



# Working Together for a Responsible Future

SUSTAINABILITY REPORT 2020





*As a leading global convenience store operator, we are committed to making our customers’ lives a little easier every day. We are constantly evolving to meet customers’ needs, create inclusive and safe workplaces for our people, minimize our impact on the environment and be a trusted neighbour in the communities we serve.*

*We strive to be the world’s preferred destination for convenience and fuel. We earn our customers’ trust by being a responsible retailer who is working to support a healthier, cleaner and safer future for everyone. In our second sustainability report, we discuss the progress we have made so far and the journey we are on to elevate sustainability across our business.*

*We hope you enjoy reading our report and welcome your feedback at: [www.acttoevolve.com](http://www.acttoevolve.com)*

**REPORT SCOPE**

The content in this report covers our business activities in the United States, Canada and Europe over two fiscal years - April 30<sup>th</sup> 2018 to April 28<sup>th</sup> 2019 (referred to FY19) and April 29<sup>th</sup> 2019 to April 26 2020 (referred to as FY20).



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# Message from the Executive Chairman of the Board and The President and CEO



Since we opened our first store 40 years ago, we have focused on making our customers’ lives a little easier every day. Now, this year has clearly been one for the history books: thanks to the work of our 131,000 people, we reached record-high financial performance, kept a long-term mindset during the dark days of COVID-19, and innovated faster than ever before to meet the changing needs of our customers and the growing desire by all our stakeholders to protect our environment.

We firmly believe sustainability is integral to our business and an important part of our values as a responsible retailer to create positive impacts on our economy, society and global climate. We set our sights high by establishing ambitious 2025 sustainability targets around key areas where we believe we can have a meaningful impact - fuel, energy, packaging and waste and workplace safety.

This year, our sustainability agenda was brought into sharper focus as we stepped up our activities to integrate sustainability into our strategic business decisions. Through this calibration, elevating sustainability as a business lens throughout our organization, we have already attained key milestones, including:

- **Customer Experience:** Expanding our renewable fuel offerings, increasing electric vehicle charging networks and piloting a customer carbon offsetting program.
- **Environmental Management:** Continuing to drive resource efficiency across our business, including rolling out our coffee-on-demand system, which uses less water, less energy and reduces coffee waste.
- **Diversity and Inclusion:** Signing the CEO Action Pledge for diversity and inclusion, joining over 900 CEOs in a worldwide initiative rallying the business community to take measurable action in advancing diversity and inclusion in the workplace.
- **Safety:** Investing in cash-free stores and reinforcing our commitment to workplace safety through the launch of our first-ever global Health, Safety and Environment Award, which encourages team members to strive for better, safer work environments.



- **Community Engagement:** Donating 40 million (M) meals to communities across the United States in partnership with Feeding America, a network of 200 food banks.
- **Governance:** Stepping up during the COVID-19 crisis to meet the emergency needs of our communities and employees by working together as one team across geographies, enacting stringent safety and hygiene practices, ensuring employment benefits for affected people, and providing more than 2.5M free beverages to front line workers.

Going forward, we plan to accelerate our sustainability performance using our agile, global operational model for sharing leading sustainability practices across the organization, all while empowering our business units to make decisions and implement local sustainability initiatives according to the needs and preferences of their targeted communities.

On behalf of the Board and Executive Leadership Team, we thank everyone for their passion, care and hard work. Together, we can make a difference by ensuring the successful and responsible development of our business in the years ahead. You can count on us to keep you informed and work towards meaningful change.

**Alain Bouchard**  
Founder and Executive Chairman  
of the Board

**Brian Hannasch**  
President and Chief Executive Officer

# Who We Are


Couche-Tard\* is a leading global convenience store operator working with over **131,000 people** at approximately **14,500 convenient locations** in **26 countries and territories**. Serving over **9M customers daily**, we strive to be a responsible retailer by meeting changing tastes and needs as we move toward a cleaner and safer future.

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


**OUR DNA**

PEOPLE  
RESULTS  
IMPROVEMENT  
DEVELOPMENT  
ENTREPRENEURSHIP

## WHAT WE DO

- 

**Merchandise and Service Operations**

We offer traditional convenience store items, including fresh food and foodservice, coffee, cold beverages and car wash services. Customers can depend on our experience as a responsible seller of age-restricted products such as lottery tickets, cigarettes and alcoholic beverages.
- 

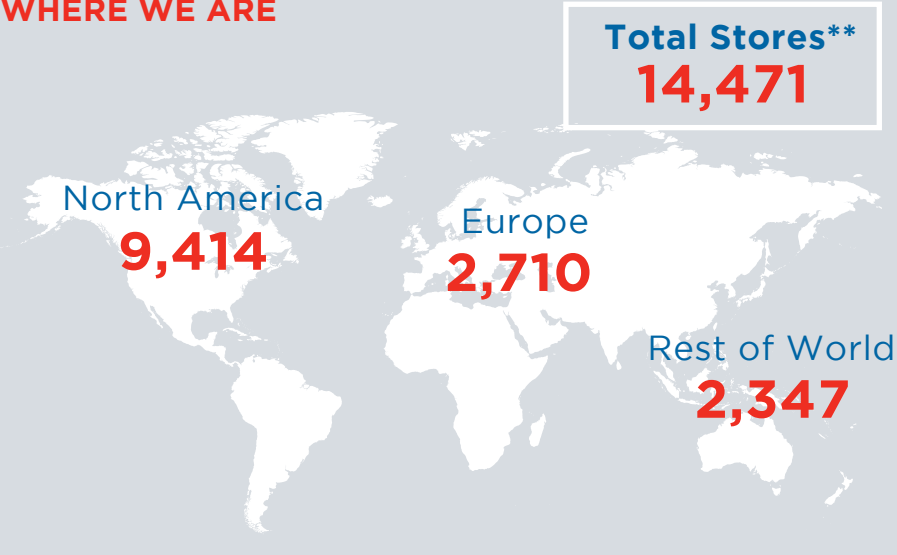
**Road Transportation Fuel Operations**

We sell road transportation fuel at our stores under our corporate brand or the brand of our partners. We have been increasing our offering of renewable fuels and electric charging stations as we move toward a cleaner future.
- 

**Other Non-Retail Business**

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

## WHERE WE ARE



## SELECT BRANDS

















As a responsible business, we are constantly evolving to meet the changing needs of our customers and stakeholders. Our decentralized management structure allows us to adapt to our specific markets. Meanwhile our continuous efforts to improve efficiency and respond to global trends enable us to grow as a successful and sustainable business.

\*Alimentation Couche-Tard Inc. ("Couche-Tard")  
\*\*All Alimentation Couche-Tard stores as of April 26<sup>th</sup>, 2020

# Performance Highlights

*We make our greatest contributions to society by being a responsible retailer focused on operating a sustainable business. In FY19 and FY20, our sustainability initiatives resulted in the following achievements:*

 <b>CUSTOMER EXPERIENCE</b>	 <b>10.3%</b> renewable fuel share in Europe CY19*	 <b>35.6M</b> litres of water saved through our car wash PurWater reclaim systems in North America in FY20
 <b>ENVIRONMENTAL MANAGEMENT</b>	 <b>3.2%</b> average electricity reduction each year in North America since FY14	 <b>34.0%</b> reduction of coffee bean waste in North America in FY20
 <b>PEOPLE</b>	 <b>55.1%</b> reduction in robberies in Europe in FY20 since FY18	 <b>30.0%</b> of women on our Board of Directors in FY20
 <b>COMMUNITY ENGAGEMENT</b>	 More than <b>\$11M</b> in annual community investments in FY20	
 <b>GOVERNANCE</b>	 <b>97.0%</b> of our U.S. employees signing our Light of Day ethics policy in FY20	 <b>31</b> external supplier sustainability assessment in Europe FY20

\* Calendar year



# 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 SUSTAINABILITY APPROACH

For the second year, I have led the sustainability work at Couche-Tard, and I am incredibly proud of the progress we are making. This work is not only important to me, as a mother of two young girls, it is increasingly critical to our customers, employees and stakeholders. It is our collective responsibility to work towards a cleaner, safer future for everyone. You have my word that we take this responsibility with the utmost seriousness, more and more every year.

With the launch of our second sustainability report, we created a more defined framework and strengthened how we incorporated sustainability into our way of thinking and decision-making. Sustainability is now a lens to our business, pushing forward our commitment to actionable results.

Last year, we defined five sustainability focus areas, where we can achieve the biggest impacts. As reflected on the matrix, we identified four sustainability priorities, which have become increasingly important for our stakeholders and business: fuel, energy, packaging and waste and workplace safety.

While the first three clearly reflect our collective interest in protecting the environment, the last one, workplace safety, is especially heartfelt to me: as the leader of our people work at Couche-Tard, we need to stop workplace fatalities. Clear and simple.

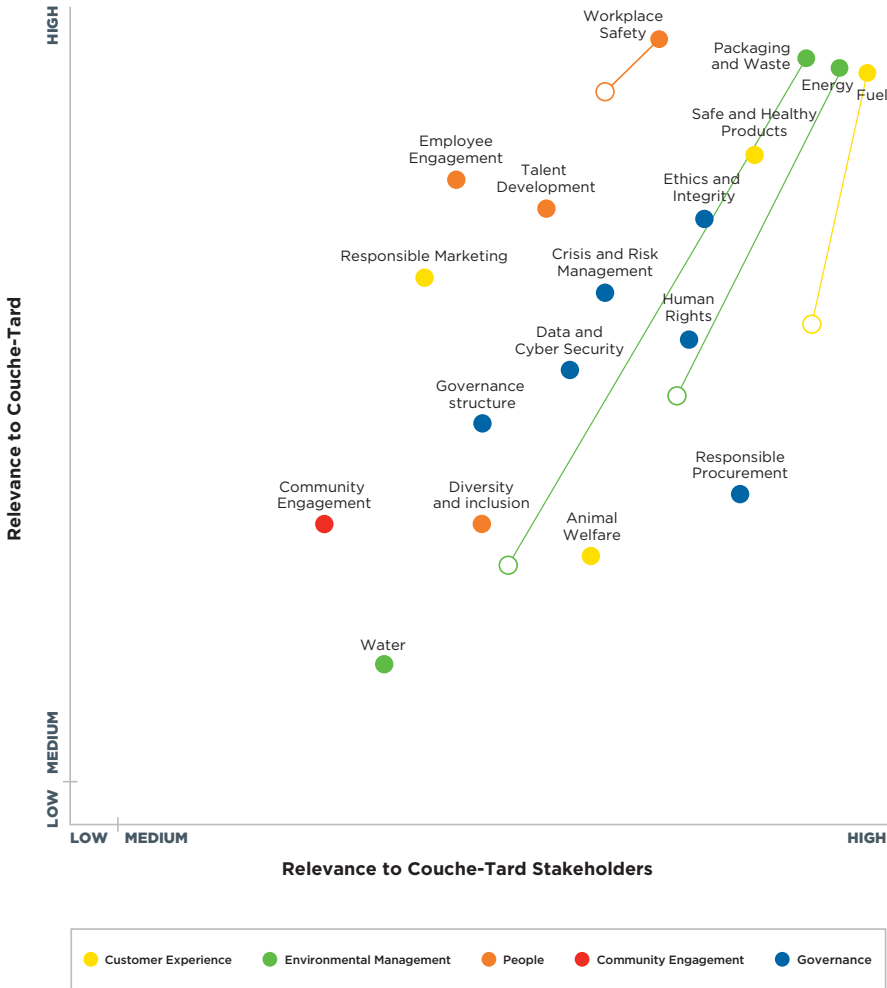
For each of these four priorities, we have assigned an Executive Sponsor and set specific targets to achieve by 2025 and ambitions to aim towards by 2030:

- Fuel:** We believe we can contribute to a cleaner future through supporting our customers in the transition towards cleaner fuels. With the aim to be 10% greater than global legislation related to renewable fuel by 2030, we are committed to reducing the greenhouse gas (GHG) footprint of our total fuel offer by 12% by 2025 from FY20.
- Energy:** We have already made considerable reductions to our energy consumption globally, but we know that we can do more. Anchored in our ambition for 30% of our sites to be carbon neutral by 2030, our 2025 target is to reduce electricity consumption by an average of 20% per site from FY20.
- Packaging and Waste:** As global provider of convenience items, we believe we can play a significant role in waste reduction. By 2030, our aspiration is for 100% of our packaging to be recyclable or reusable and aim to increase sustainable packaging in our foodservice and private brand consumable products by 25% by 2025 from FY20.
- Workplace Safety:** Keeping our people safe is critical to their well-being and our operations. Our aspiration by 2030 is to cause zero harm for our people, customers and suppliers. For this reason, our goal is to decrease robberies and recordable work-related injuries by 50% by 2025 from FY20.

No doubt, during the COVID-19 pandemic, our first priority has been the health and safety of our employees and customers. Looking ahead, we will renew our focus on continuously refining and strengthening our sustainability approach. We have made progress, but there is still much work to do.

We are all in this together, and we owe it to our all present and future employees and customers to work towards a responsible future.

## OUR SUSTAINABILITY MATRIX







# Our Sustainability Focus Areas

Our sustainability priorities, targets and ambitions are anchored by five focus areas that contribute to the United Nations Sustainable Development Goals.

Sustainability Focus Area	United Nations Sustainable Development Goals (SDGs)		Our Commitment	2030 Ambition2025 Target	
CUSTOMER EXPERIENCE	7 AFFORDABLE AND CLEAN ENERGY	SDG 7.2 Increase substantially the share of renewable energy in the global energy mix	Make it easier for customers to access fresh, healthy and sustainable food, fuel and car wash options	10% greater than global legislation related to renewable fuel	Reduce the GHG footprint of our total fuel offer by 12% from FY20
ENVIRONMENTAL MANAGEMENT	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	SDG 12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse  SDG 7.3 Double the global rate of improvement in energy efficiency	Reduce our environmental footprint, use resources efficiently, and help protect our planet	100% of our packaging will be recyclable or reusable  30% of our sites to be carbon neutral	Sustainable packaging for foodservice and private brand consumable products increases by 25% from FY20  Reduce electricity consumption by an average of 20% per site from FY20
PEOPLE	8 DECENT WORK AND ECONOMIC GROWTH	SDG 8.8 Protect labour rights and promote safe and secure working environments for all workers	Invest in our people’s safety, foster an inclusive culture and provide first-class retail-level training and recruitment	Zero harm for people, customers, employees and suppliers	Decrease robberies and recordable work-related injuries by 50% from FY20
COMMUNITY ENGAGEMENT	11 SUSTAINABLE CITIES AND COMMUNITIES	SDG 11.4 Strengthen efforts to protect and safeguard the world’s communities	Make a positive contribution to the lives of people in the communities where we operate and source our merchandise		
GOVERNANCE	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	SDG 16.5 Substantially reduce corruption and bribery in all their forms	Drive a strong values-based culture adhering to high standards of ethical conduct and compliance		





# CUSTOMER EXPERIENCE

*As a global provider of convenience, we put our customers first. We are constantly evolving to meet our customers' on-the-go needs while acting responsibly by providing more environmentally friendly products and services.*




## Why does customer experience matter?

We serve over 9M customers each day in 26 countries and territories, providing fresh food and beverages, sustainable fuel and energy alternatives, car wash services, among other product offerings. In this context, we are continually evolving to meet our customers' changing tastes and needs and to provide them with the best service possible.

Our customers are increasingly looking for more sustainable options including local, fresh as well as responsibly sourced foods. Across our business, we've been expanding our offer of healthy and sustainable choices, while continuing to pay close attention to food quality and safety.

As a fuel provider, we also have a key role to play in building a cleaner future. Customers expect us to provide cleaner energy options and lead the way toward alternative energy sources. We're supporting the transition to renewable fuels by increasing our offers of biofuel blends, building our electric vehicle (EV) charging networks and adapting our stores to meet the needs of EV consumers. We're also lowering our environmental footprint through upgrades to our car wash equipment to reduce chemical and water usage.

### KEY INITIATIVES



-  Fresh Food and Beverages
-  Sustainable Fuel and Energy Alternatives
-  Quality Car Wash Services



### PRIORITY TARGETS

**Fuel:** 10% greater than global legislation related to renewable fuel by 2030. 12% reduction in fuel GHG footprint by 2025 from FY20.

### PERFORMANCE HIGHLIGHTS

-  **10.3%** renewable fuel share in Europe CY19
-  **35.6M** litres of water saved through our car wash PurWater reclaim systems in North America in FY20



# Fresh Food and Beverages

*We continually adapt our made-to-go food and beverage options to meet evolving demand for fresh, healthy, local and sustainable options.*

## EXPANDING HEALTHY CHOICES

We are constantly improving our assortment of fresh and healthy options in both our packaged products and food service. We seek to offer food made from authentic, healthy ingredients with as few additives as possible. Last year, many of our stores increased their selection of healthy options. For example, 70% of our business units now provide vegetarian or vegan options, 60% offer low-fat and low-sodium choices, and 55% provide organic, beneficial nutrient and additive-free options to respond to customer preferences.

## SUPPORTING ANIMAL WELFARE

Since 2018, we’ve made progress on our goal to sell 100% cage-free eggs at our corporate stores by 2025. Today, 40% of our business units offer cage-free eggs. We also aim to source meat and poultry-based foods from breeders and processing plants where animals are treated well and protected from unnecessary suffering and disease.

## SOURCING FROM CERTIFIED SUPPLIERS

In keeping with our desire to offer sustainably sourced products, we’re aiming to have fully certified coffee and tea in our stores across the globe by 2025. We currently offer Rainforest Alliance Certified coffee at all our stores in Europe and plan to have sustainably sourced coffee across the U.S. by FY21. Through the procurement of organic coffee in FY19, we have contributed to the reduction of 6.07 tons of pesticides on farms, helping to promote ecosystem health.

### Percentage of Business Units Offering Healthy Food and Beverage Options

Vegetarian or vegan	<div></div> 70%
Low fat, sodium and cholestrol	<div></div> 60%
Free of additives	<div></div> 55%
Organic	<div></div> 55%
Beneficial nutrients	<div></div> 50%
Non genetically modified organisms (Non-GMO)	<div></div> 45%
Cage-free eggs	<div></div> 40%
Gluten-free	<div></div> 40%
Fair trade	<div></div> 35%
Sustainable palm oil	<div></div> 30%
Responsible soy	<div></div> 15%



## ADHERING TO STRICT FOOD SAFETY PROCEDURES

We take food safety seriously. Our food service suppliers and private brand production facilities are guided by our food safety standards and procedures, which consider the Global Food Safety Initiative standards.

On-site food safety is validated through unannounced food safety audits, which we increased by 2157 in the last year. During these audits, store compliance levels are reviewed, and non-compliance matters are addressed by working closely with our stores on corrective actions. Furthermore, our performance incentives are designed to reinforce strong store audit performance. Each store is trained quarterly on healthy food preparation and sanitation, resulting in over 4,000 food safety employee training and certification hours per year. In addition, we have a robust recall process across the globe for both foodservice and packaged goods.

## PROVIDING AGE-RESTRICTED PRODUCTS

We are committed to acting responsibly in all our stores. As experts in providing age-restricted products, we follow strict legal requirements when marketing alcohol, lottery and tobacco products, according to each jurisdiction. New online training tools allow us to react quickly to changes in legislation by ensuring that our staff are kept up to date.

### QUÉBEC EAST AND ATLANTIC (CANADA)

Our egg sandwich selection is now cage-free egg certified.

### TEXAS (U.S.)

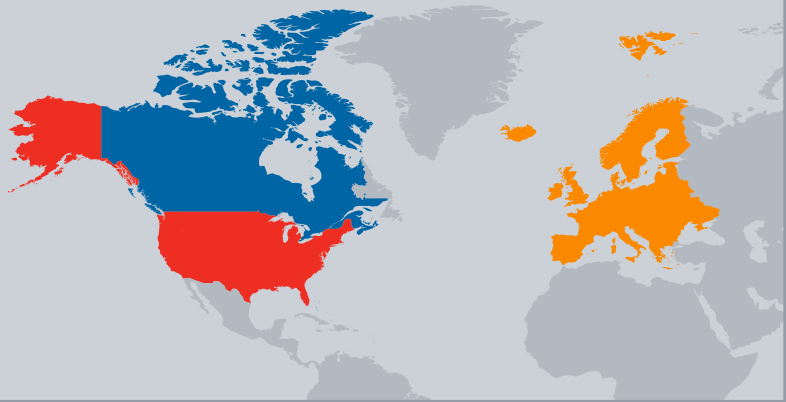
We have grown our healthy food selection, with nearly 10% of food options containing less or no trans-fats, GMO, gluten, or additives.

### NORWAY (EUROPE)

We reduced salt across served food items including: 70% reduction in our new hamburger buns; 30% reduction in cooked ham; 40% reduction in chicken salad; 25% reduction in hot dog buns; and 12% reduction in on-site bakery bread.

### IRELAND (EUROPE)

We launched the Pulled Oat Burger: 100% animal free, vegan, non-GMO, no additives, soy free. In addition to being high in protein and low in saturated fat, it has a reduced water footprint - 137 litres versus 1,496 litres for a beef burger.







# Sustainable Fuel and Energy Alternatives



*We're working to support the transition to a cleaner future by offering our customers greater access to renewable fuels and energy alternatives, such as biofuels and Electric Vehicle (EV) charging stations.*



## OUR FUEL TARGETS AND AMBITION

We believe we can contribute to a cleaner future through supporting our customers in the transition towards cleaner fuels. With the aim to be 10% greater than global legislation related to renewable fuel by 2030, we are committed to reducing the GHG footprint of our total fuel offer by 12% by 2025 from FY20. To achieve our ambitions and remain at the forefront of this emerging market, we created a dedicated EV Project Team with multi-functional representation.

## INCREASING OUR RENEWABLE FUEL OFFERINGS

In both Europe and North America, we continued to expand our renewable fuel offerings, including biofuel blends. In Sweden, for example, we increased the number of truck diesel and full-service stations offering biodiesel and HVO (Hydrogenated Vegetable Oil) fuel. We now have biodiesel on 21 sites and HVO on 38 sites. In North America, most of our locations already offer fuel blends with 10% ethanol. Last year, in response to U.S. regulations, permitting year-round sales of higher ethanol blends, we launched a pilot adding pumps with 15% ethanol blends to 5 sites in our Heartland and Rocky Mountain business units. Pending the results of this pilot, we will review opportunities to scale more broadly.



## BUILDING OUR EV CHARGING NETWORKS

Our EV charging station network has grown to closer to 700 globally. We have been working towards installing and operating a high-powered Direct Current (DC) charging network of 400 high-power stations for battery EVs covering long-distance routes, to support Europe's transition towards a cleaner economy. In Norway, where approximately 50% of new car purchases are electric, we've replaced the first fuel pump at select stations with an electrical charger.

## CATERING TO EV CUSTOMERS

Across Europe, we're rolling out a new type of store to cater to EV customers seeking a place to relax and eat good food while they recharge their cars. The new concept offers elegant seating, WIFI and a redefined food offer tailored to local markets and tastes. There are currently 368 new concept stores operating in Europe as of FY20.

## HELPING CONSUMERS OFFSET VEHICLE EMISSIONS

In FY19, we launched Circle K Conserve, a new program focused on offsetting fuel emissions. Each time customers fill up at our sites, we invest in carbon reduction projects to offset up to 30% of vehicle tailpipe emissions. The program is being piloted at 290 locations in Syracuse, Arizona and Colorado and has enabled 123,747 tons of CO<sub>2</sub> being offset, the equivalent of 11,514 homes powered for an entire year. We continue to work with our customers and communities to enhance the program to scale it more broadly.

### QUÉBEC WEST (CANADA)

In FY20, we updated our mobile application to include information about our EV network and installed 5 EV charging stations on 3 sites. We plan to deploy 20 more during FY21.

### IRELAND (EUROPE)

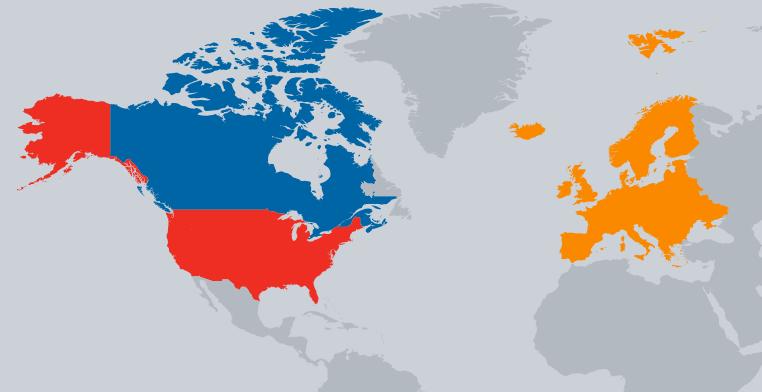
In FY19, we launched the first public Compressed Natural Gas (CNG) retail site in Dublin Port. Thus far, we have removed 18.5 tons of CO<sub>2</sub> from fuel sales by substituting diesel with CNG, a lower carbon alternative.

### NORWAY (EUROPE)

We've partnered with Internet and TV provider Telenor to offer their customers a discount on our home electric vehicle charging solution, reaching over 6,000 apartment building clusters across Norway.

### LITHUANIA (EUROPE)

We've partnered with IONITY to offer additional electric vehicle charging options to our customers.





# Quality Car Wash Services



*We recognize that water is a finite and irreplaceable resource, which is why we do our part to replace, recover and recycle water wherever possible across our network of 2,700 car wash locations globally.*



## USING LESS WATER AND FEWER CHEMICALS

Upgrades to our car wash equipment are providing a better car wash experience for our customers all while using less water and chemicals. For each system replaced, we save an estimated 326.3M litres of water and 9.4 thousand (K) litres in chemicals per year. Our goal is to replace 20% of car washes across our network by FY23. At this time, we have upgraded over 350 car wash sites across 28 business units.



About This Report



Customer Experience



Environmental Management



People



Community Engagement



Governance

## RECOVERING AND RECYCLING WATER

Our PurWater Reclaim and Reject Recovery Systems, deployed across various U.S. and Canada sites, enable us to recover up to 80% of water used in our car washes. In FY19, we implemented the recovery systems in 116 stores, saving 35.6M litres of water and \$0.5M in cost savings through reduced water and sewer costs. We continued the program in FY20, where we updated 39 stores, saving 23.6M litres of water and over \$0.2M in cost savings. All new North American car wash sites are equipped with these reclaim and recovery systems.



### QUÉBEC WEST (CANADA)

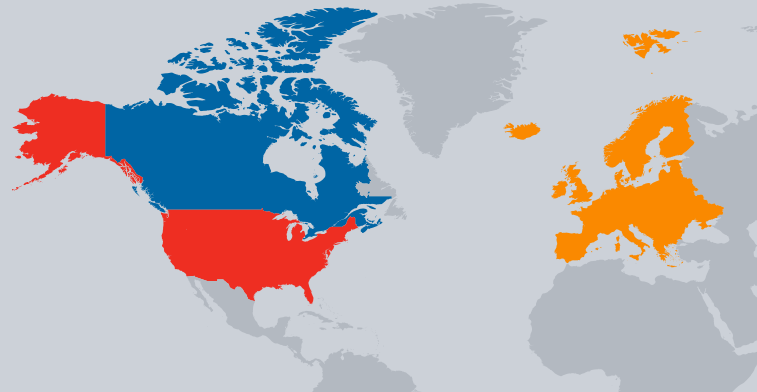
Over FY19 and FY20, we upgraded the equipment in 6 of our carwash locations, all with water reclaim systems, resulting in a 65% reduction in water usage and 33% reduction in chemicals.

### TEXAS (U.S.)

We upgraded 60 of 155 car washes over the last two years with a \$200K investment. We have 10 sites that reclaim 80% water of the water used, saving 227 litres per vehicle or 15.9M litres per year.

### DENMARK (EUROPE)

We changed 12 car wash water cleaning modules, improving our water cleansing abilities and reducing water consumption by 75%.







# ENVIRONMENTAL MANAGEMENT

*Environmental sustainability is an important priority for us. We are continually looking for innovative ways to use resources efficiently, reduce our carbon footprint and minimize the packaging and waste generated by our products and services.*



About  
This Report



Customer  
Experience



Environmental  
Management



People



Community  
Engagement



Governance

## Why does environmental management matter?

We recognize the global imperative to act on climate change and resource scarcity. With approximately 14,500 convenient locations worldwide, we have an opportunity to make a powerful contribution toward a cleaner future. Our focus is to minimize our store footprint by finding innovative ways to do more with less.

We work hard to reduce our energy consumption, conserve water and manage our packaging and waste responsibly. Through our energy efficiency upgrades and monthly store-level reviews, we have significantly reduced water and energy consumption in our stores. Furthermore, circular reduce-reuse-recycle concepts across our business have improved waste related to food, packaging, cups, straws and textiles.

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

### KEY INITIATIVES



Energy and Carbon Footprint



Packaging and Waste



### PRIORITY TARGETS

**Energy:** 30% of our sites to be carbon neutral by 2030 and 20% average electricity consumption reduction per site by 2025 from FY20.

**Packaging and Waste:** 100% of our packaging to be recyclable or reusable by 2030. Increase sustainable packaging in our foodservice and private brand consumable products by 25% by 2025 from FY20.

### PERFORMANCE HIGHLIGHTS



**3.2%** average electricity reduction each year in North America, since FY14



**34.0%** reduction of coffee bean waste in North America in FY20





About  
This Report



Customer  
Experience



Environmental  
Management



People



Community  
Engagement



Governance

# Energy and Carbon Footprint



*We strive to be recognized as a leading retailer in reducing energy consumption, by improving the energy efficiency of our equipment and operations.*



In Europe, we deploy a similar program with the replacement of outdoor and indoor LEDs, the installation of smart cubes, the replacement of old HVAC systems and the removal of boilers. In FY19 and FY20, we deployed over 1,835 energy upgrades across all our European business units.

## IMPROVING REPORTING AND BEST PRACTICE SHARING

We track our store-level water and energy usage on a monthly basis through our outlier investigation process. This process enables us to conduct store-level reviews, where we identify outliers - stores experiencing material increases in water or energy usage. We work with these stores to determine the root cause of the issue - often leaks or damaged equipment - and identify solutions to improve efficiency going forward. Our outlier investigations also enable us to identify highly-efficient stores and to engage them to share their best practices across our global network through our quarterly energy and sustainability newsletters.

## REDUCING WATER USAGE

In North America, our business units have also been saving water by eliminating water to clean parking lots, repairing leaking equipment, upgrading to more efficient dish sprayers and installing rain sensors on irrigation systems. In addition, we've been replacing water-cooled equipment such as our Froster machines with less water-intensive options, saving 1.6M litres per year with each upgraded unit.



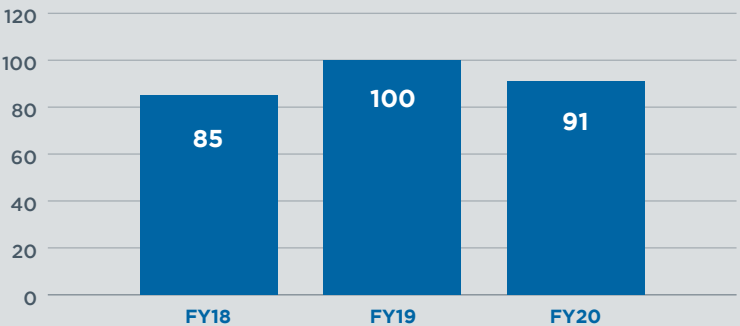
### OUR ENERGY TARGETS AND AMBITION

This year, in recognition of our global store footprint, we have formalized our climate ambition by committing to operate 30% of our sites as carbon neutral by 2030 and to reduce electricity consumption by an average of 20% per site by 2025. We have already made considerable reductions in our energy consumption, but we know that we can do more.

## REDUCING ENERGY CONSUMPTION

In FY20, we continued to achieve significant energy reductions across our business units in North America through our "One Touch" program. Through this program, we conduct audits to identify stores most in need of energy upgrades. Last year, energy upgrades included LED internal and external lighting replacements, refrigerator system upgrades, motion sensor and timer installations in backrooms, restrooms and walk-in coolers. As a result of the "One-Touch" program, we sustained a 3.2% year-on-year average electricity reduction and a 7.7% year-on-year average water consumption reduction since its inception in FY14.

GHG EMISSIONS BY SITE - Global (TCO<sub>2</sub>e)



### NORTHERN TIER (U.S.)

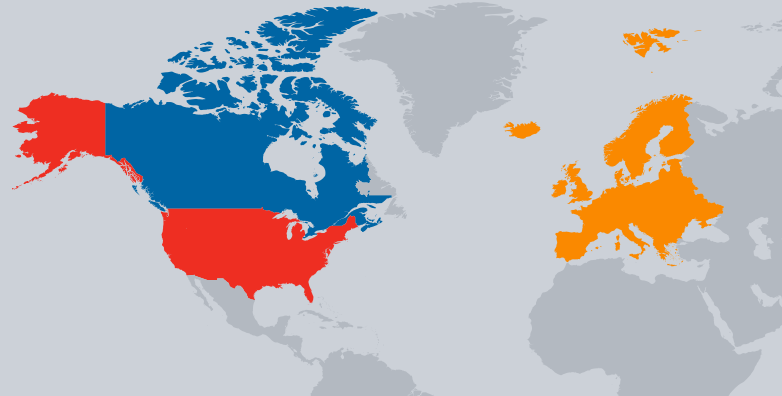
Certain sites participate in the Minnesota Community Solar Garden program, aimed at reducing energy costs and emissions through large scale solar energy production with the individual cost savings of rooftop or ground-mount direct solar generation. Thus far, this project has resulted in 18M kilowatt hours saved annually, equivalent to the CO<sub>2</sub> emissions from 2,697 cars.

### GREAT LAKES, ROCKY MOUNTAIN, GRAND CANYON (U.S.)

We purchased over 40,000 renewable energy credits to power our 290 locations.

### LITHUANIA (EUROPE)

Since FY20, 100% of our store electricity consumption is sourced from renewable energy, including wind, sun and biomass.







## Packaging and Waste

*We are reducing waste through improved processes, reuse and recycling, and more sustainable packaging choices for our food and beverage products.*



### OUR PACKAGING AND WASTE TARGETS AND AMBITION

As a global provider of convenience items, we believe we can play a significant role in waste reduction. Last year, we committed to 100% of our packaging being recyclable or reusable by 2030 and aim to increase sustainable packaging in our foodservice and private brand consumable products by 25% by 2025 from FY20. We have various programs under way to help us achieve our goals.

### LEVERAGING TECHNOLOGY TO REDUCE WASTE

We're reducing foodservice waste by improving our equipment and digital tools. In Europe, the initial usage of digital solutions to manage just-in-time production has helped us reduce food waste by 8% through improved demand forecasting. In North America, we're also exploring new packaging and heat-and-hold technologies to increase shelf life while maintaining product quality. These technologies are expected to reach 1,500 sites in North America by FY21.

### CONSERVING RESOURCES WITH COFFEE-ON-DEMAND

We're also conserving resources with the expansion of our Coffee-on-Demand program in the U.S., now present in over 90% of our corporate store network. By moving from traditional drip brew coffee equipment to an on-demand platform, which grinds the beans fresh and quick brews every cup, we've reduced energy usage by 51% and water usage by 35%. We're also saving 2,000 tons of coffee, because we don't have to throw out brewed coffee that's leftover or gone stale.

### REDUCING WASTE WITH REFILL VESSELS

We've expanded the use of refill vessels for all dispensed beverages, by offering discounts on refills in both coffee and Polar Pop. Through our refill initiatives, we removed over 38M single-use cups from the waste stream in North America in FY20. Across North America and Europe, many of our business units have campaigns to encourage customers and employees to bring their own reusable cups and mugs.

### RECYCLING AND REPLACING PLASTICS

To manage our packaging more responsibly, our business units have been looking at ways to replace plastics with renewable materials, cut down on overall packaging by reducing packaging sizes, find creative ways to upcycle waste and switch to materials with higher recyclability.

#### Coffee package

Our plastic coffee packs in 6 markets in Europe are now made from compostable sugarcane-based polyethylene.

#### Straws

In our Québec locations, we launched edible candy straws for our frozen Sloche beverages eliminating the need for plastic straws.

#### Coffee waste

In select sites across Europe, spent coffee grounds are upcycled into furniture, soil nourisher or fire logs.

#### Textile waste

In select sites across Europe, we work with Swedish organizations to upcycle textile waste from outdated employee uniforms into fleece hats, scarves and reusable shopping bags.



#### Water bottles

Our private-brand 500 ml water bottles in North America are made from 100% post-consumer recycled plastic and have the lowest carbon footprint on the market.

#### Food waste

Through our 'Sell out program' in Latvia and our 'TooGoodtoGo' program in Norway, customers can buy food items nearing the end of their shelf life at a discount, reducing our food waste.

#### Signage waste

In our Heartland U.S. locations, our 567 digital screens enable us to reduce our printed in-store signage waste.





# PEOPLE

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



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Community Engagement



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## Why do people matter?

We care about our people and take their safety and well-being very seriously. We continuously work to improve our policies, programs and tools to ensure all our employees and customers feel safe, secure, included, engaged and respected.

Workplace safety is one of our key priorities. In FY20, we worked to develop a global Health, Safety and Environment strategy and equip ourselves with better tools to reduce workplace safety incidents. Across our organization, we've also strengthened many of our training programs so that employees are better able to recognize and prevent safety risks.

We are also committed to being an inclusive, diverse and attractive employer. We want our employees to feel proud of what they do, who they work for and the difference they make. Our latest employee survey confirms that we are working in the right way, as it showed an increase in overall engagement and improvement in our respect for each other. We continue to support and inspire our people by offering training to help employees at all levels develop their skills and grow their careers with us.

### KEY INITIATIVES



Workplace Safety



Talent Development



Diversity and Inclusion



Employee Engagement



### PRIORITY TARGETS

**Workplace Safety:** Zero harm for our people, customers, employees and suppliers by 2030. Decrease robberies and recordable work-related injuries by 50% by 2025 from FY20.

### PERFORMANCE HIGHLIGHTS



**55.1%** reduction in robberies in Europe in FY20 since FY18



**30.0%** of women on our Board of Directors in FY20





# Workplace Safety



*We are committed to creating a safe and healthy working environment by continuously improving our safety and security policies, programs and training.*



## OUR WORKPLACE SAFETY TARGETS AND AMBITION

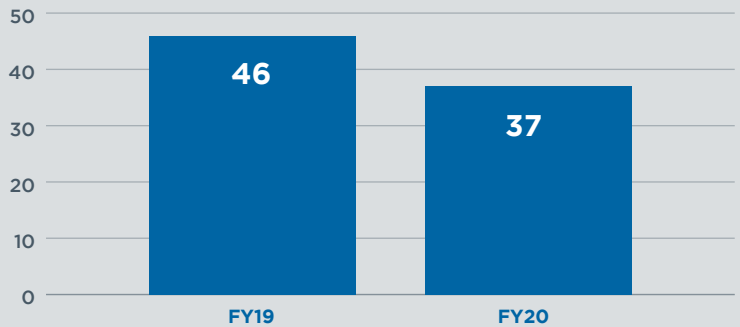
Keeping our people safe is critical to their well-being and our operations. This year, we formalized our commitment to workplace safety by aiming to achieve zero harm by 2030 and to decrease robberies and recordable work-related injuries by 50% by 2025 from FY20.

## ESTABLISHING A GLOBAL HEALTH, SAFETY AND ENVIRONMENT STRATEGY

As part of our plan to strengthen workplace safety, we have been working to establish a global Health, Safety and Environment ('HSE') strategy, as well as a single, standardized global reporting system. To this end, in FY20, we began introducing a new dashboard to better track HSE events across the organization and identify risks and opportunities for improvement. We aim to roll out the tool to all our business units in FY21.



## HIGH CONSEQUENCE WORK RELATED INJURIES - Global



## RECOGNIZING STRONG HSE PERFORMANCE

To highlight and reinforce the importance of HSE performance across our business, this year we launched our first annual Global HSE Award, recognizing the business unit with the greatest HSE results. For FY19, the award went to our Heartland U.S. business unit which leveraged data analytics to identify safety patterns and develop business prevention solutions including remote locks, enhanced training and improved safety signage. Through these efforts, robbery-related incidents decreased by 86%, improving employee and community safety. Additional notable award nominees include our Estonia business unit which launched an 'Act Safe' program decreasing work-related accidents by 75%, Ireland's 'See Something? Say Something' safety campaign, among many others.

## REDUCING WORK INCIDENTS

We continually improved our programs and training to reduce workplace incidents through accident and robbery prevention. In Québec, we developed a new non-slip boots protocol to protect our employees against slips and falls in winter. In our Rocky Mountains U.S. business unit, we completed the Operations Excellence program at roughly 375 stores, decluttering and organizing back rooms to increase employee safety.

This year, our global initiatives on robbery prevention were strengthened through enhanced signage to better educate personnel, onboarding programs to prepare staff to handle security situations, cash-free pilots, upgraded security cameras and improved risk assessments.

## ENGAGING THE COMMUNITY IN CRIME PREVENTION

We also contribute to crime prevention through community engagement efforts including our StreetArt Program in Central Canada. Launched in our Central Canada business unit in 2012, the program brings together local youth and police officers to paint the exterior walls of our stores, opening up conversations, building ties and improving overall community safety. To date, 23 murals have been completed and painted stores have seen a 46% reduction in overall crime.







# Diversity and Inclusion



*We strive to be an inclusive and attractive employer, providing our people with a work environment where they feel safe, respected and able to develop their full potential.*

As an inclusive employer, we aim to improve gender balance at all levels of our organization. At present, women make up 30.0% of our Board of Directors up from 27.0% in FY20. We have, 28.1% of women in senior management positions and 61.8% in management positions across our network - and this is an area where we continued to focus our efforts.

## TAKING ACTION ON DIVERSITY AND INCLUSION

In FY20, our CEO formalized our commitment to diversity by signing the CEO Action Pledge, a worldwide initiative rallying the business community together to take measurable action in advancing diversity and inclusion in the workplace. More than 900 CEOs have signed the pledge to date, committing to implement unconscious bias training, create diversity plans, among other initiatives that we are currently implementing.

## LEADING GENDER DIVERSITY INITIATIVES

In FY19, we developed a Women’s Council, composed of women from different parts of the company. The vision of the Council is to create winning conditions for women with the goal of striving for gender parity and advancement at all levels of our organization. Several business units have also set up their own regional councils to support the global effort. The Women’s Council has led a variety of initiatives including working with the non-profit Catalyst, leading a company-wide training on Unconscious Bias as well as launching our first global Diversity and Inclusion campaign on International Women’s Day.



## RECOGNIZING WOMEN’S CONTRIBUTIONS

This year, six of our female employees were honoured at Convenience Store News’ Top Women in Convenience awards. The program recognizes women who are making outstanding contributions to the convenience retail industry overall. Honorees for 2019 were Deb Hall Lefevre (Woman of the Year category); Margaret Barron and Gena Dunten (Senior-Level Leader), Harvey Collins and Amy Hobson (Rising Stars) and Cindy Dunn (Mentors).

## SUPPORTING MARGINALIZED GROUPS

Beyond gender, we have developed custom programs for minority groups including new immigrants, people with disabilities and marginalized members of society. For instance, in Sweden, we collaborate with local authorities to recruit and offer store roles to new immigrants and in Russia we have developed programs to increase hiring of people with disabilities. In Ireland, we work with local welfare associations to offer unemployed people positions that enable them to get back on their feet.







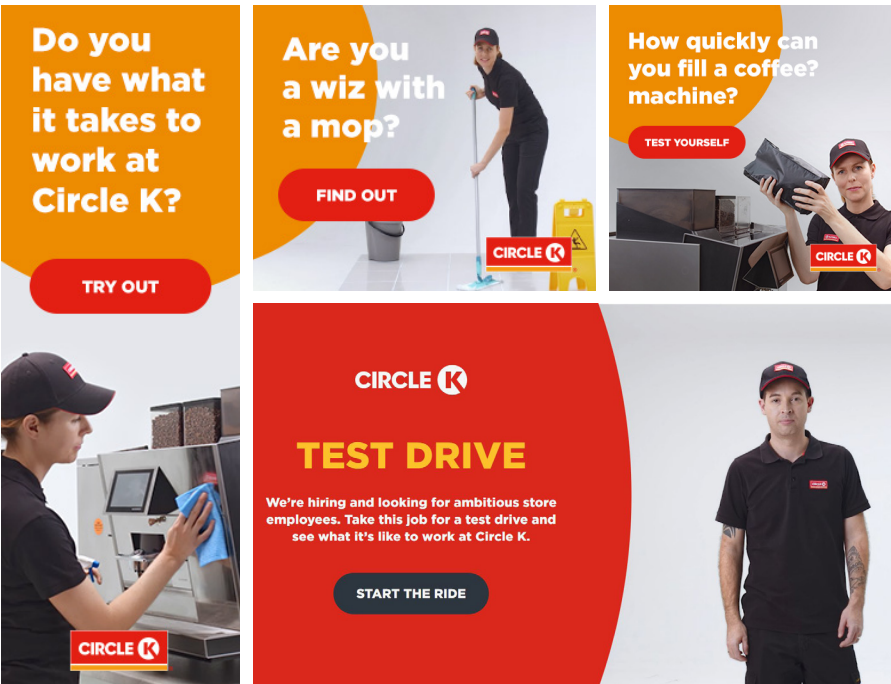
# Talent Development



*We are continually enhancing our onboarding and training programs to enable our people to grow their careers with us.*

## ATTRACTING NEW TALENT

We've been looking at new ways to reach out to potential workers. Our award-winning "Stories from our Employees" campaign in Sweden and Estonia portrays life at the store, featuring the people who work for us. Our "Test Drive" campaign invites people to participate in a game to see if Couche-Tard is right for them. We've also revamped our career webpages, made it easier to apply for a position and streamlined the way we hire.



## DIGITIZING OUR TRAINING

This year, we continued to improve our training by making use of new digital tools and processes through our platforms Talent Development and Workday™ to help our people develop their skills and expertise. We've enhanced our onboarding processes for store managers to make them more engaging and have "gamified" some of our training. Our recently launched learning modules allow station employees to test their skills in customer relations, food sales and safety. We've also leveraged tools such as the StrengthFinder™ survey to help people recognize, understand and play to their top strengths.

## DEVELOPING OUR PEOPLE

This past year, in many of our global locations we've introduced various targeted leadership development programs for employees at all levels. In the U.S. West Coast business unit for instance, we launched an Emerging Leaders program for store managers and an Accelerated Leadership Program for middle management employees. Our Denmark, Lithuania and Norway business units implemented leadership programs for high-performing store managers or successful middle management employees. In our Québec West business unit, we conducted a pilot to train our store managers on how to hire and train new employees, taking a "train the trainer" approach to developing our people.

# Employee Engagement



*We seek to engage our employees by listening to their concerns, creating a healthy and stimulating environment and recognizing their contributions to our business.*

## LISTENING TO OUR PEOPLE

Every year, our employee survey seeks to gain insight into our people's level of satisfaction in the workplace. Each business unit carefully reviews the results with their teams, identifies opportunities for improvement and develops an action plan. Ultimately, the goals of this process are to improve the workplace experience for all employees and drive team performance.

## FEELING ENGAGED AND RESPECTED

The latest trends in our FY20 employee survey are positive, with 88% taking part compared with 85% in FY19, and an overall increase in engagement levels to 4.08 from 4.04 in FY19. Pride in Couche-Tard increased to 4.38 this year with more employees feeling respected at work. Overall, there were significant year on year improvements in most survey categories.

## FOCUSING ON ONE TEAM

As we grow worldwide, we have been refocusing our organization around the philosophy of "One Team," to provide a clearer global framework while still empowering local business units to remain agile. Launched in FY20, this new model has helped increase engagement by clarifying roles and expectations and providing more organizational clarity.

### GRAND CANYON (U.S.)

Our weekly "JOURNAL" newsletter shares positive customer comments and employee recognition and best practices.

### IRELAND (EUROPE)

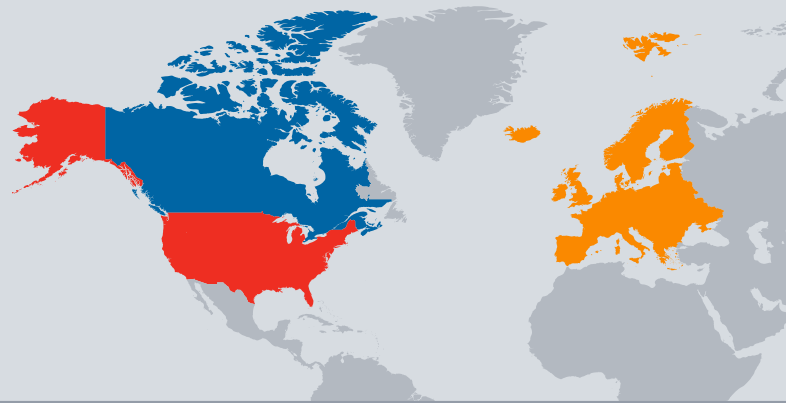
We introduced a health and wellness program that provides support through an interactive app, on-site classes and additional activities such as organized walks and wellness and nutritional talks.

### POLAND (EUROPE)

We launched a variety of health-focused initiatives including the 100-day challenge and increased the average number of steps taken by our employees by 300%, improving health and engagement.

### RUSSIA (EUROPE)

We held a "One Team, Growing together" Retail Summit to communicate our business strategy and align our people towards one common goal.







# 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?


Through our global network of stores, we are deeply rooted in our communities both large and small. This gives us the unique opportunity to make a real and meaningful difference in people’s lives, by doing our part to build vibrant, clean and safe communities.

We are not just a convenience store but a part of the neighbourhoods where we work and live. Our decentralized business model allows us to focus on what matters most to each local community. In FY19 and FY20, we supported a variety of projects and initiatives particularly in the areas of youth, health and education.

### KEY INITIATIVES

-  Supporting Our Youth and Children
-  Investing in Health, Education and Safety

### PERFORMANCE HIGHLIGHTS

 More than **\$11M** in annual community investments in FY20







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## Supporting Our Youth and Children



*Across our global network, we support local organizations that are working to help children and youth in need, in order to give everyone a chance for a better future.*



### FUNDING DAYCARE CENTERS FOR CHILDREN AT RISK

Our Lithuania business unit has a long history working with the organization Save the Children to establish daily care centers for children from at-risk families. The centres offer children a safe place to go after school as well as an environment in which they can learn, improve, create, make friends and integrate into society. To date, we have funded 6 of the 40 daily care centers now operating in Lithuania.

### SUPPORTING CHILDREN WITH NEURODEVELOPMENTAL DELAYS

From September 2015 to July 2019, our Ireland business unit partnered with the Jack & Jill Children's Foundation. The charity offers support, advocacy and in-home nursing services to families with children under the age of five who have a significant neurodevelopmental delay. Over the course of the four-year partnership, our Ireland business unit has raised over \$600K through various initiatives in which both customers and staff contributed.

### WORKING TO STOP BULLYING AND DISCRIMINATION

For over three years, our Automats business unit has supported the foundation Friends in Sweden in their efforts to stop bullying and discrimination among children and young people. In FY20, they also began supporting Julemaerkefonden in Denmark, which helps children aged 7 to 14 who face bullying or loneliness.

### INCREASING OPPORTUNITIES FOR SPORTS AND ACTIVITIES

We also aim to have a positive impact on the lives of youth while building better communities that provide opportunities for healthy active lifestyles. For instance, our Froster Active Kids program in Ontario helps fund athletics programs as well as initiatives that support youth empowerment. Across North America, we sponsor and run charities for multiple youth organizations and sports activities.

## Investing in Health, Education and Safety



*We are collaborating in community-based partnerships to prevent crime, while investing in local causes related to health, education and safety to strengthen our communities.*

### INVESTING IN HEALTH CAUSES

We invest in health causes across many of our global business units. For instance, our Norway business unit is a major contributor to the Pink Ribbon initiative, a breast cancer research organization. Our Québec East and Atlantic business unit supports a variety of health causes including the Heart and Stroke in Atlantic (heart disease and stroke research), Opération Enfant Soleil in Québec (funds to develop high-quality pediatrics for children), among others. Our U.S. Texas business invests annually in the Children's Miracle Network while our U.S. West Coast supports the Red Cross through coin donation boxes, fundraisers and blood drives.



### SUPPORTING SCHOOLS

In the United States, we invested nearly \$135K in FY19 to support local high school students with scholarships and teachers with new vehicles and free fuel. Meanwhile, our annual "Fuel My Schools" campaign helps fund much-needed supplies and equipment for local schools.

### PROTECTING WOMEN

In Western Canada, we are a major supporter of the Brenda Strafford women's shelter foundation. Through our annual investment of approximately \$87K, we help fund the shelter's "store" that enables women to shop for essential items after leaving everything behind.

### RAISING AWARENESS ABOUT ROAD SAFETY

In Russia and Poland, we worked to raise children's awareness of road safety through educational programming, impacting more than 50,000 children between the ages of 3 to 15.





# 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.*



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## 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 business is rooted in our core values of PRIDE – People, Results, Improvement, Development and Entrepreneurship – as well as our Light of Day policy of respecting one another. These values are backed by strong leadership, a clear Code of Conduct, robust compliance systems and employee training programs. In FY19 and FY20, we revised several of our global and regional policies to provide greater clarity, align with new legislative requirements and ensure consistency across the organization.

Through our ongoing engagement with customers, employees and investors, we strive to understand their concerns and find innovative ways to grow. We also work with our suppliers to not only ensure their adherence to our company's values and standards but also to find mutually beneficial solutions to environmental and social issues.

In many areas where we operate, our stores are designated as critical infrastructure to serve communities. During the COVID-19 crisis, we implemented our emergency response plans and procedures and very early created business continuity plans that allowed us to maintain our services while ensuring the safety and protection of employees and customers.

### KEY INITIATIVES



Governance Structure



Stakeholder Engagement



Responsible Procurement



Emergency Response

### PERFORMANCE HIGHLIGHTS



**97.0%** of our U.S. employees signing our Light of Day ethics policy in FY20



**31** external supplier sustainability assessment in Europe FY20





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# Governance Structure



Our governance structure, policies and procedures ensure that we are accountable to stakeholders and that our values are applied consistently across the organization.

## PROVIDING EXECUTIVE OVERSIGHT

In FY20, the Executive Leadership Team made the important decision to elevate sustainability as a business lens, creating a more defined framework and incorporating it into our way of thinking. To this end, we assembled a global multi-functional Sustainability Steering Committee to inform the development and implementation of the sustainability approach. Supported by our Sustainability Core Team and reporting to our Sustainability Executive Champion and Board of Directors, our Steering Committee is enabling us to move our sustainability initiatives forward. We have also appointed Executive Sponsors with responsibility for each of our sustainability priorities - fuel, energy, packaging and waste and workplace safety - to ensure we have the right accountability structure in place to achieve our ambitious 2025 targets.



### Board of Directors [Human Resources and Governance Committee]

Oversees sustainability targets, programs, risks, performance and reporting.



### Executive Leadership Team

Assesses the adequacy and effectiveness of the sustainability strategy and ensures integration of sustainability within the business strategy.



### Chief Human Resources Officer [Sustainability Executive Champion]

Works with the Sustainability Core team to implement the sustainability strategy. Responsible for the strategy, initiatives and performance.



### Executive Sponsors

Responsible for the sustainability priority roadmap and targets: fuel, energy, packaging and waste and workplace safety.



### Sustainability Steering Committee

Informs the development and ensures relevance of the sustainability strategy across all functions and business units.



## UPHOLDING ETHICS AND INTEGRITY GLOBALLY

Our core values are supported by our Code of Conduct and Light of Day policies which outline our principles with regards to ethics and integrity compliance. Championed by our senior leaders, all employees, consultants and Board members are required to abide by these principles and complete annual training on the topic of ethical conduct. In FY20, we began work to update the anonymity and ease of access of our Ethics Helpline, a channel for stakeholders to disclose concerns relating to ethical misconduct.

In keeping with our One Team approach, we have begun developing global policies where possible to ensure we are operating under one principled and responsible approach across all our business units. In FY20, we developed one global Delegation of Authority policy and have plans to continue to centralize policies going forward.

## ALIGNING TO NEW PRIVACY REGULATIONS

In Europe, we made several changes in FY19 and FY20 to comply with Europe's new data, privacy and security law, the General Data Protection Regulation (GDPR). Our Data Protection Officer (DPO) and senior management oversee decisions regarding data processing, privacy and personal data protection and have implemented key controls related to data processing agreements, impact assessments and customer access procedures. To drive functional expertise around the new legislation and procedures, new training has been deployed to all European employees and Privacy Champions have been identified to offer support. We have also begun updating our procedures in North America to comply with new U.S. and Canadian legislation.





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# Stakeholder Engagement



As a responsible retailer, we seek to engage all our stakeholders, to better understand what’s important to them when it comes to environmental, social and governance issues.

Simply put, what matters to our employees, customers, Business-to-Business (B2B) customers, suppliers, non-governmental organizations (NGOs) and investors, matters to us. Consistent with our aim to be a responsible retailer, we engage in strong ongoing dialogue with each of our key stakeholders.

	Customers	Employees	Suppliers	NGOs	Communities and Governments	Investors
Preferences and/ Expectations	Look to companies to offer sustainable products/services so they can make easier and better choices	Prefer to work for companies that proactively address sustainability issues and build an inclusive and equitable culture	Face their own set of sustainability-related requirements and expect partners to support	Encourage corporate participation in multi-stakeholder dialogue to advance the sustainability agenda	Expect strong ethical conduct, strong stewardship practices and investment in local initiatives to improve society	Increasingly focused on strong management of ‘ESG’-related risks and transparency
Engagement Approach	Annual customer surveys, focus groups, daily interactions, our new customer chatbots Kay and Helene	Employee surveys, on-the-job coaching and training, intranet, performance reviews	Service agreements, meetings, conferences	Industry associations, conferences, roundtables, consultations and intergovernmental organizations	Local charities, consultations, municipal, regional and national authorities including chambers of commerce	Annual general meeting, investor roadshows, calls and emails, quarterly analyst calls
Business Unit Highlights	<b>Norway (Europe)</b> Winner of the Sustainable Brand Index in our sector for four years in a row	<b>Québec (Canada)</b> Prix Créateur d’emplois du Québec (Employer Award)	<b>Texas (U.S.)</b> Top Retailer for Anheuser-Busch in North America	<b>Grand Canyon (U.S.)</b> MADD Community Partner of the year	<b>Estonia (Europe)</b> Winner of the Most Loved Retail Brand in Estonia	<b>Lithuania (Europe)</b> Most Transparent Company Awards 2019

# Responsible Procurement



We understand that our responsibility extends beyond our operations and into our supply chain. For this reason, we are committed to working with our suppliers to promote environmentally and socially responsible practices.

## ASSESSING SUPPLIER SUSTAINABILITY PRACTICES

To ensure that our suppliers meet our sustainability expectations, we have integrated sustainability within our vendor pre-qualification process which assesses supplier risks relating to health and safety, labour conditions, human rights, environment and ethical practices. We also cover sustainability in our supplier contracts. Through our contracting, all private label suppliers must consent to be audited following our strict guidelines for quality, safety and traceability. Further to this, all European private label suppliers are required to report through the EcoVadis platform to enable us to monitor their sustainability performance over time.

## INTEGRATING SUSTAINABILITY CRITERIA WITHIN OUR SUPPLIER SELECTION PROCESS

We have begun to integrate sustainability within our supplier evaluation criteria. For instance, sustainable packaging is a part of our private label tender evaluation criteria. In addition, when purchasing equipment, we place a strong emphasis on energy and water efficiency as well as maintenance costs over the equipment’s lifetime. Where possible, we look for modular equipment where parts can be easily replaced to extend the useful life of the equipment. We select suppliers that provide us with solutions and technologies that enable us to achieve our sustainability objectives. For instance, our coffee-on-demand machine supplier was selected as the technology enables us to reduce our food waste.

## WORKING WITH SUPPLIERS TO REDUCE OUR IMPACTS

We’re working with suppliers globally to find mutually beneficial energy and waste-saving opportunities. In FY20, for example, our Texas Business Unit worked with a wholesale provider to reduce the number of deliveries per week for 219 stores, reducing vehicle kilometres travelled by 1.6M. In Ireland, we’re also partnering with our suppliers to reduce delivery frequency and in various U.S. sites we are working with our waste management suppliers to reduce collection frequencies through improved collection container sizes. Beyond logistics projects, we are also working with our suppliers on packaging changes. For instance, in Europe, we have engaged one of our major nuts suppliers to transition from plastic to paper packaging. In addition, we continue to work with our coffee and tea suppliers to ensure they are actively pursuing the same Rainforest Alliance and certifications we uphold with our coffee store brand.



# Emergency Response



*We are committed to preparing for and responding to emergencies rapidly and effectively to minimize the impact felt by our people, customers, communities, environment and operations.*

## OUR RESPONSE TO COVID-19

In February 2020, we began piloting the European emergency response program in our Grand Canyon and SouthEast U.S. business units, with the goal of expanding the program globally. This pilot was quickly expanded in March 2020, in response to the COVID-19 crisis.

Given the size of our global network and the millions of customers we interact with every day, our teams globally have been working diligently to keep our customers and employees safe during this pandemic. In alignment with recommendations from key health authorities, we have taken the following actions:

- Limiting customer traffic within our stores and managing social distancing.
- Increasing our stock of hygiene and other emergency supplies to meet customer needs.
- Providing appropriate hygiene supplies and guidance to our staff on best practices for preventive cleaning and post-exposure cleaning.

- Supporting our front-line workers during this crisis by offering free coffee, tea and fountain drinks to first responders and health care workers.
- Enhancing store safety through plexi-glass at the cash register and emphasising cash-free payments.
- Instituting an emergency appreciation premium in North America for all hourly store and distribution employees.
- Putting in place emergency sick leave options for our North American employees to cover 14-day stay-at-home requirements.
- Issuing new guidelines and procedures for support-office employees working remotely to continue critical business functions.
- Enhancing our cybersecurity measures, reminding employees of best practices when using information technology to work remotely.

We are listening to our employees and customers to ensure they feel safe, healthy and supported. As we move forward in these uncertain times, our Global HSE team remains in constant communication with our Executive team to determine the best next steps, locally and globally.



## SUPPLYING ETHANOL FOR HAND SANITIZER MANUFACTURING

At the start of the COVID-19 crisis, Danish authorities approached us with an urgent request: they needed a vast amount of suitable ethanol for manufacturers to make hand-sanitizing products, in a matter of days. Thanks to a team effort involving people from global functions, we secured 300,000 litres of ethanol over the span of a few short weeks, and by April 23, 2020, were supplying Danish manufacturers with the required ethanol.



# Scope of the Report

*Our 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 second report reflects our sustainability approach and progress to date spanning FY19 and FY20, from the period of April 30<sup>th</sup> 2018 to April 26<sup>th</sup> 2020.

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 the report in alignment with the Global Reporting Initiative Sustainability Standards and the Sustainability Accounting Standards Board. An index of our alignment with the GRI and SASB Standards is available at: [www.couche-tard.com](http://www.couche-tard.com)

## 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 our second 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](http://www.acttoevolve.com)



# Data Table

The following reported data covers FY19 and FY20 from the period of April 30<sup>th</sup> 2018 to April 26<sup>th</sup> 2020. 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	FY20 <sup>(a)</sup>	FY19 <sup>(a)</sup>	FY18 <sup>(a)</sup>
ECONOMIC					
201-1	Revenues	In millions of U.S. dollars	54,132.4	59,117.6	51,394.4
201-1	Operating expenses (b)	In millions of U.S. dollars	6,572.2	6,706.0	6,070.4
201-4	Taxes paid to governments	In millions of U.S. dollars	193.6	336.7	277.5
CUSTOMER EXPERIENCE					
102-7	Total sites <sup>(c)</sup>	Number	9,691	9,794	9,718
102-7	Total Canada sites	Number	1,790	1,798	1,587
102-7	Total U.S. sites	Number	5,892	5,999	6,133
102-7	Total Europe sites	Number	2,009	1,997	1,998
ENVIRONMENTAL MANAGEMENT (d)					
ENERGY AND CARBON FOOTPRINT					
305	Total GHG emissions (Scope 1 and 2) <sup>(e)</sup>	Metric tons (t) CO <sub>2</sub> e	841,125.1	932,319.1	784,990.1
305-1	Direct GHG emissions (Scope 1) <sup>(f)</sup>	Metric tons (t) CO <sub>2</sub> e	26,001.8	26,764.8	18,316.7
305-2	Indirect GHG emissions (Scope 2) <sup>(g)</sup>	Metric tons (t) CO <sub>2</sub> e	815,123.3	905,554.3	766,673.4
305-4	GHG emission intensity by site <sup>(h)</sup>	TCO <sub>2</sub> e per site	91.2	100.0	85.3
305-4	GHG reduction performance by site	Percentage (%)	-8.79%	17.16%	-20.0%
302-1	Energy consumed within the organization	MWh	2,333,438.5	2,471,543.3	2,166,151.8
302-1	Direct energy <sup>(f)</sup>	MWh	143,097.1	147,298.0	100,663.1
302-1	Indirect energy <sup>(g)</sup>	MWh	2,190,341.4	2,324,245.3	2,030,520.7
302-3	Energy intensity by site <sup>(h)</sup>	MWh per site	253.0	265.0	231.7
302-3	Energy reduction performance by site	Percentage (%)	-4.55%	14.40%	14.2%
WATER CONSUMPTION <sup>(i)</sup>					
303-3	Water withdrawn	Megallitres	11,630.0	12,350.1	9,986.9
303-3	Water intensity by site	Megalitres per site	1.7	1.8	1.5
303-3	Water reduction performance by site	Percentage (%)	-4.6%	21.7%	-7.0%
PEOPLE					
102-8	Total employees <sup>(j)</sup>	Number	89,985	92,093	88,831
102-8	Total full-time employees	Number	53,590	51,365	54,500
102-8	Total part-time employees	Number	36,395	40,728	34,331
102-8	Total U.S. employees	Number	66,757	66,933	61,942
102-8	Total Canada employees	Number	10,931	10,889	11,102
102-8	Total Europe employees	Number	12,297	14,271	15,787
WORKPLACE SAFETY <sup>(k)</sup>					
403-9	Fatalities	Number	1	1	3
403-9	High consequence work-related injuries (l)	Number	37	46	485
403-9	Rate of high consequence work-related injuries	Rate	0.05	0.06	0.69

GRI LINK	TOPIC	METRIC	FY20 <sup>(a)</sup>	FY19 <sup>(a)</sup>	FY18 <sup>(a)</sup>
403-9	Rate of recordable work-related injuries	Rate	2.7	2.9	2.2
403-9	Recordable work-related injuries (l)	Number	1,965	2,087	1,545
DIVERSITY AND INCLUSION <sup>(m)</sup>					
405-1	Total females	Number	53,552	52,135	55,404
405-1	Total U.S. females	Number	40,398	37,873	39,961
405-1	Total Canada females	Number	5,630	5,817	6,039
405-1	Total Europe females	Number	7,524	8,445	9,404
405-1	Female % of total employees	Percentage (%)	59.5%	56.6%	62.4%
405-1	Female % of total senior management	Percentage (%)	28.1%	24.2%	21.0%
405-1	Female % of management	Percentage (%)	61.8%	62.1%	62.2%
405-1	Female % of non-management	Percentage (%)	60.8%	61.6%	62.5%
EMPLOYEE ENGAGEMENT					
NA	Employees engaged	Percentage (%)	53.0%	50.0%	50.0%
NA	Employees responding to employee engagement survey	Percentage (%)	88.0%	86.0%	92.0%
COMMUNITY ENGAGEMENT					
413-1	Business units with local community engagement programs (n)	Percentage (%)	100.0%	100.0%	100.0%
GOVERNANCE					
GOVERNANCE STRUCTURE <sup>(o)</sup>					
102-22	Board gender diversity	Percentage (%)	30.0%	27.3%	27.3%
102-22	Board gender diversity independent directors	Percentage (%)	57.1%	50.0%	50.0%
102-22	Board independence	Percentage (%)	53.8%	54.5%	54.5%
102-22	Board tenure	Number	12.8	16.5	15.5
RESPONSIBLE PROCUREMENT					
308 and 414	Number of external supplier sustainability assessments	Number	31	29	29

a. Our reported data covers our two new fiscal years - April 30<sup>th</sup> 2018 to April 28<sup>th</sup> 2019 (referred to as FY19) and April 29<sup>th</sup> 2019 to April 26<sup>th</sup> 2020 (referred to as FY20). At the time of preparing this report, FY20 was the last year we had completed the data.

b. Operating expenses include operating, selling, administrative and general expenses. We have restated our FY18 operating expense figure to 6,074.6 from 6,070.4 to align with accounting standard changes. For more information on operating expenses, please refer to our Annual Reports located on our Corporate website.

c. 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 Annual Information Forms located on our Corporate website for our total sites.

d. Our environmental management 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.

e. 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, International Energy Agency, Association of Issuing Bodies and Climate Transparency 2019 Report. We applied Global Warming Potentials from the IPCC Fifth Assessment Report.

f. Direct GHG emissions and energy include natural gas in North America.

g. Indirect GHG emissions and energy include electricity covering both renewable and non-renewable energy sources in North America and Europe. There was a significant increase between FY18 and FY19 due to two variables: 1) For Europe: the inclusion of data from the Ireland Business Unit in FY19 and FY20 which was previously excluded from FY18 due to data constraints. 2) For North America: the inclusion of a large number of incremental sites in the last two months of FY18, contributing to just two months of consumption in FY18 as compared to 12 complete months of consumption in FY19 and FY20.

h. 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 9,224 sites were covered in FY20, 9,325 sites in FY19 and 9,199 sites in FY18.

i. Water data only covers various North American sites. A total of 6,855 sites were covered in FY20, 6,941 sites in FY19 and 6,828 sites in FY18.

j. Employee numbers represent the U.S., Canada and Europe including Holiday employees. Our FY18 employee numbers have been restated to include Holiday employees as previously they were not included. The number of employees in April 2020 was impacted by COVID-19, in February 2020 the total number of employees was 91,315.

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

l. In FY19 and FY20, we developed one global definition of high consequence work-related injuries and recordable work-related injuries, aligning our Europe and North America definitions. Overall, the consolidated number of injuries has remained relatively consistent, over the last three fiscal years.

m. In a few instances (less than 0.01%), gender information was not available in our systems and therefore estimations were made. Definition of Senior Management according to the ACT organizational chart. Female total numbers exclude employees on long-term leave.

n. The percentage of business units with local community engagement programs was determined through a survey sent to each business unit. If a business unit had donated time or investments to a community-based project or NGO, community engagement was assumed.

o. For more information on governance data, please refer to our Management Proxy Circulars located on our Corporate website.



# Select Industry Association Memberships



# 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 July 24, 2020, 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. Additionally, we are uncertain of the duration and impacts of the current COVID-19 pandemic on our business. We are actively monitoring the effect of the COVID-19 pandemic on all aspects of our business and geographies, including how it will impact our people, our customers, our suppliers, our business partners and distribution channels.

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 131,000 people around the globe  
who help make our customers' lives a little  
easier every day, **we thank you.**



[www.acttoevolve.com](http://www.acttoevolve.com)