

Loblaw Environmental Commitment

As Canada's leading food and pharmacy retailer, Loblaw is dedicated to minimizing our impact on the environment by conducting our business in an environmentally responsible manner. We strive to drive positive environmental and social change both domestically and internationally. As the nation's largest retailer and private sector employer, we are uniquely positioned to make a difference on the issues that matter to Canadians.

Our commitment extends to complying with all applicable laws and regulations, continuously improving our environmental management systems, and addressing environmental, social, and governance (ESG) priorities that allow us to contribute to our purpose: Helping Canadians Live Life WellTM. Specifically, we are focused on fighting climate change and advancing social equity.

As industry leaders in environmental action for decades, we are building on our success by placing a strong emphasis on reducing our greenhouse gas (GHG) emissions and eliminating waste from our operations, by committing to:

- Achieve net-zero by 2040 for our enterprise operating footprint (includes franchise and associate-owned operations), and 2050 for our scope 3 emissions.
- Reduce plastic waste by making all control brand and in-store plastic packaging recyclable or reusable by 2025.
- Send zero food to landfill by 2030 and achieve measurable food waste reductions in every one of our stores by the end of 2023.

To fulfill these commitments, we are taking the following actions:

- Ensuring all control brand and in-store plastic packaging is recyclable or reusable by implementing the Golden Design Rules.
- Eliminating food waste sent to landfill by adopting efficient processes and prioritizing diversion initiatives, including through donations made to food charity partners.
- Improving source reduction initiatives and implementing waste diversion programs as a means of eliminating waste where possible.
- Advancing energy management and efficiency and incorporating innovation and technology where practical in our operations and environmental practices.



- Developing, maintaining, implementing and communicating emergency response procedures in the event of an environmental incident in order to minimize potential impacts.
- Developing, maintaining and implementing policies, procedures and training programs, to minimize the environmental impact of our operations in a socially and responsible manner, and regularly reviewing our operating practices and procedures, to ensure continuous improvement.
- Developing, maintaining and monitoring environmental objectives and targets and measuring our greenhouse gas (GHG) emission reduction efforts.
- Monitoring and reducing our enterprise water consumption and waste.
- Promoting environmental awareness relating to our operations and products among our colleagues and external stakeholders.
- Encouraging colleagues to communicate our Environmental Commitment and initiatives to our customers, vendors and external stakeholders.

In terms of compliance, we adhere to recognized standards such as the Sustainability Accounting Standards Board (SASB), the Global Reporting Initiative (GRI), and the Task Force on Climate-Related Financial Disclosures (TCFD). We regularly conduct material topic assessments by engaging key stakeholders to identify and manage environmental risks. Additionally, we maintain and monitor compliance with applicable regulatory requirements and ensure good governance at the executive and board of director level over our environmental commitments and progress. We also disclose our progress against commitments on at least an annual basis.

For a detailed account of our initiatives and commitments as well as governance practices, please refer to the <u>Loblaw Environmental</u>, <u>Social and Governance</u> (ESG) Report.