

2022 Green Bond Report



ALIMENTATION
COUCHE-TARD



CIRCLE K



OUR COMMITMENT TO SUSTAINABILITY

Alimentation Couche-Tard (“Couche-Tard”) is a global leader in convenience and fuel retail. Working with approximately 122,000 people at more than 14,000 locations in 24 countries and territories, we serve over 9 million customers daily.

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 believe that we can play a meaningful role in the journey towards a cleaner and safer future as we strive to become the world’s preferred destination for convenience and mobility.

Sustainability as a lens to our business

Pushing forward our commitment to actionable results, we have solidified sustainability as a strategic lens for our business activities in support of a healthier, cleaner and more equitable future for everyone as we strive to make a positive contribution to our people, our planet and its prosperity.

Our sustainability priorities, targets and ambitions are anchored in five focus areas that contribute to the United Nations Sustainable Development Goals. To read more about our sustainability progress in our key focus areas, please view our latest annual sustainability report at <https://corpo.couche-tard.com/en/sustainability/>.

About our Green Bonds issuance & this report

In May 2021, we issued our first Green Bond offering, the first of its kind by a convenience and fuel retailer. The net proceeds of \$346.1M were planned to be used to finance or refinance, in whole or in part, Couche-Tard’s new or existing environmentally friendly projects and community initiatives in key areas. To view our Green Bonds framework [document](#) and all related resources from the initial issuance, please visit our dedicated website section [here](#).

This Green Bond report covers the allocation of proceeds to Eligible Projects from May 2019 until the end of Couche-Tard’s Fiscal Year ended April 24, 2022. This will complete the allocation of our first Green Bonds.



PROJECT EVALUATION AND SELECTION

The Green Bond issuance is aimed at financing initiatives which enable a low-carbon and sustainable future through expenditures that align with our desire to contribute to a cleaner and safer world.

As part of the project evaluation and selection, the representatives from relevant business units, the Sustainability team, and the Treasury department were responsible for the assessment and selection of eligible projects, to ensure alignment with this Framework. In addition, all projects that were allocated funding from proceeds of the issuance of our Green Bonds have followed an internal process that includes a review and approval by members of our leadership team.

All of the selected projects meet at least one of the following Green Bond eligibility criteria as defined in our Framework:

- Clean Transportation
- Energy Efficiency
- Renewable Energy
- Pollution Prevention and Control
- Sustainable Water and Wastewater Management
- Green Buildings

With the proceeds from the Green Bonds, we have financed a variety of projects across most eligible categories, ranging from deploying EV chargers, building water-efficient car wash systems, investing in technology to generate energy savings and by increasing our renewable fuels offering.

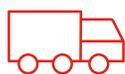
Quantifying environmental benefits

The eligible projects presented in this Green Bond report cover the period starting 24 months prior to the issuance of the Green Bonds, and include eligible projects completed during Couche-Tard's Fiscal Year 2022.



GREEN BOND ALLOCATION

100% of our inaugural Green Bond issuance has been allocated to eligible projects, for a total of \$346.1M, across hundreds of initiatives.



Clean Transportation
18% / \$62.8M



Energy Efficiency
19% / \$66.2M



Renewable Energy
39% / \$134.7M



**Pollution Prevention
and Control**
11% / \$38.3M



**Sustainable Water and
Wastewater Management**
13% / \$44.1M



PROJECTED ENVIRONMENTAL BENEFITS

We expect that all of our initiatives funded by the issuance of the Green Bonds have already yielded or will result, in aggregate, in the following estimated environmental benefits:

Clean Transportation: over 1,000 EV chargers deployed to date in over 250 locations

Energy Efficiency: A 10% decrease of energy intensity from FY20 to FY22.

Renewable Energy: Avoided up to 6.6 million metric tons of CO₂ well-to-wheel emissions in the last year

Sustainable Water and Wastewater Management: upgraded over 500 car washes since FY20, with each system replaced saving an estimated 352,000 litres of water and 9,200 litres of chemicals per year



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FEATURED PROJECTS

Building Charging Networks

We reached a milestone of 1,000 electric vehicle chargers in Europe in FY22. Together with our charging partners, we now have 1,080 EV chargers, covering more than 250 stations throughout Scandinavia, and other European countries. We continue to expand our own fast charging network, with a focus on Scandinavia. In addition, we continue to develop our home and workplace charging solutions in Norway with 7,850 charging points. FY22 also marked our entry into the Norwegian market as an electric power supplier. Our new entity Circle K Strøm (“Circle K Power”) offers customers electricity bought from identifiable, renewable sources.

In FY22, we began our U.S. roll-out with a first EV charging station in Austin, Texas. Elsewhere in North America, we are finalizing the operational platform for owned and operated chargers and have collaborated with partners to open our first branded chargers. Next year, we will open our first Circle K charging points to serve our growing base of EV customers.

Fuel and Sustainable Alternatives

As one of the world leaders in convenience and mobility, we’ve identified three areas within fuel sustainability where we can make the greatest impact: renewable fuels, electric vehicle charging stations, and carbon offsetting. Another facet is supplying Diesel Exhaust Fluid (DEF) in North America and Europe, which help reduce nitrogen oxide (NO_x) emissions from trucks. We now have bulk DEF available across more than 60% of our North American truck stop locations and at select sites in Europe.

Increasing Renewable Fuel Offering

As part of our efforts to support the transition to more sustainable fuels, last year we continued to expand our renewable fuel offering, which includes biofuel blends in all our markets and high blends such as HVO100 in select markets. We are proud to be one of the leading suppliers of HVO globally. In Norway, by adding three additional terminals for storing HVO100, we are now able to offer HVO throughout the Norwegian market. We also introduced HVO100 to Denmark.

In FY22, we made history when the first truck in Europe running on carbon-neutral Power-to-X (PtX) synthetic fuel, also known as e-methanol or “liquid electricity”, was driven in Aalborg, Denmark. We have bought the full volume of PtX from test producer European Energy for the next five years. The PtX fuel will be blended with our other fuels and offered to our customers in Denmark.



FEATURED PROJECTS

CONTINUED

Car wash



Recovering and Recycling Water

As one of the world's largest car wash networks with 2,553 locations across Europe and North America, we recognize that we must do our part to replace, recover and recycle the water we use wherever possible. We are working on several initiatives to bring our systems online for remote monitoring, to manage our water recycling units more effectively.

Using Less Chemicals

We aim to reduce our use of chemicals and find more sustainable alternatives. Upgrades to our car wash equipment provide a better car wash experience for our customers, while also using less water and chemicals. In FY22, we upgraded over 140 car washes, and we plan to upgrade 150 more sites during this next fiscal year. For each system replaced, we save an estimated 352,000 litres of water and 9,200 litres of chemicals per year.

Reducing Energy Consumption

By 2030, we aim to reduce our global carbon footprint by 30%. In FY22, we continued rolling out an energy management system at our North American stores and are conducting pilots at several sites in Europe. This system gives us a clear picture of energy consumption, helping to ensure that we use energy responsibly at a local level. In FY22, we carried out over 10,000 energy-reducing projects globally including remotely controlling exterior lighting and interior heating and cooling. Many of our business units also invested in energy-saving improvements such as LED lighting, cooler retrofits, heating oil burner replacements, and cooling room optimization. We also track our store-level energy usage monthly through our outlier investigation process. This enables us to conduct store-level reviews and identify stores with the greatest potential for energy reduction.

This year, we are piloting UV recycling technology at over 100 locations in North America. The system recirculates the air in the store, reducing the need to heat or cool external air and killing bacteria and viruses.

In Norway, we opened a site that now offers customers charging solutions via six double high-speed electric vehicle chargers located under the main canopy. The site uses energy-efficient technology including solar panels, smart batteries, and an efficient energy management system, enabling us to reduce our energy consumption, resulting in lower emissions and costs.



PWC REPORT

June 29, 2022

Independent Limited Assurance Report in relation to the 2022 Alimentation Couche-Tard Inc. Green Bond Report

To the Directors of Alimentation Couche-Tard Inc.

We have undertaken a limited assurance engagement of the selected key performance indicators below (the subject matter) contained in the 2022 Alimentation Couche-tard Inc. Green Bond Report (the Report) for the year ended in April 24, 2022. The reporting criteria against which the subject matter was assessed is in the Alimentation Couche-Tard Inc. (ACT) Green Bond Framework available at: https://corpo.couche-tard.com/wp-content/uploads/2021/04/COTA48_Green-Bond-Framework-2021_20210507_v02.pdf

Subject matter

Our limited assurance engagement was performed on the following subject matter key performance indicators:

<i>Key Performance Indicators</i>		<i>Value</i>		<i>Report page</i>
Total amount of Sustainability Bond outstanding in US Dollars		\$346.1M		4
Allocation of the Green Bond Portfolio to each of the Eligible Categories, value in US Dollars and as a percentage	Clean Transportation	\$62.8M	18%	4
	Energy Efficiency	\$66.2M	19%	4
	Renewable Energy	\$134.7M	39%	4
	Pollution Prevention and Control	\$38.3M	11%	4
	Sustainable Water and Wastewater Management	\$44.1M	13%	4
Total amount of unallocated proceeds, value in US Dollars and as a percentage of Allocated proceeds at the reporting period-end		\$0 or 100 % of the Green Bond issuance has been allocated		4

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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



PWC REPORT

Management's responsibility

Management is responsible for the preparation of the subject matter in accordance with the reporting criteria established in the ACT Green Bond Framework. Management is also responsible for such internal control as management determines necessary to enable the preparation of the subject matter that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the subject matter based on the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other Than Audits or Reviews of Historical Financial Information* and International Standards on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the subject matter is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures) and evaluating the evidence obtained. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of our report. The procedures are selected based on our professional judgment, which includes identifying areas where the risks of material misstatement, whether due to fraud or error, in preparing the subject matter in accordance with the applicable criteria are likely to arise.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, our procedures included but were not limited to:

- as appropriate, applying analytical procedures, and evaluating the evidence obtained;
- making enquiries of ACT's management, including those with responsibility for green bonds governance, management and reporting;
- evaluating the design of key structures, systems, processes and controls for managing, recording and reporting the subject matter;
- reconciling the total values allocated to the underlying records;
- for a limited sample of projects, reconciling the allocated amounts to the accounting records and validating the eligibility of the project in the context of the framework; and
- evaluating the disclosure and presentation of the subject matter in the Report.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

PWC REPORT

Our independence and quality control

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements*, and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that ACT's subject matter during the year ended on April 24, 2022 is not prepared, in all material respects, in accordance with the applicable criteria.

Purpose of statement and restriction on distribution and use of our report

The subject matter has been prepared to assist ACT's management to report to the Board of Directors (the Board) the subject matter in accordance with the criteria. As a result, the subject matter may not be suitable for another purpose. Our report is intended solely for the use of ACT. We neither assume nor accept any responsibility or liability to any third party in respect of this report

We acknowledge the disclosure of our report, in full only, by ACT at its discretion, in the ACT 2022 Green Bond Report. We make no representations or warranties of any kind to the Board and management or any other third party in respect of this report.

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Partnership of Chartered Professional Accountants

Montreal, Quebec

¹ CPA auditor, public accountancy permit No. A113424