



As we evolve on our journey, together we can make a difference

Sustainability Report
2019



As a leading global convenience store operator, we are committed to making our customers' lives a little easier as our society changes, growing together alongside our people, minimizing our environmental impacts, and being a trusted neighbour in the communities where we work and live.

Within this context and having set ourselves a mandate to communicate transparently and more clearly on our sustainability efforts, we are proud to share with you our first sustainability report.

We hope you enjoy reading our report and we welcome your feedback at: www.acttoevolve.com



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Chair of the Board and President and CEO Message



This year marks an important milestone with the release of our first sustainability report.

Throughout our years of record growth, we have always been committed to high ethical standards and operating responsibly – and without doubt sustainability is part of this commitment.

As we reflect on the company's achievements, we are impressed with our progress.

We've expanded our sustainable product and service offerings, reduced our energy footprint, and empowered our diverse talent at work and in our communities. Perhaps our proudest highlight has been the vision and passion of our business leaders and employees who made these achievements possible. Our sincere thanks go out to them.

While we celebrate, we are humbled by the fact that we are only just starting our global sustainability journey – there is a lot to do to improve and develop a more organized and unified approach. With this in mind, we assigned a sustainability executive working alongside our business leaders to define our 3-year sustainability strategy, and have elevated communications as part of our commitment to greater transparency and dialogue.

We look forward to sharing our strategy, and we are confident that taking these next steps on our journey will be part of our growth and success into the future.

A handwritten signature in black ink, appearing to read 'Alain Bouchard'.

Alain Bouchard

Founder and Executive Chairman of the Board

A handwritten signature in black ink, appearing to read 'Brian Hannasch'.

Brian Hannasch

President and Chief Executive Officer

Who We Are

Couche-Tard* is a leading global convenience store operator with over **130,000 employees** at more than **16,000 convenient locations** in more than **25 countries and regions**. We serve over **9 million customers** daily.

WE OFFER A FAST AND FRIENDLY SERVICE AND PRODUCTS FOR PEOPLE ON-THE-GO, MAKING OUR CUSTOMERS' LIVES A LITTLE EASIER EVERY DAY

OUR VALUES

PEOPLE
RESULTS
IMPROVEMENT
DEVELOPMENT
ENTREPRENEURSHIP

WHAT WE DO



Merchandise and Service Operations

We offer traditional convenience store items – including fresh food and foodservice, coffee, cigarettes, car wash, beverages, lottery products and other services at many stores.



Road Transportation Fuel Operations

We sell road transportation fuel at our stores under our corporate brand or the brand of our partners.



Other Non-Retail Business

We sell bulk fuel to a wide range of industrial, commercial and independent business owners.

WHERE WE ARE

Total Stores**
16,072

North America
11,217

Europe
2,709

Rest of World
2,146

SELECT BRANDS



Our success as a business depends on our decentralized management structure, ongoing comparisons of best practices and financial efficiency, as we grow a diverse business that can constantly evolve to meet customers' changing tastes and needs.

*Alimentation Couche-Tard Inc. ("Couche-Tard")

**All Alimentation Couche-Tard stores as of February 9, 2019

Performance Summary

We make our greatest contributions to society by being good at what we do to ensure our continued success as a sustainable business. We are pleased to highlight the following achievements:



27% women on the Board of Directors



44.0% water reduction in North America since 2014



92% of our employees worldwide shared their views in our internal engagement survey



17.9% electricity reduction in North America since 2014



2/3 of our store managers rate our company as the best or among the best retailers to work for



10.7% GHG* emission reduction in North America since 2014



Commitment to **100%** cage-free eggs at our corporate stores by 2025



29 external supplier sustainability assessments in Europe in 2018



100% certified Rainforest Alliance sustainable coffee in Europe



18.3% reduction in robberies in Europe since 2015

*Greenhouse Gas



ABOUT THIS REPORT

This year we have taken a significant step towards greater transparency and engagement with our stakeholders on our sustainability efforts, highlighting the many initiatives underway across our business.



Our
Approach



Customer
Experience



Talent
Development



Environmental
Management



Community
Engagement



Governance

Report Content Scope



Taking on the Sustainability Executive role is one that I feel immensely proud of.

As you will read in this report, sustainability is not new for us. While we have many initiatives underway, we recognize our business is at different stages of maturity on sustainability. The content in this report was inspired by the great contribution of

our people and business leaders in the United States, Canada and Europe at the locations where we have direct management responsibilities. The initiatives took place from May 2017 to March 2019 and provide examples of how our global company and culture are built up by local sustainability activities.

As depicted on our sustainability matrix, the focus areas and topics in this report were based on a desktop review of stakeholder perspectives, conversations with investors and interviews with our business leaders.

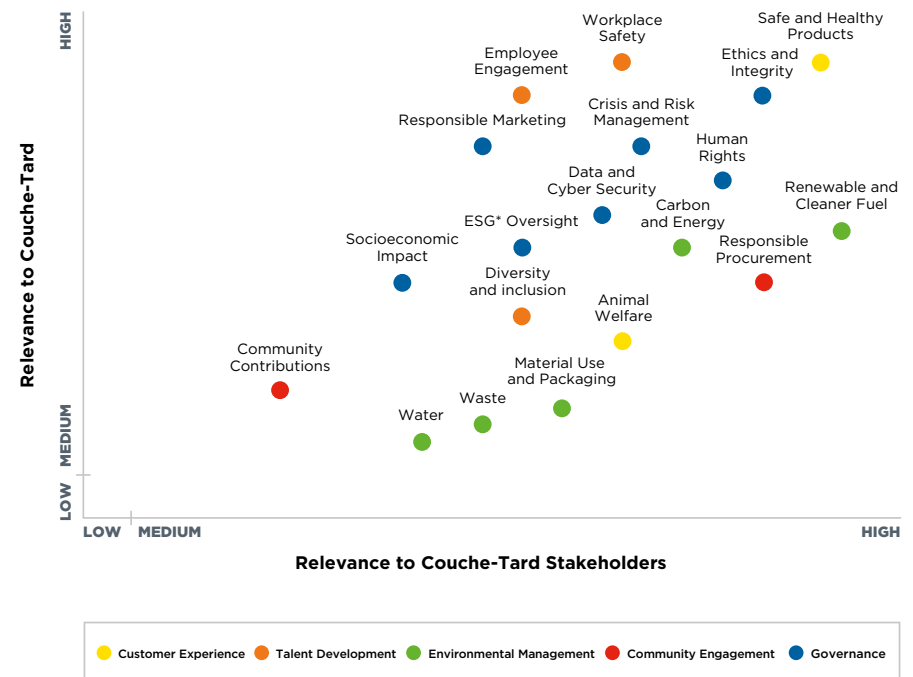
In the coming year, I am excited at the prospect of working across our teams on our 3-year sustainability strategy, which will help us work towards closing some of our gaps. We will be focused on elevating our approach to sustainability as we grow our business for the future.

Ina Strand

Chief Human Resources Officer

Our ambition: constantly evolve, innovate and explore new opportunities

Our Sustainability Matrix



*Environment, Social and Governance

Our Sustainability Focus Areas

We have established five focus areas that anchor our sustainability initiatives and align with the 17 United Nations ('UN') Sustainable Development Goals.



A young man and woman are sitting on a wooden bench outdoors. The man, on the left, is wearing a maroon sweater and is smiling while holding a sandwich. The woman, on the right, is wearing a green corduroy jacket and blue jeans, also smiling and holding a sandwich. They appear to be in a casual, happy conversation. The background is a blurred outdoor setting with a dark wall and some architectural lines.

CUSTOMER EXPERIENCE

Putting our customers' needs first is at the heart of everything we do. Our focus is on elevating the customer journey and making it easier for people on-the-go to enjoy quality offers and great service.



Why does customer experience matter?

The shift towards socially and environmentally conscious trends combined with a fast paced on-the-go culture is opening up new possibilities to offer our customers easier and better-for-you choices.

Changing tastes in customer segments – including workers, families and retirees – is accelerating how we evolve to meet demands for fresher, healthier and more sustainable options. Low sugar alternatives, local products, cleaner energy, environmentally-friendly services, and cage-free eggs are just some of these trends.

Already, many of our stores around the world are exploring opportunities for a diverse array of fresh food and beverage offerings combined with low carbon fuels, electric vehicle charging stations and more environmentally friendly car washes.

As we continue to consolidate under a global brand, we will embrace opportunities as they arise, share best practices to scale and provide access to sustainable options.

Key Initiatives



Fresh Food and Beverages



Quality Car Wash Services



Sustainable Fuel and Energy Alternatives

Performance Highlights

100% certified Rainforest

Alliance sustainable coffee in Europe



Commitment to

100% cage-free eggs at our

corporate stores by 2025





Our
Approach



Customer
Experience



Talent
Development



Environmental
Management



Community
Engagement



Governance

Fresh Food and Beverages



We act locally to offer made-to-go food and beverage options that meet shifting demand for fresh, healthy, local and sustainable options.



Offering Made-to-Go Healthy Options

We are constantly adapting to provide food-to-go that tastes great, is fresh and is both healthy and nutritious. With taste in mind, we continue to explore options that reduce sugar and salt, replace trans-fats, increase vegan, vegetarian and organic options, and reduce portion sizes and energy density to limit excess calorie intake.

Providing Nutritional Beverages

We continue to evolve our offering towards more nutritional and healthy beverages. In the U.S., we introduced hydration stations that offer Vitamin Water and started to expand our no-calorie flavoured juice fountain water. Across North America, we continue to improve our healthy beverage offering by introducing new beverages made from natural ingredients and a variety of juice refreshers, including real fruit smoothies, teas, and frappés.



We are making every cup count for a better future with reusable thermos mugs, and recyclable and compostable cups in some regions.



Offering Simply Great Coffee

Our Simply Great Coffee Program™ is a diverse offering of coffee options that suits every palate. We provide an assortment of specialty coffees as well as premium ground coffee. In 2018, we rolled out a pan-European sustainable coffee certified by Rainforest Alliance.

Contributing to Animal Welfare

Animal welfare is important to us. In 2018, we moved forward on cage-free eggs. While balancing the need for existing supply and economic sustainability, our commitment is to proudly sell 100% cage-free eggs at our corporate stores by 2025.

Reinforcing Food and Beverage Safety

We have strict policies and procedures for managing food and beverage safety, incidents and recalls, which we reinforce through training and store audits.

Responsible Retailing

We are committed to, and thrive on, being a responsible retailer which includes responsible marketing. As experts in providing age restricted products, we follow strict legal requirements in markets where it is permitted, including alcohol, lottery, tobacco, and vapour based smoking devices. We also offer non-alcoholic alternatives.



Quality Car Wash Services

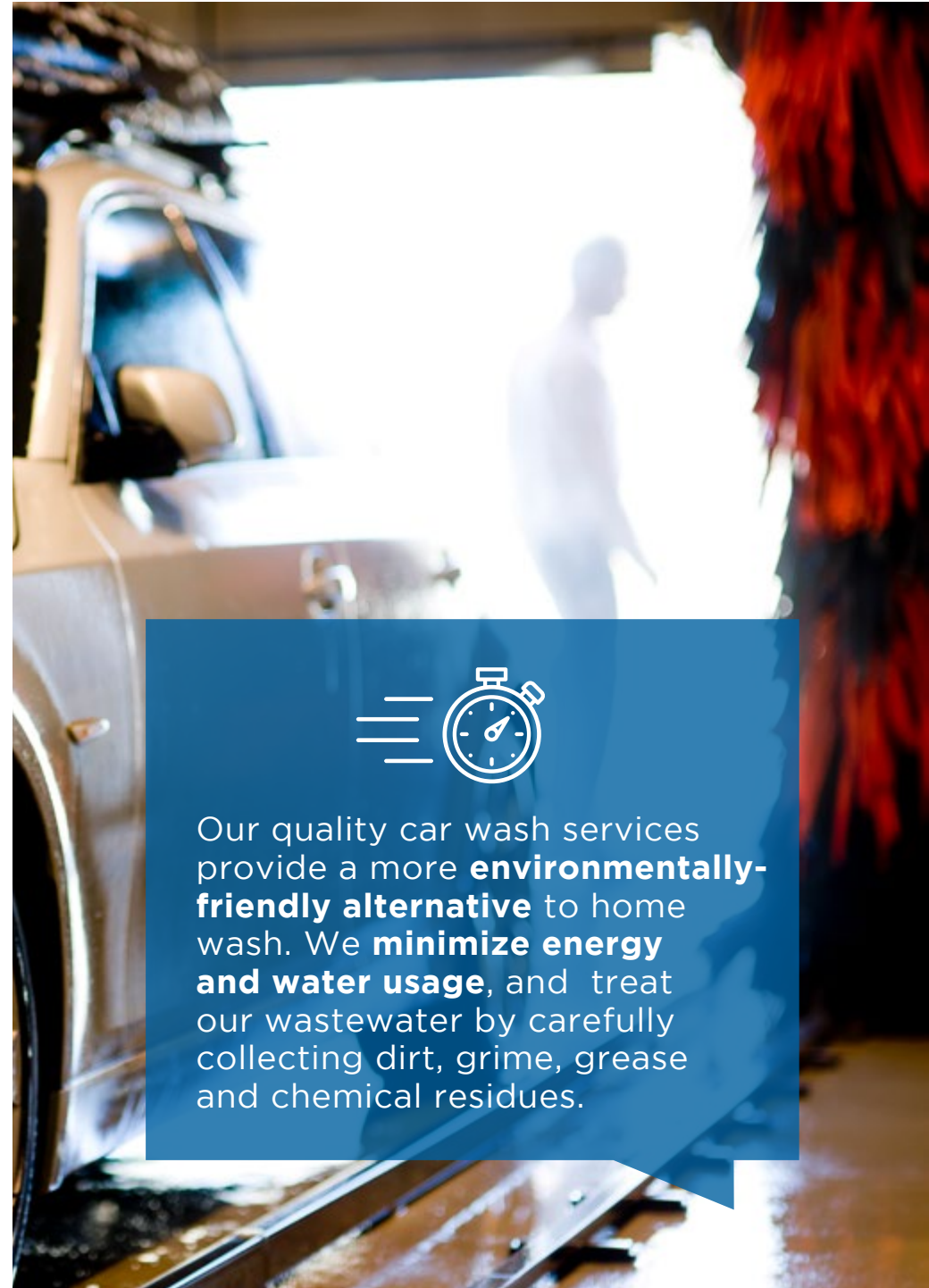
Our car wash services continue to be streamlined, using environmentally-friendly, state-of-the-art technologies with a high quality service leaving cars cleaner, shinier and drier in record time.

Providing a Cleaner, Environmentally-Friendly Service

Offered in more than 2,600 locations across our global network, our car wash services are providing a faster, cleaner and better-for-the-environment customer experience.

Many of our stores are now using detergents and conditioning chemicals certified to eco-label requirements, including the Nordic Eco-label Swan environmental standards.

To allow customers to benefit from an optimal environmentally-friendly solution for a clean car, we continued to implement the Circle K Car Wash countdown timer as well as our innovative car wash application. The digitized experience is ideal for customers on-the-go, providing an efficient experience that enables them to get to their destination faster.



Our quality car wash services provide a more **environmentally-friendly alternative** to home wash. We **minimize energy and water usage**, and treat our wastewater by carefully collecting dirt, grime, grease and chemical residues.

Sustainable Fuel and Energy Alternatives



We are continuously exploring opportunities to make cars run smoother, more efficiently and sustainably through fuel additives, advanced bio-fuels and charging stations for electric vehicles.

Partnering on Electric Vehicle Chargers

We are testing next-generation high-speed chargers for Electric Vehicles (EV) across our network. In early 2018, we partnered with IONITY, a joint venture of the BMW Group, Daimler AG, Ford Motor Company and the Volkswagen Group with Audi and Porsche, to install and operate a high-powered Direct Current (DC) charging network of 400 high-power stations for battery EVs covering long-distance routes in Europe.

Promoting Biofuels and Sustainable Mobility

We are one of the largest retailers of biofuels in Europe and North America. In addition to bio-blends, our fuel also has additives that make cars run more smoothly and efficiently. As a partner of StartupLab and MobilityLab, our Circle K network is cooperating with Norwegian start-ups on future sustainable mobility solutions.





Alex Miller
Senior Vice-President
Global Fuels



What are the trends in the cleaner energy market?

Biofuel requirements in Europe and North America continue to increase, the market for electric vehicles is growing, and sustainable fuels are now being successfully tested across many sectors.

How will the growth of electric vehicles in certain markets affect your business?

The effect will be gradual and a manageable part of our change process and unlikely to impact our business in the immediate term. For substantial EV penetration, we believe the cost will need to move closer to traditional combustion engine cars, and the charging infrastructure will need to adapt to a more predictable and long-distance offer and cleaner sources of electricity.

Until then, we will monitor trends, adapt our business, and make it easier for customers to access technological advances. In Europe, our Norwegian Business Unit is working as a laboratory to help develop and evaluate EV charging concepts. In Canada, we are participating in a ChargeHub pilot project and in the U.S. we are exploring installations of a high speed EV charging infrastructure.

How are your products positioned for the renewable fuels market?

In both Europe and North America, we are well-positioned and have increased our renewable fuels offering. In 2018, approximately 9% of Circle K Europe fuel sales were biofuels.

A photograph of three employees of Circle K, a convenience store operator. They are a woman on the left and two men in the center and right. They are all smiling and giving a thumbs-up gesture. They are wearing black uniforms with a red and yellow 'CIRCLE K' logo patch on the chest. The background is a blurred interior of a store with warm lighting.

TALENT DEVELOPMENT

Our worldwide community of people are at the heart of our business. It is their commitment, motivation and talent that have made us a successful convenience store operator.



Why does talent development matter?

Being an inclusive and respectful employer committed to helping our people, of all backgrounds, grow with our business is what differentiates us and drives our success across geographical areas and cultures.

We have a strong set of values, a culture based on pride, and a focus on talent and development.

We are committed to providing an inclusive and respectful workplace that supports and inspires our people to do their best, and perform in a safe and healthy environment. Every year, we engage employees on our values and progress, listening to their views through our annual internal employee survey.

Through ongoing investments in programs and digital solutions, we want our employees to feel proud of what they do, who they work for and the difference they make.

Key Initiatives



Talent
Development



Diversity
and Inclusion



Employee
Engagement

Performance Highlights

92% employee survey participation rate

2/3 of our store managers
rate us as the best or among
the best retailers to work for

Talent Development



We build the capabilities of our leaders to develop their teams, create a value-based culture and ensure a safe and respectful work environment.

Growing Our Talent

In addition to onboarding programs, we provide skills training to enable our people to grow their careers with us. Our managers undergo extensive development training, including customer experience, financial management, and people skills such as interviewing, hiring, coaching, and recognition. In 2018, we began several initiatives to strengthen our store manager training, and assess new training technologies.



Ensuring a Safe Work Environment

Our strong safety mindset is a core value. We ensure safety is embedded into everything we do as we aspire to zero harm to our employees, customers and communities. We have strict health, safety and security policies and programs, which we communicate as part of onboarding and skills training. Our store managers receive training on operational and food safety, security, loss prevention, and harassment.



Diversity and Inclusion



We strive to be an inclusive and attractive employer to our people, providing them with a work environment in which they feel respected.

Recognizing our Top Women in Convenience

In 2018, seven of our talented women were selected for Convenience Store News' Top Women in Convenience awards for truly making a difference. Line Aarnes, Global Marketing, was awarded Woman of the Year, Marie-Noëlle Cano, Global Communications, received the Rising Star, and Bonnie Birollo, Western Canada, was recognized with the Senior Leader Award.



From left to right: Line Aarnes, Desire Shiffer, Marie-Noëlle Cano, Lisa Geyer, Brian Hannasch, Ina Strand, Janie Dial, Michelle Davis, Bonnie Birollo.



Tonje Jensen

Vice-President Human Resources
Europe

What is your strategy for attracting talent?

We are focused on attracting, retaining and motivating a workforce that reflects the many communities where we operate. It is important for us to develop our managers to confidently and efficiently manage respectful and productive environments at our stores. Last year, we enhanced our onboarding and store manager training to reinforce our core values and guiding principles set out in our Code of Ethics.

How are you addressing gender diversity?

We recognize the important role women play in driving the success of our business. Last year, we set up our Women's Council and developed ideas on where to focus our efforts to create real growth opportunities for women. We also recently launched a special steering committee with executive oversight to define our gender diversity strategy. As of February 2019, 24% of Senior Management and 25% of our Executive Team are women – an area in which we intend to make more progress.

Employee Engagement



We aim to engage our employees on our values, while recognizing the great work they are doing every day.

Providing Continuous Feedback

In 2018, we launched Workday™* in the U.S. to create a better work experience, which we plan to roll-out in Canada and Europe. Having brought together all our people, business and talent data in one system, we can understand how our people's skills and capabilities can best achieve our strategic objectives. Through this HR platform, we have elevated the engagement of our people by providing continuous and periodic feedback as well as regular check-ins.



*WORKDAY is a registered trademark of Workday, Inc.



Listening to our People

Last year, 92% of our employees worldwide shared their views through our internal engagement survey. We saw a meaningful increase in employees who recommend us as a great place to work. Almost two-thirds of our store managers believe we are the best or among the best retail companies to work for.

Since its launch in 2016, the annual survey has helped us listen, learn and take action to build the type of culture that will inspire us and help us become more connected.

A smiling woman with dark curly hair, wearing a light-colored zip-up jacket, is holding a black travel mug. The mug has a circular logo that reads "CAFÉ TOUT SIMPLEMENT BON" and "Sincerely!" below it. The background is a blurred indoor setting with wooden beams and warm lighting.

ENVIRONMENTAL MANAGEMENT

Environmental sustainability is an important priority for us. Our focus is to find innovative ways to use resources efficiently, reduce our carbon footprint, and minimize the waste generated by our products and services.



Why does environmental management matter?

The effects of climate change and water scarcity combined with resource constraints are considerations we take seriously, as we grow our business and develop and operate our stores. We recognize the important responsibility we have to protect the environment and minimize our footprint by finding innovative ways to do more with less.

Over the years, we have worked hard to reduce our energy consumption, conserve water, and manage waste through circular principles. Our energy committee, comprised of representatives from across our Business Units, is helping us share best practices and scale the best solutions across our network.

By reducing our footprint and using resources efficiently we can reduce costs, build competitiveness and improve our service offering.

Key Initiatives



Energy and Carbon Footprint



Reduce, Reuse and Recycle

Performance Highlights Since 2014

17.9%

electricity reduction in North America



44.0%

water reduction in North America



\$28.3

million cost efficiency in North America





Energy and Carbon Footprint



As we grow our business, we are committed to improving energy efficiency and reducing the carbon footprint of our operations and products.

Upgrading Energy-Efficient Lighting

An important part of our energy reduction has been the investments we have made rolling out our LED lighting retrofit program across our global network. We upgraded the external lighting, including canopy and flood lighting, at more than 5,600 of our stores throughout our network. Since 2014, we reduced our GHG emissions by 10.7% in North America, representing 87,144 tonnes of CO₂ equivalent, comparable to 41,505 hectares of forest.

Improving Transportation Efficiency

Customers have access to low carbon biofuel options and electric charging stations. We are helping our business to business customers further minimize their carbon emissions through improved logistics, high efficiency fuel and reduced distance traveled.



Improving Heating and Cooling in Stores

Many of our stores are now investing in innovative technologies to regulate energy consumption in refrigerant systems, including eco-coolers, double-glazed refrigeration doors, and other smart sensor regulators. The use of Smart Cube sensors on our refrigeration units is helping us automatically regulate temperatures, improve operations and reduce costs.

Using Renewable Energy Sources

The use of renewable energy sources at our sites depends on the local energy mix, enabling us to benefit from hydro, wind and solar power sources. Today, some of our sites in Europe are experimenting with solar panels – to support the electricity needed for specific operational requirements, including car wash heating and coffee warming.

Reduce, Reuse and Recycle



We are constantly on the lookout for innovative ways to conserve water and minimize waste in our operations. Applying circular principles helps us reduce, reuse, and recycle materials efficiently.

Reducing Waste from Fueling

We continue to invest in technologies that control fuel leakage through best practices in design and construction.

Reclaiming Car Wash Water

The replacement of touchless equipment with brush equipment combined with our reclaim and recapture systems is helping reduce car wash water consumption by as much as 50%.



Reducing Packaging Waste

We are working to reduce the use of plastic straws and beverage lids and providing more environmentally-friendly packaging options, including reusable, recyclable and compostable cups.

Redistributing Food

Some stores in Scandinavia participate with others retailers to redistribute food items that are nearing their expiry and would have otherwise been discarded.

Re-diverting Waste from Landfills

We manage a range of recyclables, including aluminum, plastics, glass, and paper. At some stores in Europe, we introduced bins for food waste and in Western Canada we are running a pilot recycling program.

A photograph of two women in a professional setting. On the left, a young woman with long blonde hair, wearing a grey sweater, is smiling and looking towards the right. On the right, an older woman with short grey hair and glasses, wearing a dark blue jacket, is also smiling and looking towards the left. The young woman is holding a clear glass bowl filled with green salad. The background is softly blurred, showing what appears to be an office or meeting space with large windows.

COMMUNITY ENGAGEMENT

We are committed to being a good neighbour by contributing to safe, healthy, and vibrant communities. In addition to supporting local community causes, we also contribute through strategic investments and partnerships to support youth and prevent crime.



Why does community engagement matter?

We are passionate about giving back to the neighbourhoods where we work and live, and the opportunity to make a real and meaningful difference in people's lives. Through our global network of stores, we are deeply rooted in our communities both large and small, giving us an important social platform to effect change.

For us, community engagement takes place in two ways. First, we participate in investments and partnerships that use our presence in communities to provide real social benefits, while adding value to our business in the areas of youth and crime prevention.

We also make donations and raise funds for numerous local causes in the many neighbourhoods around the world where we are present – including in education, health, sports, environment, arts and culture. Supporting these causes close to home is important to us and one of the best ways to meet local needs and also engage customers, community representatives and employees.

Key Initiatives



Supporting our
Youth and Children



Strengthening
our Communities

Performance Highlight

18.3% reduction
in robberies
in Europe since 2015





Supporting our Youth and Children



We are committed to supporting and empowering youth and their families to enrich their quality of life and help them achieve their ambitions.

Fueling Our Schools Program

The funds raised through our North American Fueling Our Schools program are helping to address critical needs, enabling educators to make a difference in the classroom and beyond. Our donations help fund much needed school supplies and fitness equipment for students.

Supporting the Health of our Youth

We are working on initiatives globally to support our youth. In Quebec, for instance, we are partnering with organizations focused on granting wishes for children diagnosed with life-threatening illnesses, helping children suffering from mental health, providing healthy breakfasts to children before class, supporting pediatric healthcare development, and improving the experience of hospitalized children.



Supporting Families with Cancer

Every year, 3,500 young people or children in Norway experience cancer among their parents. This is a vulnerable group that we are supporting to live life as normally as possible. Working with the Norwegian Cancer Society, Circle K Norway shares their island summer camp to give relief to young people who experience sorrow and worry in their daily lives.



Strengthening our Communities



We are collaborating in community-based partnerships to prevent crime, while investing in local causes that strengthen communities.

Our Canadian Loss Prevention team is helping prevent crime through our innovative Community Engagement model, and leading programs such as Positive Ticketing, StreetART, Clear Zone, Safe Place and Circle K CrimeBusters. We were especially proud in 2018 when the International Society of Crime Prevention Practitioners recognized our team for their dedication and commitment to creating a safer store environment and overall safer community.

Positive Ticketing Crime Prevention Initiative

In Canada, we annually donate free beverage coupons for Police Officers to distribute when they observe youth engaging in good behaviour such as deterring crime, or observing school crossing rules or even just as an icebreaker for establishing a rapport with youth. Our Initiative has been recognized by Public Safety Canada and the International Association of Chiefs of Police as a way to help build trust between youth and police.

StreetART Program

The Circle K StreetART Mural Initiative in Central Canada has contributed to a 46% reduction in overall crime. Since its start in 2012, StreetART murals have been painted at 23 locations, enabling us to break barriers, build relationships between the community and the police and give communities a sense of ownership.

Security Total Overview Program (STOP)

By focusing on stations at high risk for robberies and on developing robust safety protocols for both technical and behavioural interventions, our Sweden Business Unit decreased the number of robberies by more than 50% in just one year.

A photograph of three business professionals in an office. A man with a beard and a white shirt is on the left, smiling. In the center, a man with glasses and a blue blazer is pointing at a laptop screen. On the right, a woman with glasses and a floral patterned top is also smiling and looking at the laptop. They are all seated at a dark wooden desk. In the background, there is a bookshelf with various items and a large window showing a parking lot with several cars.

GOVERNANCE

Anchored by our core values, we strive to conduct our business to the highest standards of ethical conduct and integrity, engaging our partners and transparently reporting as part of our commitment to be open about our business activities.



Why does governance matter?

Embedding our values-based culture across our worldwide network is an integral part of our success. As we continue to grow our global brand, we are creating a common culture to unite our focus on becoming the world's preferred destination for convenience and fuel.

Our core values – what we call ACT with PRIDE includes People, Results, Improvement, Development and Entrepreneurship – set the foundation for how we work. Our values are backed by strong leadership, a clear code of ethics, robust compliance systems, and training to help us always do what's best.

We believe the quality of our decision-making depends on our insights into the many communities where we operate, including on social, environmental and governance issues. Our ongoing stakeholder engagements are focused on understanding these interests, encouraging responsible behaviours, and finding innovative ways to accelerate the learnings.

Key Initiatives



Sustainability
Leadership



Stakeholder
Engagement

Performance Highlights

27% women
on the
Board



29 external
supplier
sustainability
assessments in Europe





Sustainability Leadership



Our sustainability agenda was brought into sharper focus this year; we assigned dedicated executive level responsibility, and plans are now underway to develop our 3-year sustainability strategy.

Providing Oversight for Sustainability

We spent the latter part of 2018 formalizing a corporate Sustainability Executive owner position, which we assigned to our Chief Human Resources Officer. In addition to setting the sustainability strategy, the Sustainability Executive will be responsible for ensuring its successful implementation, working collaboratively with our multi-functional teams.



Ensuring Ethics and Risk Management

Our core values are supported by our Code of Ethics and Light of Day policy, which consolidates the business principles that apply across our entire organization around the world. It is championed by our senior leaders, and all employees are required to read, understand and abide by its principles.

As a global business, we are considerate of social, ethical and environmental trends shaping our operating environment.

To address the potential risks, we have clear systems of governance to embed accountability and risk management at the appropriate levels.

Stakeholder Engagement



We engage with a variety of stakeholders to understand and keep in touch with their views, including on the social, environmental and ethical issues that are important to them.

Participating in an open dialogue with our stakeholders allows us to identify important issues, shape our responses, and continuously improve. We believe this is essential to promoting understanding and trust. Most of our engagement takes place during day-to-day interactions and we also carry out more structured engagements.



Customers

Bi-annual customer surveys, focus groups, daily interactions



Employees

Employee survey, on-the-job coaching and training, intranet, performance reviews



Suppliers

Service agreements, meetings, conferences



NGOs

Industry associations, conferences, roundtables, consultations and intergovernmental organizations



Communities and Governments

Local charities, consultations, municipal, regional and national authorities



Investors

Annual general meeting, investor roadshows, quarterly analyst calls



Bob Cook
Vice-President
Global Procurement

Why is engaging suppliers important?

Engaging our suppliers on sustainability is as much about managing the direct and indirect risks of what we source for our stores as it is about ensuring good ethical practice. Beyond reputational risks, we also see important benefits that drive operational efficiencies and innovation.

How are you engaging with suppliers?

We engage with suppliers through a due diligence process to understand and assess supplier programs. We look at business integrity, quality, health & safety, labour conditions, human rights, environmental issues, and ethical practices, among other topics. In the U.S., we have clauses on environmental issues, safety, security and ethics. In Europe, suppliers are required



to complete our supplier declaration to attest their commitment of compliance to our requirements, which includes our environmental, social and governance expectations.

What processes exist to monitor supplier performance in sustainability?

Supplier performance in sustainability, particularly safety, is monitored on an ongoing basis. In Europe, we require key suppliers, including our private brands, fresh food, chemical and transportation suppliers, security and legal services to participate in our sustainability supplier assessment program, which provides an independently audited evaluation and analysis of possible safety, security, health, human rights and environmental, social and ethical risks.



Scope of the Report

Our first sustainability report underscores our commitment to be open about our progress as a business, which we have aligned with international standards on sustainability reporting and plan to publish periodically.

Scope

This first report reflects our sustainability approach and progress to date spanning fiscal year 2018 until March 2019.

The content in this report covers our corporate functions and those parts of the business that we directly manage in the U.S., Canada and Europe. It does not include the activities of licensees, dealers and franchisees where we do not have a direct management responsibility.

Standards

We developed the content of this report in alignment with the Global Reporting Initiative ('GRI') Standards and the Sustainability Accounting Standards Board. An index of our alignment with the GRI Standards is available on our corporate website.

Third Party Assurance

The data provided in this report has not been third party verified. We will be considering third party assurance in future years in order to continuously strengthen our approach. For a first report, we have aligned with industry practices to comprehensively disclose both qualitative and quantitative data.

Feedback and Comments

We welcome comments and feedback on this report at: www.acttoevolve.com

Data Table

The following reported data covers our 2018 fiscal year from the period of May 1st 2017 to the end of April 2018. Our reported sites cover the United States, Canada and Europe where we have operational control with the authority to introduce and implement our operating policies. The data table content includes GRI quantitative data expectations, where available.

GRI LINK	TOPIC	METRIC	FY18	FY17	FY16	(a)
PEOPLE AND SITES						
102-7	Total Sites (b)	Number	9,718	8,011	7,929	
102-7	Canada	Number	1,587	1,439	1,448	
102-7	U.S.	Number	6,133	4,603	4,672	
102-7	Europe	Number	1,998	1,969	1,809	
102-8	Total Employees (c)	Number	88,831	75,336	74,214	
102-8	Employment Type					
102-8	Full-Time	Number	54,500	44,739	40,866	
102-8	Part-time	Number	34,331	30,597	33,348	
102-8	Region					
102-8	Canada	Number	11,102	9,467	9,700	
102-8	U.S.	Number	61,942	50,113	49,312	
102-8	Europe	Number	15,787	15,756	15,202	
405-1	Gender Diversity (d)					
405-1	Female	% of total employees	62.4%	62.3%	62.3%	
405-1	Male	% of total employees	37.6%	37.7%	37.7%	
405-1	Region					
405-1	Canada	Number of females	6,039	5,333	5,522	
405-1	U.S.	Number of females	39,961	32,343	31,956	
405-1	Europe	Number of females	9,404	9,249	8,776	
405-1	Employee Level					
405-1	Senior Management	% of females of total	21.0%	18.9%	19.2%	
405-1	Management	% of females of total	62.2%	61.5%	60.8%	
405-1	Non-Management	% of females of total	62.5%	62.2%	62.3%	
NA	Employee Engagement (e)	Ratio employees engaged vs. disengaged	5.0	5.6	3.8	
ECONOMIC						
201-1	Revenues	in millions of U.S. dollars	51,394.4	37,904.5	34,144.6	
201-1	Operating Expenses (f)	in millions of U.S. dollars	6,070.4	4,784.1	4,413.8	
201-4	Taxes paid to Governments (f)	in millions of U.S. dollars	277.5	360.4	351.0	
GOVERNANCE (g)						
102-22	Board Independence	Percentage coverage	54.5%	54.5%	54.5%	
102-22	Board Gender Diversity	Percentage of women	27.3%	27.3%	27.3%	
102-22	Board Gender Diversity Independent Directors	Percentage of women	50.0%	50.0%	50.0%	
102-22	Board Director Tenure	Average number	15.5	15.1	14.8	

GRI LINK	TOPIC	METRIC	FY18	FY17	FY16	(a)
SAFETY (h)						
403-9	Fatalities	Number	3	1	2	
403-9	High Consequence Work-related Injuries	Number	485	369	368	
403-9	Rate of High Consequence Work-related Injuries (i)	Injuries per total hours worked	0.69	0.65	0.71	
403-9	Recordable Work-related Injuries	Number	1,545	1,277	1,112	
403-9	Rate of Recordable Work-related Injuries (i)	Injuries per total hours worked	2.2	2.2	2.1	
ENVIRONMENT (j)						
305	GHG Emissions (Scope 1 and 2) (k)	TCO2e	784,990.1	766,909.7	796,662.7	
305-1	Direct GHG Emissions (Scope 1) (l)	TCO2e	18,316.7	11,318.7	11,060.9	
305-2	Indirect GHG Emissions (Scope 2) (l)	TCO2e	766,673.4	755,591.0	785,601.8	
305-4	GHG Emission Intensity (m)					
305-4	GHG Emission Intensity by Site	TCO2e per site	67.5	84.4	89.7	
305-5	GHG Reduction Performance by Site	% reduction year over year	-20.0%	-5.9%	NA	
302-1	Energy Consumed within the Organization (n)	Megawatt Hours (MWh)	2,131,183.8	1,842,707.6	1,854,399.9	
302-1	Direct Energy (o)	MWh	100,663.1	62,169.6	60,991.2	
302-1	Indirect Energy (o)	MWh	2,030,520.7	1,780,538.0	1,793,408.7	
302-3	Energy Intensity (p)					
302-3	Energy Intensity by Site	MWh per site	183.3	202.9	208.9	
302-4	Energy Reduction Performance by Site	% reduction year over year	-9.7%	-2.9%	NA	
303-3	Water Withdrawn (q)	Megalitres	9,986.9	8,387.8	8,152.2	
303-3	Water Intensity by Site	Megalitres per site	1.5	1.6	1.6	
303-3	Water Reduction Performance by Site	% reduction year over year	-7.0%	-0.2%	NA	

a. Our reported data covers our fiscal year from the period May 1st to April end. At the time of preparing this report, FY2018 was the last year we had completed the data, covering May 1st 2017 to the end of April 2018.

b. Our reported sites cover the U.S., Canada and Europe where we have operational control with the authority to introduce and implement our operating policies. For more information, please refer to our FY2018, 2017, and 2016 Annual Information Forms located on our Corporate website for our total sites.

c. Employee numbers represent the U.S., Canada and Europe. Holiday employees are excluded.

d. In a few instances (less than 0.01%), gender information was not available in our systems and therefore estimates were made. Definition of Senior Management according to the ACT organizational chart. By February 2019, the Senior Management consists of 24.2% female.

e. The Employee Engagement ratio is measured as the number of engaged employees divided by the number of disengaged employees.

f. Operating expenses include operating, selling, administrative and general expenses. For more information on operating expenses, please refer to the FY2018, 2017, and 2016 Annual Reports.

g. For more information on governance data, please refer to our FY2018, 2017, and 2016 Management Proxy Circulars located on our Corporate website.

h. Increase in FY2018 Safety data is due to CST and Holiday acquisitions.

i. The rate of high consequence and recordable work-related injuries is based 200,000 hours worked.

j. Our environment data covering GHG emissions, energy and water is reported based on an operational control consolidation approach of the sites where we have the authority to introduce and implement our operating policies.

k. Our GHG emissions were calculated using the GHG protocol, covering scope 1 and 2 emissions only. We measured carbon dioxide, methane, and nitrous oxide using emission factors from the Climate Registry Default Emission Factors and the International Energy Agency. We applied Global Warming Potentials from the IPCC Fifth Assessment Report.

l. Direct GHG emissions include natural gas only. Indirect GHG emissions include electricity.

m. The GHG emission intensity by revenue is based on our annual revenues and the FTE is based on the total number of full time employees covered by the sites in scope in the U.S., Canada and Europe. The GHG emission intensity by site is based on the U.S., Canada and Europe sites for which energy data is collected. A total of 11,629 sites were covered in FY2018.

n. Energy consumed includes both direct and indirect energy in North America and Europe.

o. Direct energy consumed relates to non-renewable energy covering natural gas. Indirect energy includes electricity covering both renewable and non-renewable energy sources.

p. The energy intensity by revenue is based on our annual revenues and the FTE is based on the total number of full time employees covered by the sites in scope in the U.S., Canada and Europe. The energy intensity by site is based on the U.S., Canada and Europe sites for which energy data is collected. A total of 11,629 sites were covered in FY2018.

q. Water data only covers various North American sites. A total of 6,827 sites were covered in FY2018.



Forward-Looking Statements

This report includes certain statements that are “forward-looking statements” within the meaning of the securities laws of Canada. Any statement in this report that is not a statement of historical fact may be deemed to be a forward-looking statement. When used in this report, the words “believe”, “could”, “should”, “intend”, “expect”, “estimate”, “assume” and other similar expressions are generally intended to identify forward-looking statements. It is important to know that the forward-looking statements in this report described our expectations as at May 27, 2019, which are not guarantees of the future performance of Couche-Tard or its industry, and involve known and unknown risks and uncertainties that may cause Couche-Tard’s or the industry’s outlook, actual results or performance to be materially different from any future results or performance expressed or implied by such statements. Our actual results could be materially different from our expectations if known or unknown risks affect our business, or from our estimates

or assumptions, which could increase or diminish the effect of the change. As a result, we cannot guarantee that any forward-looking statements will materialize and, accordingly, the reader is cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements do not take into account the effect that transactions or special items announced or occurring after the statements are made may have on our business. For example, they do not include the effect of sales of assets, monetization, mergers, acquisitions, other business combinations or transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Unless otherwise required by applicable securities laws, we disclaim any intention or obligation to update or revise the forward-looking statements, as a result of new information, future events or otherwise.

ACT *with* PRIDE

P

People make us stand out from our competitors. We take an interest in our customers and connect with them to create long-lasting relationships – every chance we get.

R

Results matter. Our stores and stations are our livelihood. The customer experience we deliver is what generates value for our stakeholders.

I

Improvement drives us. We continuously seek to improve our processes and performance, working in teams to learn from each other and from the best.

D

Development is always looking ahead. We are hungry for growth, developing our business customer by customer, store by store and nation by nation.

E

Entrepreneurship means that we challenge ourselves every day to think like customers and act like owners.

To the 130,000 people around the globe who help make our customers' lives a little easier every day, **we thank you.**



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