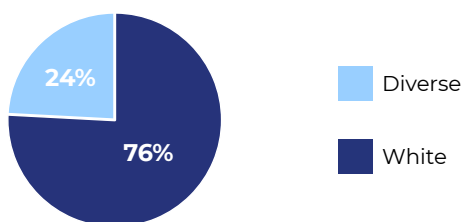
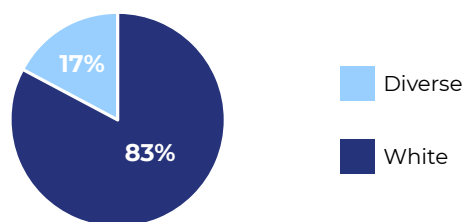
reporting channels and escalation mechanisms to address any adverse action. We make sure that management personnel are available to employees to discuss any problem in a discrete and fair manner. Complaints are investigated thoroughly, and appropriate action is taken as necessary.

We work to create an inclusive and respectful work culture and raise awareness among employees by providing anti-harassment and anti-discrimination training. All employees are required to abide by our standards and policies.

## Company Diversity, 2022

	2021			2022		
	Female	Male	Not reported	Female	Male	Not reported
Store Associates	5,078 (59%)	2,831 (33%)	698 (8%)	5,046 (54%)	2,950 (31%)	1,388 (15%)
Store Managers	1,247 (79%)	293 (19%)	32 (2%)	1,203 (7%)	296 (19%)	55 (4%)
District Managers	79 (53%)	68 (45%)	3 (2%)	70 (46%)	79 (52%)	2 (1%)
Regional Managers	5 (21%)	19 (79%)	0 (0%)	5 (25%)	15 (75%)	0 (0%)
Office Managers	65 (46%)	75 (53%)	1 (0.7%)	125 (45%)	152 (55%)	1 (0.3%)
Office Non-Managers	367 (50%)	368 (50%)	2 (0.3%)	418 (50%)	409 (49%)	9 (1%)
<b>Total</b>	<b>6,841 (61%)</b>	<b>3,654 (33%)</b>	<b>736 (7%)</b>	<b>6,867 (56%)</b>	<b>3,901 (32%)</b>	<b>1,455 (12%)</b>



WORKFORCE DIVERSITY IN 2022<sup>18</sup>MANAGEMENT DIVERSITY IN 2022<sup>19</sup>

	Managers	Non-Managers	Total
Black or African American	97	304	401
Hispanic / Latino	53	195	248
Native American	10	22	32
Asian-American	6	22	28
Hawaiian / Pacific Islander	0	4	4
White	837	1,414	2,251
Unidentified	1,000	8,259	9,259

<sup>19</sup> Excluding unidentified



## MAINTAINING AN ENGAGED WORKFORCE

In 2022, we continued and enhanced our emphasis on keeping our employees engaged. We encouraged employee engagement and open communication through pulse surveys and our “open door policy,” striving to reinforce a positive working culture which drives a stronger and more stable workforce. Our pulse survey helps us to assess levels of employee satisfaction, engagement, and sense of belonging, and in turn, develop and implement programs which reinforce workforce retention and address concerns. Maintaining ongoing communication with our employees enables us to incorporate employee considerations in our decision-making processes, shape our employee experience and recognize opportunities for future development. Therefore, we have decided to conduct employee pulse

survey twice a year to allow employees to regularly voice their opinions on a variety of topics.

Through our “open door policy,” we ensure that employees have direct access to management and are able to share questions, suggestions and complaints and receive timely responses and remediation as needed. Employee management communication channels are openly published in our Employee Handbook, in our stores, and on our intranet platform.

**Our 2022 employee pulse survey focused on positive aspects of working for ARKO, employee retention, and discussion on ways for ARKO to improve employee retention. The survey received 1,488 responses from Store Managers and District Managers.**



# Our Commitment to Our Customers

## CUSTOMER SERVICE EXCELLENCE

We strive to continue and deliver excellent customer service and experience in all our stores and other customer engagement. The trust, loyalty and satisfaction of our customers are key contributors to our success, and we are constantly working to improve customer experience.

Receiving continual feedback from our customers is important to us and we offer our customers multiple platforms to communicate with us. Our dedicated customer service team delivers solutions and handles each customer interaction according to the highest standards.

The insights we receive from our customers guide improvements in our in-store services and product quality so that we can excel in all areas of service and operations.

Our employees are the cornerstone of our business, and to reinforce our efforts to maintain and improve excellent customer service, we focus on employee training and provide extensive customer service training, including online and on-the-job training modules.

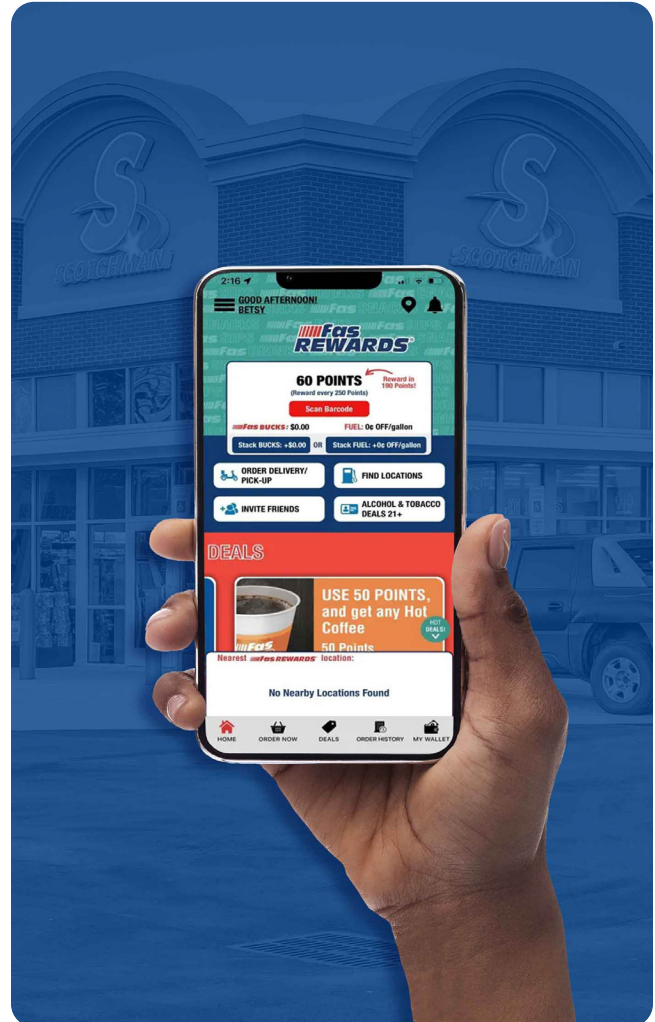
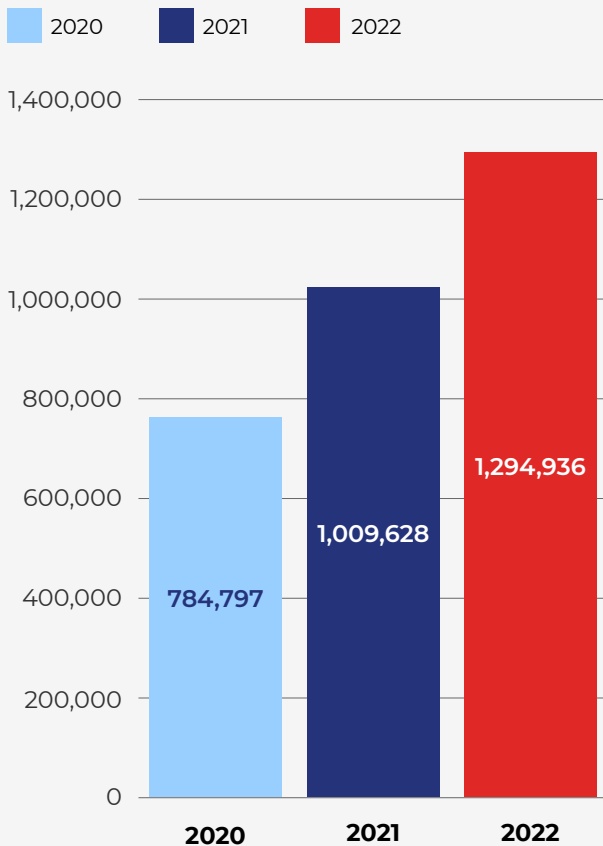




Our customer service experience is further enhanced by our fas REWARDS® loyalty program, which offers customers various discounts and saving opportunities on a variety of products. Our newly launched fas REWARDS® app offers members special pricing, fuel discounts, and other digital offers and deals, order, delivery and pickup services, a virtual wallet and a reward tracking feature. The new app promotes personalization of services and enables us to have more meaningful interactions with our customers, while providing them many saving opportunities. The fas REWARDS® program continued its consistent growth, and as of December 31, 2022, the program has approximately 1.3 million enrolled members, with 285,308 new members added in 2022.

### 2020-2022 LOYALTY PROGRAM MEMBERSHIP

A year-over-year membership increase of +28%





## FOOD SAFETY

We take food safety very seriously, and we adopt a proactive approach to safeguard our customers' health and ensure food quality. Our stores offer a variety of products with varying storage and treatment requirements such as temperature, preparation, and disposal, and we implement food safety management processes designed for food items to be handled to high safety standards while minimizing risks.

Personnel along the food handling chain are involved in maintaining and promoting food safety. Our Store Managers are equipped with the necessary knowledge and skills to oversee and handle onsite food practices and regulations including in food hygiene practices, food handling and disposal procedures. We have food safety protocols in place to ensure remediation to any food safety issues such as recalls, which enable a timely and clear communication to affected stores and removal of recalled items. Our dedicated Category Managers are responsible for handling food safety in the stores including food recall incidents.

In addition, we regularly test our water system which feed our fountains, ice machines, frozen carbonated beverage units, and coffee and other equipment. Where water is sourced from private wells, systems are tested in line with state requirements and results are reported to the local authorities. We conduct regular store food safety audits and adjust protocols and training programs as necessary.

We provide food safety training for relevant employees to impart and strengthen internal food health and safety measures and ensure that they comply with food sanitation and quality management requirements. In addition, store management personnel and deli managers are ServSafe certified. In 2022, our employees received 14,000 hours of food safety training.

# Point of View

**KESHAN GALE**

District Manager

*15 years at the Company*



We offer our customers convenience, the great coffee and fuel that they need, but also the treats and snacks that they want. I appreciate that we're an essential part of our community. Many of the same customers come every day. They know you and you know them. You might know their children, family, and friends. In a sense, we're almost like a general store, a place where people feel welcome, say hello, and get the things they need to get through the day. As a District Manager, I oversee ten stores.

**It's great to see our offering expand. We move quickly to get things that customers might not know they need now, but embrace along the way, like using a delivery service or trying new merchandise.**

Several of the stores in my district have fresh pizza, and the customers really love it. They can start their day with a coffee, and take a pizza, sides, and drinks home for dinner. That's really convenient, and it's what makes our stores part of the fabric of the community."

## RESPONSIBLE MARKETING

Our relationship with our customers is based on trust. Fostering and maintaining this trust is a guiding principle throughout our operational procedures and services. In our marketing operations, implementing responsible selling and marketing practices in our stores provides our customers with a safe environment. We maintain strict policies regarding the sale of age-restricted items, ranging from alcohol and tobacco to some pharmaceuticals.

Our responsible marketing standards cover all forms of marketing and communication within our stores and facilities, and we closely monitor our operations for compliance with state regulations, including storage and display of age-restricted products, and comprehensive employee training.

Employees at our stores undergo specific training on the selling of age restricted items, including adherence to state regulations, product and signage display, violation reporting procedures, and relevant employees receive certification.

**In 2022, we provided our employees 32,800 hours of training on responsible marketing practices to ensure that guidelines and procedures are met.**

We take great pride in providing fair prices to our customers across our sites. We have strict protocols pertaining to the accurate labeling of our products, including real-time updates of our fuel prices.

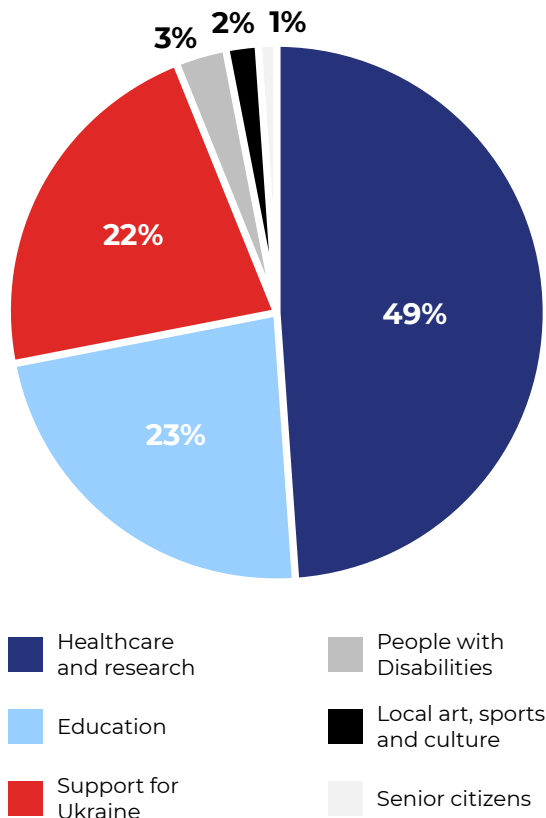


## INVESTING IN OUR COMMUNITY

We see ourselves and our stores as an inseparable part of the communities in which we operate. As such, we support causes and endeavors which we believe are important to our customers and our communities. In 2022, this included both large-scale efforts to promote important social causes, and local efforts to support community arts, sports, and culture. Through our community involvement efforts, we are able to be more fully involved in the communities in which we operate and enrich the lives of their members.

**In 2022, we continued to expand our investment in social causes and the local communities in which we operate.**

**We raised a total of \$428,800 for contributions, a 35% increase from the previous year.**



## Community Partnership Highlights



### FUNDING RESEARCH AND TREATMENT WITH THE MUSCULAR DYSTROPHY ASSOCIATION (MDA)

In 2022, we continued our donation collection program in our stores through which we encouraged customers to support MDA in its research and patient support. In 2022, the program successfully raised \$211,000 which was passed on to the organization. Since 2012, we and our customers have contributed close to \$2 million in support of the MDA's mission of transforming the lives of people living with muscular dystrophy, ALS, and related neuromuscular diseases through scientific and clinical research and over 150 MDA Care Centers at the nation's top medical institutions in local communities nationwide.



### SUPPORTING LOCAL PUBLIC EDUCATION – OUR PLEDGE TO EAST TENNESSEE STATE UNIVERSITY (ETSU)

In 2014, Roadrunner Markets, part of our Family of Community Brands, pledged to donate \$1 million over 10 years to help fund ETSU, a public research university in Johnson City, Tennessee. In 2022, we continued to fulfil our commitment by contributing \$100,000 to the university.



### SUPPORTING UKRAINE RELIEF WITH THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE (JDC)

In 2022, we partnered with the JDC to help provide relief for civilians in Ukraine affected by the ongoing war. We launched a campaign in our stores to collect donations from caring customers, successfully raising over \$93,000.



# Our Commitment to Responsible Business

Our comprehensive policies and robust internal controls help us to foster a culture of excellence and are key to maintaining the trust of our stakeholders and, we believe, enable sustainable growth.

## GOVERNANCE PRACTICES AND PROCEDURES

### Board Structure and Diversity

Pursuant to our Bylaws and the Delaware General Corporation Law, our business and affairs are managed under the direction of our Board of Directors. Directors are kept informed of our business through discussions with management, by reviewing materials provided to them and by participating in meetings of the Board and its committees. Our Corporate Governance Guidelines facilitate decision-making processes with the objective of protecting the interests of stockholders and promoting a conduct of credibility, competitiveness, and transparency. In 2022, our Board of Directors was composed of seven directors, five of whom were independent directors<sup>20</sup>. All Board members have significant business expertise and diverse professional experience and backgrounds.

The Board oversees the Company's activities and strategies through several committees. The responsibilities of each committee are outlined in committee charters. For more information about our committees' charters, please visit the Governance section of our website.

**Among its responsibilities, the Nominating and Corporate Governance Committee is charged with overseeing the Company's ESG activities, including:**

- **Reviewing the integration of ESG considerations in decision-making processes**
- **Overseeing the implementation of the Company's ESG Policy and workplans**
- **Reviewing and approving ESG disclosures**

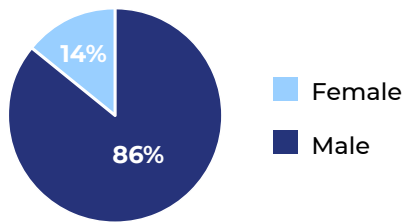
### Enhancing Board Effectiveness

We believe that our Board's performance is directly linked to our success. We constantly seek ways to enhance our Board's accountability and effectiveness. Our Board takes an active role in improving our governance and participates in a comprehensive annual Board effectiveness evaluation.

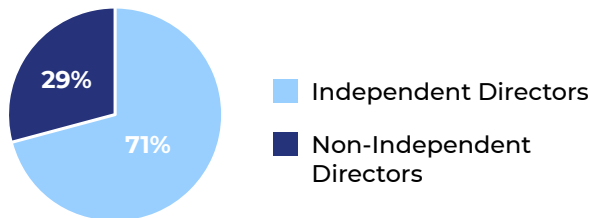
<sup>20</sup> One independent Board member left the Board in May 2023, and two new independent Board members were appointed in June 2023.

## Key Director Statistics, 2022

### BOARD GENDER DIVERSITY



### BOARD INDEPENDENCE



## PROMOTING ETHICAL BUSINESS PRACTICES

Maintaining the highest standards of ethical conduct and practices lies at the foundation of our operations. The ethical conduct of all our employees is key to ensuring our continued stability and growth and is a major component of maintaining the bedrock of trust upon which our relationships with our customers, suppliers, and partners are based.

Our activity is guided by the following principles:

- Consistently and enthusiastically deliver the highest level of customer service.
- Develop profitable partnerships with our suppliers through integrity and mutual trust.
- Provide opportunities for growth and development of our employees.

These principles drive our efforts to promote the ethical conduct of our employees and act as the foundation of our ethical guidelines and policies. We believe that ethical behavior lies first and foremost in the conduct of each individual. Our employees at all levels are bound by our comprehensive Code of Conduct, which details how employees should act in their daily activities. Our Code of Conduct is based on our fundamental values, as well as laws, regulations, and rules relating to our activity across our operations.

Our Code of Conduct dictates honest, fair, and ethical business behavior, both within the Company and when dealing with external stakeholders, such as customers, suppliers, and other relevant entities. The Code also outlines the channels through which employees can raise concerns and report on potential issues or violations. We have zero tolerance for any corruption, bribery and other improper behavior, and we place a great emphasis on proper disclosures and the accuracy of our public and internal records. We expect all employees to adhere to our high standards, and diligently work to ensure this in our stores, offices, and other facilities.

The Code is available to all employees and is being added to the onboarding process to ensure all new employees sign their acknowledgement and acceptance and its contents. The Code of Conduct is also available upon request from the Compliance Officer or from our website.

**In 2021, we introduced an ethics training course covering topics related to insider trading to educate applicable employees in relevant roles and review our Insider Trading Policy. In 2022, this specialized training program continued, with 140 employees completing the training.**

## DATA PRIVACY AND SECURITY

Robust data privacy and cybersecurity infrastructures and protocols are critical components of maintaining the trust of our employees, customers, and partners, and ensuring the resilience and continuity of our operations. Our data security management consists of several layers designed to counter potential cyber threats, including:

- A dedicated team led by our Senior Vice President of IT and our Cyber Security Manager charged with assessing cyber risks, formulating relevant policies, and implementing systems and protocols
- Comprehensive cybersecurity protocols and policies by which employees are bound
- Cybersecurity risk assessments to identify potential risks and develop solutions
- Advanced digital defense software to detect threats and safeguard company systems
- Employee training to ensure the effective implementation of protocols, including role-specific training for relevant employees

These combined efforts underpin our efforts to avoid and thwart cybersecurity threats. In 2022, no material data breaches occurred due to our layers of defense.

**In 2022, employees completed approximately 11,000 hours of data privacy and security training.**





## ANNEX I: ABOUT THIS REPORT

Following our previous report, this 2022 Sustainability Report represents our continued commitment to promote environmental sustainability, social responsibility, and robust corporate governance and showcases the progress we made in the past year. This report reflects our steadfast commitment to transparency with our stakeholders and we encourage readers to explore our efforts to fulfill our commitment to responsible business practices.

All data and information included in this Sustainability Report refers to the Company's activity in 2022 and covers solely the Company's retail operations, unless stated otherwise.

This Sustainability Report was compiled in accordance with the Sustainable Accounting Standards Board (SASB) guidelines for Food Retailers and Distributors and Oil & Gas – Refining and Marketing industries. As our business relates to the wholesale and retail sale of fuels, and not to its production, some of the SASB standards are not relevant to our activity. These standards have been marked as such.

We appreciate your interest in our 2022 Sustainability Report. We invite you to send any comments or questions to [investors@gpminvestments.com](mailto:investors@gpminvestments.com).

## ANNEX II: SASB INDEX

### FOOD RETAILERS & DISTRIBUTORS

#### Sustainability Disclosure Topics & Accounting Metrics

Topic	Category	Measure Unit	Accounting Metric	SASB Code	Reference
<b>Fleet Fuel Management</b>	Quantitative	Gigajoules (GJ), Percentage (%)	Fleet fuel consumed, percentage renewable	FB-FR-110a.1	Energy Efficiency & GHG Emissions, page 15
<b>Air Emissions from Refrigeration</b>	Quantitative	Metric tons (t) CO <sub>2</sub> -e	Gross global Scope 1 emissions from refrigerants	FB-FR-110b.1	Energy Efficiency & GHG Emissions, page 16
	Quantitative	Percentage (%) by weight	Percentage of refrigerants consumed with zero ozone-depleting potential	FB-FR-110b.1	This data was not managed in 2022
	Quantitative	Percentage (%)	Average refrigerant emissions rate	FB-FR-110b.3	This data was not managed in 2022
<b>Energy Management</b>	Quantitative	Gigajoules (GJ), Percentage (%)	(1) Operational energy consumed (2) Percentage grid electricity (3) Percentage renewable	FB-FR-130a.1	Energy Efficiency & GHG Emissions, page 15
<b>Food Waste Management</b>	Quantitative	Metric tons (t), Percentage (%)	Amount of food waste generated, percentage diverted from the waste stream	FB-FR-150a.1	Tackling Food Waste, page 19
<b>Data Security</b>	Quantitative	Number, Percentage (%)	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	FB-FR-230a.1	Data Privacy and Security, page 39

## Continued | Food Retailers &amp; Distributors

<b>Data Security</b>	Quantitative	N/A	Description of approach to identifying and addressing data security risks	FB-FR-230a.2	Data Privacy and Security, page 39
<b>Food Safety</b>	Quantitative	Rate	High-risk food safety violation rate	FB-FR-250a.1	10 inspected sites that received high-risk food safety violations totaling \$2,007.18
	Quantitative	Number, Percentage (%)	(1) Number of recalls, (2) number of units recalled, (3) percentage of units recalled that are private-label products	FB-FR-250a.2	Number of recalls: 11 food recalls and 7 drug recalls none of which were private label products
<b>Product Health &amp; Nutrition</b>	Quantitative	Reporting currency	Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-FR-260a.1	This data was not managed in 2022
	Discussion and Analysis	N/A	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-FR-260a.2	This data was not managed in 2022
<b>Product Labeling &amp; Marketing</b>	Quantitative	Number	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-FR-270a.1	This data was not managed in 2022
	Quantitative	Reporting currency	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	FB-FR-270a.2	This data was not managed in 2022
	Quantitative	Reporting currency	Revenue from products labeled as 1) Containing genetically modified organisms (GMOs) (2) Non-GMO	FB-FR-270a.3	This data was not managed in 2022
<b>Labor Practices</b>	Quantitative	Reporting currency, Percentage (%)	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	FB-FR-310a.1	Promoting Employee Wellbeing and Welfare, page 21
	Quantitative	Percentage (%)	Percentage of active workforce covered under collective bargaining agreements	FB-FR-310a.2	None

## Continued | Food Retailers &amp; Distributors

Labor Practices	Quantitative	Number, Days idle	(1) Number of work stoppages and (2) total days idle	FB-FR-310a.3	There were no work stoppages in 2022
	Quantitative	Reporting currency	Total amount of monetary losses as a result of legal proceedings associated with: (1) labor law violations and (2) employment discrimination	FB-FR-310a.4	<p>\$57,813</p> <p>27 substantiated cases of employee harassment and discrimination were recorded in 2022, 9 of which led to legal action being taken. We followed-up with the following corrective actions: <i>comprehensive training conducted with HR team on reasonable accommodations and investigation techniques and procedures. In addition, complaints and other issues are being tracked to better identify trends.</i></p>
Management of Environmental & Social Impacts in the Supply Chain	Quantitative	Reporting currency	Revenue from products third-party certified to environmental or social sustainability sourcing standard	FB-FR-430a.1	<p>Annual revenue from total coffee sales: \$11,820,620</p> <p>Annual revenue from sustainable coffee: \$2,955,155</p>
	Quantitative	Percentage (%) by revenue	<p>Percentage of revenue from</p> <p>(1) eggs that originated from a cage-free environment</p> <p>(2) pork produced without the use of gestation crates</p>	FB-FR-430a.2	Sustainable Sourcing, page 20
	Discussion and Analysis	N/A	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-FR-430a.3	Sustainable Sourcing, page 20
	Discussion and Analysis	N/A	Discussion of strategies to reduce the environmental impact of packaging	FB-FR-430a.4	Packaging and Waste, page 18



**FOOD RETAILERS & DISTRIBUTORS**

## Activity Metrics

Activity Metric	Category	Unit of Measure	SASB Code	Section, Page
Number of (1) retail locations (2) distribution centers	Quantitative	Number	FB-FR-000.A	About Us, page 4
Total area of (1) retail space (2) distribution centers	Quantitative	Square meters (m <sup>2</sup> )	FB-FR-000.B	362,158 square meters
Number of vehicles in commercial fleet	Quantitative	Number	FB-FR-000.C	219
Ton miles travelled	Quantitative	Ton miles	FB-FR-000.D	The data was not managed in 2022

**OIL & GAS — REFINING & MARKETING**

## Sustainability Disclosure Topics &amp; Accounting Metrics

Topic	Category	Measure Unit	Accounting Metric	SASB Code	Reference
Greenhouse Gas Emissions	Quantitative	Metric tons (t) CO <sub>2</sub> -e, Percentage (%)	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-RM-110a.1	Energy Efficiency & GHG Emissions, page 16
	Discussion and Analysis	N/A	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	This data was not managed in 2022
Air Quality	Quantitative	Metric tons (t)	Air emissions of the following pollutants: (1) NO <sub>x</sub> (excluding N <sub>2</sub> O), (2) SO <sub>x</sub> , (3) Particulate matter (PM <sub>10</sub> ), (4) H <sub>2</sub> S, and (5) Volatile organic compounds (VOCs)	EM-RM-120a.1	This data was not managed in 2022
	Quantitative	Number	Number of refineries in or near areas of dense population	EM-RM-120a.2	This is irrelevant to the Company's activity
Water Management	Quantitative	Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	(1) Total fresh water withdrawn, (2) Percentage recycled, (3) Percentage in regions with High or Extremely High Baseline Water Stress	EM-RM-140a.1	Water Stewardship, page 17

## Continued | Oil &amp; Gas — Refining &amp; Marketing

<b>Water Management</b>	Quantitative	Number	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	EM-RM-140a.2	This is irrelevant to the Company's activity
<b>Hazardous Materials Management</b>	Quantitative	Metric tons (t), Percentage (%)	Amount of hazardous waste generated, percentage recycled	EM-RM-150a.1	Packaging and Waste, page 19
	Quantitative	Number, Percentage (%)	(1) Number of underground storage tanks (USTs), (2) Number of UST releases requiring cleanup, (3) Percentage in states with UST financial assurance funds	EM-RM-150a.2	(1) 6,147 USTs and ASTs across 1,814 sites (2) A total of 12 releases and leaks. ARKO had cleanup responsibility with 7 of the 12. (3) 11 UST releases which occurred in a State with UST Financial Assurance (92%)
<b>Workforce Health &amp; Safety</b>	Quantitative	Rate	(1) Total recordable incident rate (TRIR), (2) Fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	EM-RM-320a.1	No fatalities occurred in 2022. See Employee Health and Safety page 23-24 for the TRIR
	Discussion and Analysis	N/A	Discussion of management systems used to integrate a culture of safety	EM-RM-320a.2	Employee Health and Safety, page 23-24
<b>Product Specifications &amp; Clean Fuel Blends</b>	Quantitative	Percentage (%)	Percentage of Renewable Volume Obligation (RVO) met through: (1) production of renewable fuels, (2) purchase of "separated" renewable identification numbers (RIN)	EM-RM-410a.1	This is irrelevant to the Company's activity
	Quantitative	Reporting currency, Percentage (%)	Total addressable market and share of market for advanced biofuels and associated infrastructure	EM-RM-410a.2	This is irrelevant to the Company's activity
<b>Pricing Integrity &amp; Transparency</b>	Quantitative	Reporting currency	Total amount of monetary losses as a result of legal proceedings associated with price fixing or price manipulation	EM-RM-520a.1	During 2022, no legal action associated with price fixing or price manipulation was taken against us.

## Continued | Oil &amp; Gas — Refining &amp; Marketing

<b>Management of the Legal &amp; Regulatory Environment</b>	Quantitative	Discussion and Analysis	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	EM-RM-530a.1	Preventing Environmental Hazards, page 13
<b>Critical Incident Risk Management</b>	Quantitative	Rate	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater consequence (Tier 1) and lesser consequence (Tier 2)	EM-RM-540a.1	This is irrelevant to the Company's activity
	Quantitative	Rate	Challenges to Safety Systems indicator rate (Tier 3)	EM-RM-540a.2	This is irrelevant to the Company's activity
	Discussion and Analysis	N/A	Discussion of measurement of Operating Discipline and Management System Performance through Tier 4 Indicators	EM-RM-540a.3	This is irrelevant to the Company's activity

**OIL & GAS — REFINING & MARKETING**

## Activity Metrics

Activity Metric	Category	Measure Unit	SASB Code	Reference
<b>Refining throughput of crude oil and other feedstocks</b>	Quantitative	Barrels of oil equivalent (BOE)	EM-RM-000.A	This is irrelevant to the Company's activity
<b>Refining operating capacity</b>	Quantitative	Million barrels per calendar day (MBPD)	EM-RM-000.B	This is irrelevant to the Company's activity



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