

Environmental, Social and Governance

2025 Priority ESG Disclosure Report

February 2026

Loblaw
Companies
Limited

2025 Priority ESG Disclosure Report

Priority ESG Disclosures

1. Reading and Understanding this Report	2
2. Forward-Looking Statements	3
3. ESG Governance	4
4. ESG Strategy	5
5. ESG Risk Management	5
5.1 Climate-Related Risks	6
5.2 Climate Risk Mitigation	7
6. Ensuring Reliability of our ESG Disclosures	8
6.1 Control Environment	8
6.2 Assurance	8
7. ESG Performance	8
8. ESG Metrics and Targets	8
9. Fighting Climate Change	9
9.1 Carbon Net-Zero	9
9.2 Eliminating Food Waste	11
9.3 Tackling Plastic Waste	11
10. Advancing Social Equity	12
10.1 Aim to be Canada's Most Diverse and Inclusive Employer	12
10.2 Supporting the Health and Well-Being of Children and Women	13
Three Year Summary – Carbon Metrics	14
Glossary of Terms and Management's Internally Developed Criteria	15
Independent Practitioner's Limited Assurance Report	18

Loblaw Companies Limited (“Loblaw”, the “Company”, “we” or “our”) is a Canadian public company incorporated in 1956 and is Canada's food and pharmacy leader, and the nation's largest retailer. Loblaw provides customers with grocery, pharmacy and healthcare services, other health and beauty products, apparel, general merchandise, and wireless mobile products and services. The Company also provides credit card and everyday banking services and insurance brokerage services. With more than 2,800 locations, Loblaw, its franchisees and associate-owners employ more than 220,000 full- and part-time employees, making it one of Canada’s largest private sector employers.

As Canada’s food and pharmacy leader, Loblaw aspires to be a force for positive environmental and social change, and to demonstrate robust corporate governance practices. As one of the nation’s largest retailers and private sector employers, including the hundreds of small businesses operated by our franchisees and associate-owners, Loblaw is uniquely positioned to make a difference. We focus on the areas that matter most to Loblaw and our stakeholders, driving local, national and global impact. We are driven by our purpose — to Help Canadians Live Life Well® — addressing Environmental, Social and Governance (“ESG”) priorities where we feel we can have the biggest impact: fighting climate change and advancing social equity.

Fighting climate change for Loblaw means working to help mitigate the environmental causes and effects of climate change through measures such as: reducing our CO₂e emissions, reaching our net-zero targets, ensuring packaging compliance influenced by the Golden Design Rules (“GDRs”) as defined by the Consumer Goods Forum (“CGF”), and eliminating food waste. Advancing social equity means building a diverse and inclusive workforce and supporting the health and well-being of women and children.

Plan development and processes utilized to measure progress against our targets leverages and are in accordance with internationally recognized methodology including as set out by the Paris Agreement, which aims to limit global temperature rise to 1.5 degrees Celsius.

1. Reading and Understanding this Report

This 2025 Priority ESG Disclosure Report (the “Report”) covers Loblaw’s 2025 fiscal year, as at and for the year ending January 3, 2026. Unless otherwise noted, data included in this report relates to this time period.

Our reporting and data measurement methods relate to the Company's enterprise operations, which includes corporate and franchise-owned retail food and Associate-owned drug stores, as well as corporate offices and distribution centres, unless otherwise indicated.

Our goal is to deliver robust and transparent ESG disclosures in a timely manner for our stakeholders. Loblaw is monitoring the potential future adoption of the International Financial Reporting Standards (“IFRS”) Sustainability Disclosure Standards and Canadian Sustainability Disclosure Standards (“CSDS”) by the Canadian Securities Administrators (“CSA”).

Certain metrics disclosed in this Report are reported using specific criteria from the Global Reporting Initiative (“GRI”) Standards 2021, as well as the Sustainability Accounting Standards Board (“SASB”) Food Retailers Standard, Drug Retailers Standard, Consumer Finance Standard, and Apparel, Accessories and Footwear Standard. This Report takes additional reporting guidance from the UN Sustainable Development Goals (“UN SDG’s”) and the Task Force on Climate-Related Financial Disclosures (“TCFD”).

This Report is provided solely as an update on the Company’s ESG initiatives and is not intended to promote any specific product or service. Customers should consult the applicable product label or service terms when making purchasing decisions.

The information in this Report is current to February 24, 2026, unless otherwise noted. Unless otherwise noted, all monetary figures in this Report are presented in Canadian dollars.

This Report and latest updates regarding our ESG progress are available in the "Responsibility" section of the Company’s website at [loblaw.ca](https://www.loblaw.ca), which will also include a comprehensive set of ESG metrics and disclosures in table format within our data sheets in Spring 2026. For further information, direct inquiries to esg@loblaw.ca.

2. Forward-Looking Statements

This Report may contain forward-looking information within the meaning of applicable securities legislation which reflects the Company's current expectations regarding future events, including ESG matters discussed in the Report. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, assessing forward-looking ESG metrics and risks, and climate metrics and risks in particular, is more complex and longer-term in nature than traditional business metrics and risks. Many forward-looking methodologies are new and evolving, and there is limited guidance from methodology providers on the calculation or comparability of these measures. In particular, uncertainty around future climate-related policy can contribute to greater variation in transition pathway models. Future updates to factors such as changes in global emissions, available technologies or economic conditions may result in changes to the Company's net-zero path, resulting in changes to the Company's targets. A number of additional factors, including improvements to the coverage, quality, and availability of the Company's data and methodologies, may also necessitate changes to the Company's 2020 baseline or net-zero targets. The Company is monitoring the development of CSDS, and certain metrics disclosed in this Report are reported using specific criteria from the global publication of GRI, SASB, and TCFD. The Company regularly monitors the development of provincial and international ESG reporting regulations, standards and frameworks for their relevance and usability, as well as stakeholder expectations regarding these standards. The Company will periodically assess the comparability and appropriateness of its metrics and targets, and, where appropriate, incorporate new insights, data, models and tools into the Company's ongoing assessment of ESG matters, including climate change. The Company expects its ESG disclosures to continue to evolve as reporting regulations, standards and frameworks mature.

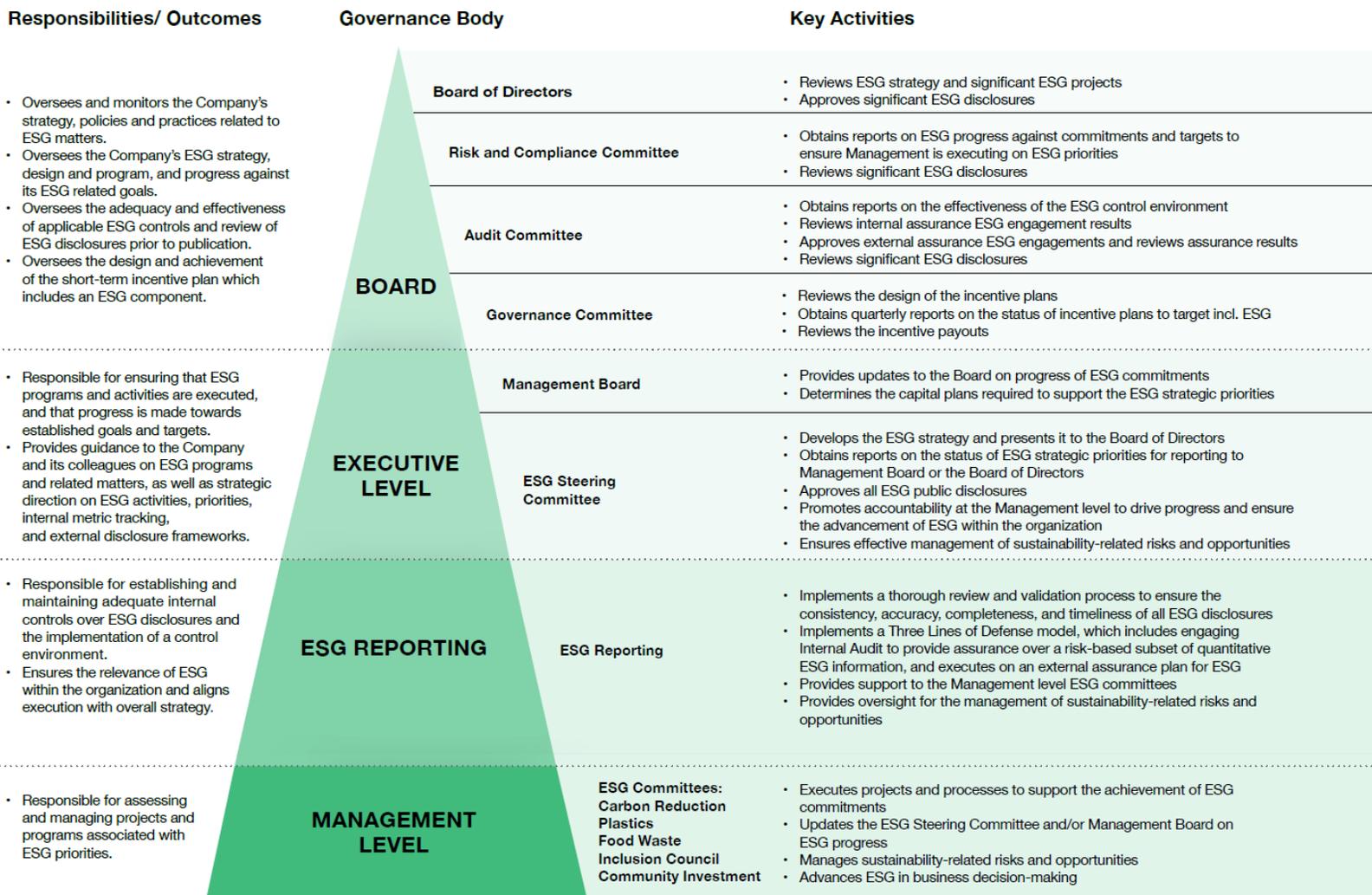
The information in this Report reflects what the Company believes is its best available data and, in the case of climate-related disclosures, best available scenario projections, which are based on the most current emissions information available to the Company. Where appropriate, including in setting its greenhouse gas reduction targets and making climate-related disclosures, the Company has made reasonable and good faith approximations and assumptions. However, there are many factors that the Company may not foresee or that it may be unable to predict accurately. The Company's ability to achieve its ESG goals, including ESG matters discussed in this Report, is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information and may require the Company to adjust its ESG initiatives, activities or plans to reflect a changing landscape. Such risks and uncertainties include, but are not limited to, the Company's ability to meet its greenhouse gas reductions targets; the availability, accessibility and suitability of comprehensive and high-quality data; the need for active and continued participation of the Company's stakeholders; the development of consistent, robust and comparable ESG metrics and methodologies, in particular in respect of climate change; the development and deployment of new technologies and industry-specific solutions; international cooperation; the development of provincial, national and international laws, policies and regulations in respect of ESG matters; and the factors discussed in the Company's current Annual Information Form and most recent Management, Discussion and Analysis. The forward-looking statements in this Report are presented for the purpose of assisting investors and other stakeholders in understanding the Company's ESG priorities, strategies and objectives, and may not be appropriate for other purposes. Undue reliance should not be placed on the forward-looking information in this Report. The Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. All forward-looking statements contained in this Report are made as of the date hereof and are qualified by these cautionary statements.

3. ESG Governance

Loblaw recognizes that strong governance practices are a key driver of ESG success. We have embedded ESG responsibilities into all levels of the organization to facilitate decision-making that includes ESG considerations.

ESG matters have the potential to impact business operations, regulatory compliance, reputation, and financial outcomes, and are therefore an important area of focus for the Loblaw Board of Directors and its committees. The Board oversees and monitors the Company’s approach, policies, and practices related to ESG matters. This includes the Company’s Enterprise Risk Management (“ERM”) program, including its design and structure, and assessment of its effectiveness.

Loblaw has an ESG Steering Committee comprised of senior leaders who guide the Company and its colleagues on the ESG program and related activities, and is tasked with ensuring that the Company considers and adopts leading ESG practices and programs. Responsibilities include overseeing strategic business objectives for ESG commitments and targets, as well as setting the “tone from the top” to foster an ESG focused culture within the organization. The ESG Steering Committee also has oversight for the various ESG Management committees which are responsible for setting priorities and implementing and monitoring ESG related initiatives across the organization.



4. ESG Strategy

We recognize that as a large and diverse company, there are a wide range of ESG topics that fall under the scope of our operations. Our ESG strategy is rooted in two purpose-led pillars: fighting climate change and advancing social equity. Under these two pillars, we have developed five focus areas: carbon net-zero; eliminating food waste; tackling plastic waste; being Canada's most diverse and inclusive employer; and supporting the health and well-being of women and children. Through these focus areas, we address the topics that matter most to our business and prioritize the concerns of our stakeholders. We understand the importance of being accountable for our commitments and the need to disclose both progress and challenges transparently. To this end, we developed targets based on thorough analysis and development of internal roadmaps that are challenging yet achievable.

Our ESG strategy is informed by specific sustainability-related risks and opportunities, reviewed annually to ensure alignment with our ESG strategy and long-term plans. We continuously monitor potential sustainability-related risks and opportunities across our value chain, adjusting our program and metrics as needed.

Loblaw publishes various disclosures focused on how it is addressing environmental and social issues. Annually, we analyze third-party disclosure frameworks to determine reporting alignment based on global prominence, reputation, and relevance to our ESG strategy, risk management, and material topics.

Our ESG climate strategy recognizes climate-related risks and opportunities. To understand the potential implications of both the physical and transition risks and opportunities associated with climate change, we have conducted a climate risk assessment, using both qualitative and quantitative scenario analysis across medium term (2030) and long term (2050) time horizons. This assessment, performed by an independent expert, evaluated potential effects of physical and transition risks on our strategic and financial position under various internationally recognized climate scenarios - Representative Concentration Pathway ("RCP") and Shared Socio-economic Pathway ("SSP"). The assessment identified climate-related risks and opportunities, that helped inform our transition plan. This plan anticipates a 1.5-degree-Celsius global temperature increase, aligning with the Science Based Targets initiative ("SBTi").

5. ESG Risk Management

Loblaw faces ESG risks that could, directly or indirectly, negatively impact our reputation, operations, or performance over the short, medium, or long term. We assess significant sustainability-related risks and opportunities and perform a specific assessment of select climate-related risks and opportunities. Teams within the business, such as ESG Reporting, Sustainability and Community Investment, Legal, Investor Relations, and External Financial Reporting, work together to identify and set mitigation strategies for sustainability-related and climate-related risks throughout the year.

Loblaw has a defined ERM program to assess enterprise risks, including potential environmental and social related risks. ESG risk management is aligned to the ERM program, though the ERM and ESG risk timelines are different given that ESG risks include longer-term time horizons. The climate risk assessment aligns with the ERM risk assessment model to allow for consistent criteria and comparability. The specific criteria used within the assessment included potential impact to the business, likelihood of occurrence, the speed of onset, the current control environment and the level of mitigation activity required to address the risk. More information on our ERM program can be found in the Company's most recent Annual Information Form and in the Management's Discussion and Analysis within the Annual Report, available in the "Investors" section of the Company's website at [loblaw.ca](https://www.loblaw.ca).

5.1 Climate-Related Risks

The Company has identified the following climate-related risks as having the highest potential to impact our business operations:

Transition Risks

- **Carbon pricing** - Carbon pricing has a significant impact on the cost of energy, fuel, raw materials, and operations and it is expected to increase annually to meet Canada's net-zero target.
- **Food waste** - Food waste is a key component of our greenhouse gas emissions and is expected to be subject to stricter regulations, increased transportation costs, as well as a social pressure in the years to come.
- **Refrigeration and refrigerants** - As an integral component of all our stores and distribution centres, changes to regulations regarding refrigerants and retrofitting of systems have the potential to significantly impact our operations.

Physical Risks

- **Supply chain interruptions** - The effects of physical risks (wildfires, ice/snow, droughts, flooding) have the potential to impact the cost and availability of products to the Company through its supply chain.
- **Long-term temperature and precipitation rise** - Rising mean temperatures, along with the accompanying changes in precipitation patterns, could potentially drive more acute extreme events, and impact our operations, colleagues, and customers, such as the potential to impact access to our stores and distribution centres.

ESG risks and opportunities noted through risk management exercises inform the Company's ESG strategy during the annual review of ESG materiality and progress. As a result of risks and opportunities identified, changes to the strategy, metrics and/or targets are made as required.

We understand that ESG is a priority for stakeholders who seek to understand how companies incorporate sustainability considerations into their strategic decision-making, and risk management. Stakeholders are interested in how a company's sustainability plans align with its business model, risk mitigation plans, and its potential for long-term value creation. Therefore, we aim to continue to provide transparency related to activities required to achieve our sustainability commitments.

5.2 Climate Risk Mitigation

To do our part in contributing to thriving, prosperous communities for generations to come, addressing climate risk is paramount – it is the right thing to do for our communities, and our customers. The climate risk mitigation initiatives we are undertaking not only help mitigate related risks and propel our journey towards achieving our net-zero objectives, but also create new opportunities and strengthen our business for long-term success. The following illustrates the strategies we are implementing to help mitigate and/or minimize exposure to the identified risks.

Carbon Pricing	Supply Chain Interruptions
Food Waste	Long-Term Temperature and Precipitation Rise
Refrigeration and Refrigerants	

Carbon Pricing (Time Horizon: Short/Medium/Long) The Company has committed to a 50% reduction (from our 2020 baseline) of our enterprise operating footprint by 2030, net-zero emissions for Scope 1 and Scope 2, market-based emissions by 2040 and net-zero Scope 3 emissions by 2050. We continue to implement smart controls for lighting, refrigeration and Heating, Ventilation and Air Conditioning systems. We are converting to LED lighting across our stores and pharmacies, including equipping new stores with energy efficient lighting during construction. Starting in 2025, Loblaw has entered into renewable energy purchase agreements to ensure more of our directly purchased electricity is sourced from wind and solar power.

Food Waste (Time Horizon: Short/Medium/Long) The Company has committed to zero food waste to landfill by 2030. We have invested in sophisticated inventory systems to improve our procurement practices and forecast planning, we are using data tracking tools in stores to analyze product lifecycles, and we are shortening our supply chain to help keep food fresher longer. Through these and other systems, we will ensure food is ordered or prepared in amounts that aim to reduce waste.

Through our partnership with Flashfood we have been able to feed hundreds of thousands of families across the country more affordably while reducing our food waste. We are also a proud member of the Consumer Goods Forum’s Global Food Waste Coalition of Action.

Refrigeration and Refrigerants (Time Horizon: Short/Medium/Long) As an integral component of all our stores and distribution centres, changes to regulations regarding refrigerants have the potential to significantly impact our operations. The majority of new grocery stores are built with natural refrigerant based refrigeration systems and in our legacy stores, we are actively converting our systems to use lower impact refrigerants. We have also leveraged data from our centralized energy management systems to develop a system that allows for leaks to be detected earlier.

Supply Chain Interruptions (Time Horizon: Short/Medium/Long) Loblaw works with vendors to assess the impact of climate change on crops in various countries and regions, and we continue to explore alternative farming approaches, including local sourcing and greenhouse growers. We support Canadian Alliance for Net-Zero Agricultural (“CANZA”), which is focused on developing, testing and scaling innovative technologies, and incentivizing the adoption of regenerative agriculture and carbon farming practices, with the ambition to collectively transform the sector and create a circular, net-zero agri-food value chain.

Loblaw procurement works closely with supply chain management to ensure redundancy in the supply chain, by sourcing from multiple vendors from various regions/countries in addition to having numerous routes and modes of transportation for shipped goods.

Long-Term Temperature and Precipitation Rise (Time Horizon: Long) Loblaw follows municipal building requirements to ensure locations are built to address the various environmental factors such as earthquakes, high flood zones, etc. Loblaw has a robust enterprise crisis management process to minimize damages or other impacts and ensure the safety of our customers and colleagues. We recognize that, despite best efforts, some risks will materialize. We work diligently with our insurance providers to ensure coverage is reflective of potential risk.

6. Ensuring Reliability of our ESG Disclosures

We recognize the importance of ensuring the accuracy and reliability of our ESG disclosures. That is why we have built a robust control environment to test and validate the accuracy of our ESG information which supports our commitment to transparency and accountability. Our sustainability and social impact reporting is part of our work to further mature our ESG program, and we continue to evolve and strengthen our control environment as necessary to ensure that the integrity and reliability of our disclosures meet the expectations of our stakeholders in an evolving landscape.

6.1 Control Environment

Management is responsible for establishing and maintaining adequate internal controls over ESG disclosures. To ensure consistency, accuracy, completeness, timeliness, relevance, and alignment with our overall strategy, we have established a rigorous process which is applied to all ESG disclosures. Our Finance team is involved in reviewing and verifying the quantitative information in our ESG disclosures using a financial assertions framework. The foundation of this control environment is the Three Lines of Defense model. The ESG Reporting team executes this program, to ensure information in our ESG disclosures is reliable and assurance ready.

In designing such a control environment, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, may not prevent or detect misstatements.

6.2 Assurance

As we continue to mature our ESG program, our goal is to obtain the appropriate level of assurance over our ESG disclosures. Our Internal Audit team was engaged to perform a review over a risk-based subset of quantitative information that we disclose. Additionally, PricewaterhouseCoopers LLP was engaged to perform limited assurance over select performance metrics for the current reporting year as outlined in the "Independent Practitioner's Limited Assurance Report". We will continue to assess and determine the appropriate level of assurance required for our key ESG disclosures.

7. ESG Performance

Through our ESG priorities to fight climate change and advance social equity, we address the areas that matter most for our business and our stakeholders. We understand the importance of being accountable to our stakeholders for our commitments and the need to disclose both progress and challenges transparently. To achieve this, we have established priority targets and metrics and we regularly disclose our progress against them.

To drive ESG performance, Loblaw includes ESG as a criterion in the Company's short-term incentive program ("STIP"), linking performance on fighting climate change and advancing social equity activities to compensation for permanent, non-unionized, corporate colleagues at all levels.

The ESG targets for 2025 were designed to focus colleagues on continuing to drive further sustainability and social impact progress across the business. Achievement of the ESG STIP metric was determined based in equal part on social and environmental initiatives. These targets make up 10% of the short-term incentive plan criteria. The design, weighting and payout of the ESG STIP metric is overseen by the Company's Governance Committee, with input from the Risk and Compliance Committee. For more information, refer to the Company's most recent Management Proxy Circular available in the "Investors" section of the Company's website at loblaw.ca.

8. ESG Metrics and Targets

This disclosure provides an overview of our ESG governance, strategy, risk management, and select metrics and targets for fiscal 2025. The Company's comprehensive set of ESG metrics and disclosures will be available in table format within our data sheets in the "Responsibility" section of the Company's website at loblaw.ca in Spring 2026.

We are pleased with these results and the progress we are making to fight climate change and advance social equity. These results are in-line with Management's expectation of progress towards our targets at this time.

9. Fighting Climate Change

Fighting climate change for Loblaw means working to help mitigate the environmental causes and effects of climate change through measures such as: reducing our CO₂e emissions, reaching our net-zero targets, ensuring packaging compliance influenced by the GDRs as defined by the CGF, and eliminating food waste.

9.1 Carbon Net-Zero

Carbon Reduction Target Aspirations:

- Reduce our enterprise operating footprint (Scope 1 and Scope 2, market-based emissions) by 50% by 2030 from a 2020 baseline.
- Achieve net-zero for our enterprise operating footprint (Scope 1 and Scope 2, market-based emissions) by 2040.
- Achieve net-zero for Scope 3 emissions by 2050.

Our enterprise operating footprint includes corporate and franchise-owned retail food and Associate-owned drug stores, as well as corporate offices and distribution centres.

We are proud of the achievements we have made on our Scope 1 and Scope 2, market-based emissions reduction journey, and as of the end of 2025 we have decreased these greenhouse gas ("GHG") emissions by 16% against our 2020 baseline.

Scope 1 & 2 Greenhouse Gas Emissions⁽ⁱⁱ⁾

Metric As at or for the years ended January 3, 2026, December 28, 2024, December 30, 2023 and January 2, 2021 (Metric tonnes of CO ₂ e except where otherwise indicated)	2025	2024 ⁽ⁱ⁾	2023 ⁽ⁱ⁾	2020 Baseline ⁽ⁱ⁾	Applicable Framework
Scope 1 (Direct) – Fleet and building fuel consumptions, refrigerant releases, and company-owned travel ⁽ⁱⁱⁱ⁾	802,081	719,332	721,478	815,772	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition with the inclusion of HCFC refrigerant leaks in Scope 1
Scope 2 (Indirect) – Electricity, market-based ^{(iii)(iv)}	223,319	350,214	372,395	399,396	
Total (Scope 1 and Scope 2, market-based)	1,025,400	1,069,546	1,093,873	1,215,168	
Change (%) as compared to 2024	(4)%				
Change (%) as compared to 2020 Baseline	(16)%				
Progress through Projects					Management's internally developed criteria
Capital expenditure on carbon reduction projects completed ^{(ii)(iii)(v)} (millions of Canadian dollars)	\$36.95	\$40.70	\$43.99		
Number of carbon reduction projects completed ^{(ii)(iii)(v)}	344	509	490		

(i) In 2025, Scope 1 and Scope 2, market-based emissions data was restated for 2024, 2023 and the 2020 baseline for emissions factors included in the 2025 National Inventory Report as well as the factors for emissions from refrigerants from the IPCC Fifth Assessment Report ("AR5"). Furthermore, for 2024, the Company restated its Scope 1 emissions due to updates made to the internal data used in these calculations. A review of fleet data revealed that certain rental fleet assets were not accurately captured and have now been included in the restated 2024 amounts. 2024 comparatives were also updated for actual data that became available in the current year.

(ii) For term and metric definitions, refer to the "Glossary of Terms and Management's Internally Developed Criteria" included within this Report.

(iii) For the 2025 fiscal year ended January 3, 2026, third-party limited assurance was obtained for this data point. Refer to the "Independent Practitioner's Limited Assurance Report" included within this Report.

(iv) For Scope 2 (Indirect) – Electricity, location-based method carbon emissions, refer to the "Three Year Summary – Carbon Metrics", included within this Report.

(v) Excludes Fortinos®, Lifemark Health Group and T&T®.

Loblaw is committed to achieving net-zero Scope 1 and Scope 2, market-based greenhouse gas emissions by 2040 and Scope 3 by 2050. While our aspirational 2030 target for a zero-emissions short-haul truck fleet demonstrated our ambition, external challenges, including global manufacturing delays, insufficient development of electric charging infrastructure, and vehicle reliability issues, have resulted in the realization that this ambition will not be met in the 2030 timeframe. Despite this, we remain committed to our net-zero commitments and continue to make progress across our decarbonization initiatives.

Scope 2, market-based emissions calculation

The Company's Scope 2, market-based emissions include contractual agreements for Clean Energy Credits and Renewable Energy Certificates ("RECs") which represent approximately 18.1%, 7.9% and 5.0% of the overall electricity consumption for 2025, 2024 and 2023 respectively. This metric includes RECs that are purchased and retired prior to February 24, 2026. Loblaw utilizes a residual mix emission factor for its operations in Quebec, however does not have access to such factors for other markets, which can impact the accuracy of emissions allocation within those markets.

For additional details on Scope 1 and Scope 2 carbon related metrics, refer to the "Three Year Summary – Carbon Metrics" included within this Report.

Addressing Scope 3

While our own emissions (Scope 1 and 2) are significant, the large majority of our carbon footprint stems from external sources in our value chain (Scope 3). These are vital to our operations but are not directly managed by Loblaw. Although it represents challenges, tackling Scope 3 emissions is of critical importance to our plan to fight climate change and achieve net-zero by 2050. Our plan to achieve net-zero by 2050 is science-based and focuses on five key areas - supplier engagement and commitments, support for responsible sourcing practices, empowering our people, tackling food waste, and empowering our customers to consider the climate impacts of their choices. Refer to our [net-zero plan](#) for more details.

To succeed, strong data collection and collaboration across the value chain is required. In late 2023, we increased our transparency by disclosing our plan to tackle Scope 3 emissions, which included a call to action sent to all Tier 1 vendors asking them to **#JoinTheCarbonFight**. As part of this work, we announced an interim target to ensure suppliers from whom we source 70% of our volume by spend will set science-based targets by 2027. Our progress toward this target continues and we look forward to publishing an update on our progress later this year.

9.2 Eliminating Food Waste

Addressing food waste is a key component of fighting climate change. By reducing food waste, we can help ensure that all Canadians have access to healthy food, minimize our environmental impact, reduce our cost to serve, and strengthen our relationships with local partners and producers, creating a more prosperous food system that benefits our customers, our communities, and our business. As part of our efforts to eliminating food waste, each of our food retail stores and eligible drug retail stores are partnered with a food waste diversion partner.

Food Waste Target Aspirations:

- Send zero food to landfill by 2030.

Metric For the years ended January 3, 2026, December 28, 2024 and December 30, 2023 (metric tonnes except where otherwise indicated)	2025	2024	2023	Applicable Framework
Donations to Food Banks and Food Recovery Agencies ⁽ⁱ⁾	20,625	17,656	16,992	CGF - Food Loss and Waste Protocol
Feeding animals ⁽ⁱⁱ⁾	30,170	28,348	23,987	
Bio-based materials / biochemical processing ⁽ⁱⁱ⁾	1,220	1,388	3,987	
Anaerobic digestion ⁽ⁱⁱ⁾	3,261	5,445	13,751	
Composting / aerobic processes ⁽ⁱⁱ⁾	27,833	27,375	20,070	
Total food waste diverted	83,109	80,212	78,787	

(i) Donations to Food Banks and Food Recovery Agencies includes corporate and franchise-owned retail food and Associate-owned drug stores, as well as distribution centres.

(ii) This food waste diversion figure is limited to data from our corporate food retail operations at this time.

We are committed to providing a comprehensive view of our food waste diversion efforts and are actively assessing food waste data from our broader enterprise operations. Management is currently developing processes to calculate the total food waste generated by enterprise operations. Reporting with integrity is important to us and we are committed to expanding our disclosures as soon as we are able to verify the accuracy and completeness of the data.

9.3 Tackling Plastic Waste

Plastic Waste Target Aspirations:

- Ensure control brand and store-supplied plastic packaging is recyclable or reusable in accordance with Loblaw's internally developed criteria by 2025.

Metric As at January 3, 2026, December 28, 2024 and December 30, 2023	2025	2024	2023	Applicable Framework
Percentage of recyclable or reusable control brand and store-supplied plastic packaging based on vendor provided data ⁽ⁱ⁾⁽ⁱⁱ⁾ (%)	98%	90%	64%	Management's internally developed criteria

(i) For term and metric definitions, refer to the "Glossary of Terms and Management's Internally Developed Criteria" included within this Report.

(ii) For the 2025 fiscal year ended January 3, 2026, third-party limited assurance was obtained for this data point. Refer to the "Independent Practitioner's Limited Assurance Report" included within this Report.

Loblaw's internally developed criteria for "recyclable or reusable" plastic packaging focuses on material conversions and the removal of problematic elements. As such, the definition of "recyclable or reusable" is based on Consumer Goods Forum's ("CGF") Golden Design Rules ("GDRs") 1, 2, 5, 6, and 7. The metric excludes GDRs 3, 4, 8, and 9. Refer to the "Glossary of Terms and Management's Internally Developed Criteria" for details.

Since 2022, Loblaw has taken proactive steps to tackle plastic waste by communicating the GDRs to control brand and packaging vendors and outlining our new criteria for packaging standards. In 2024, we achieved a recyclable or reusable percentage rate of 90% under Loblaw's internally developed criteria, an increase from 64% in the previous year. The increase was primarily due to strong vendor engagement to convert plastic packaging across their product portfolio, which continued into 2025. By the end of 2025, Loblaw successfully reached a percentage for recyclable or reusable control brand and store-supplied plastic packaging of 98%. As Loblaw continues to roll out material conversions, certain products in stores may temporarily have packaging that is not recyclable and/or reusable until such products are replenished with updated packaging in the ordinary course of business.

The Company is in the process of developing its plastic waste aspirations for 2026 and beyond.

10. Advancing Social Equity

Advancing social equity means building a diverse and inclusive workforce and supporting the health and well-being of women and children.

10.1 Aim to be Canada’s Most Diverse and Inclusive Employer

In 2024, we announced 2028 representation goals, which are informed by the proportion of women and members of racialized groups in the Canadian population. The Statistics Canada 2021 Census reports women representing 50% and members of racialized groups representing 26% of the Canadian population.

The Executive and Management data below is derived from self-identification data collected through our Human Resources Information System throughout the year, with race and ethnicity information being collected on a voluntary basis, and includes the corporate workforce only. In 2025, 66% of Management and 93% of Executives voluntarily disclosed their race or ethnicity. All representation metrics below have been rounded to the nearest whole percentage.

Metric As at January 3, 2026, and December 28, 2024	2028 Goals	2025	2024	Applicable Framework
Percentage of women in Board of Directors ⁽ⁱⁱ⁾	40%	46%	46%	GRI 405-1a.i
Percentage of women in Executive positions ⁽ⁱ⁾⁽ⁱⁱ⁾	45%	41%	40%	GRI 405-1b.i
Percentage of women in Management positions ⁽ⁱ⁾⁽ⁱⁱ⁾	46%	46%	47%	GRI 405-1b.i
Percentage of racialized individuals in Board of Directors ⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	23%	23%	23%	GRI 405-1a.iii
Percentage of racialized individuals in Executive positions ⁽ⁱ⁾⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	30%	28%	28%	GRI 405-1b.iii
Percentage of racialized individuals in Management positions ⁽ⁱ⁾⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	30%	29%	25%	GRI 405-1b.iii

(i) For term and metric definitions, refer to the "Glossary of Terms and Management’s Internally Developed Criteria" included within this Report.

(ii) For the 2025 fiscal year ended January 3, 2026, third-party limited assurance was obtained for this data point. Refer to the "Independent Practitioner’s Limited Assurance Report" included within this Report.

(iii) Starting in 2025, the term "racialized individuals" is adopted for the purposes of representation metrics and reporting, replacing the term "visible minorities". This terminology is increasingly used in Canada as it emphasizes race as a social construct rather than focusing on visible traits. It also recognizes that racialized groups consist of individuals who may not always be in the minority or visibly identifiable, acknowledging the diverse and nuanced experiences within these communities.

Along with announcing updated representation goals for 2028, we expanded the definition of Management positions to include department managers as part of our continued commitment to corporate workforce representation. As a result of this change to the definition of Management, the percentage of women in Management positions has been restated from 46% to 47%, and the percentage of racialized individuals in Management positions from 34% to 25% for the fiscal year 2024, to ensure year-over-year comparability of results.

10.2 Supporting the Health and Well-Being of Children and Women

Target Aspirations:

- President's Choice Children's Charity (the "Charity") aims to feed one million children annually by 2025.
- Loblaw commits to \$150 million in corporate and fundraising support to President's Choice Children's Charity to help address childhood hunger and improve food skills by 2027.
- Shoppers Foundation for Women's Health™ (the "Foundation") aims to support initiatives that improve women's access to care through providing \$50 million by 2026.
- Feed More Families™ aims to provide one billion pounds of food to community-based food charities.

The below data includes enterprise operations, which includes corporate and franchise-owned retail food and Associate-owned drug stores, as well as corporate offices and distribution centres.

Metric For the years ended January 3, 2026, and December 28, 2024 (millions of Canadian dollars)	2025	2024	Applicable Framework
Amounts raised for President's Choice Children's Charity from Loblaw's corporate donations and fundraising ⁽ⁱ⁾⁽ⁱⁱ⁾	\$23.70	\$22.52	Management's internally developed criteria
Amounts raised for Shoppers Foundation for Women's Health™ from Loblaw's corporate donations and fundraising ⁽ⁱ⁾⁽ⁱⁱ⁾	18.70	12.57	
Amounts raised for Food Banks and Food Recovery Agencies from Loblaw's corporate donations and fundraising ⁽ⁱ⁾⁽ⁱⁱ⁾	3.90	4.27	
Amounts raised for other registered charitable organizations from Loblaw's corporate donations and fundraising ⁽ⁱ⁾⁽ⁱⁱ⁾	1.47	1.71	
Total funds raised and donated (excluding donations in-kind)	\$47.77	\$41.07	
Donations in-kind provided to Food Banks and Food Recovery Agencies from Loblaw's corporate donations and fundraising ⁽ⁱ⁾	\$190.25	\$165.95	Management's internally developed criteria
Funds raised for other community investment programs	2.12	5.34	
Total funds raised and donated (including donations in-kind)	\$240.14	\$212.36	

(i) For term and metric definitions, refer to the "Glossary of Terms and Management's Internally Developed Criteria" included within this Report.

(ii) For the 2025 fiscal year ended January 3, 2026, third-party limited assurance was obtained for this data point. Refer to the "Independent Practitioner's Limited Assurance Report" included within this Report.



The President's Choice Children's Charity achieved its ambitious target of reaching one million children⁽ⁱ⁾ annually for the 2025/2026 school year, making a meaningful difference by feeding children facing food insecurity in schools across the country. In 2025, Loblaw fulfilled its 2018 commitment to raise and donate \$150 million to the Charity — one year ahead of schedule. The Charity has raised and donated a total of \$158 million to date, directly supporting the Charity's mission to remove hunger as a barrier to education for Canadian students.



In 2025, Shoppers Foundation for Women's Health™ met their commitment to donate \$50 million cumulatively since 2022, a year earlier than the 2026 target timeline. The Foundation is committed to supporting charities that make a meaningful impact on the health and wellness of women. In 2026, the Foundation will focus on supporting women's health partner organizations across the country.



The funds raised and in-kind donations provided through Feed More Families™ is the equivalent of 180 million pounds⁽ⁱⁱ⁾ of food that has been provided to food charities across Canada since the launch of the program in 2022. We will continue this valuable work in 2026, with a focus on local impact for community food charities.

(i) The number of children reached is defined as the total number of students enrolled in the school that are eligible for the President's Choice Children's Charity's Power Full Kids™ | Eat Well Program. The total number of students enrolled is self-attested by the schools at a point in time on an annual basis.

(ii) Pounds of food donated to community-based food charities are calculated by multiplying the total dollar value of monetary contributions by a conversion factor of 2 pounds per \$1 donated. This conversion factor is based on information included in Food Banks Canada's "meal metric" and aligned to with our food recovery partners. While the majority of donations are intended to support and enable food related initiatives, some funds may be allocated by the partners to other programs or operational needs, including research.

Three Year Summary – Carbon Metrics⁽¹⁾

Metric For the years ended January 3, 2026, December 28, 2024 and December 30, 2023	2025	2024 ⁽²⁾	2023 ⁽²⁾	Applicable Framework
Scope 1 & 2 GHG Emissions (Metric tonnes of CO ₂ e)				
Scope 1 by GHG Type				
Carbon Dioxide (CO ₂)	423,267	368,946	328,933	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition with the inclusion of HCFC refrigerant leaks in Scope 1
Methane (CH ₄)	414	309	307	
Nitrous Oxide (N ₂ O)	3,239	2,379	2,582	
Hydrofluorocarbons (HFCs)	359,950	334,189	380,441	
Perfluorocarbons (PFCs)	—	—	—	
Sulfur Hexafluoride (SF ₆)	—	—	—	
Other (HCFC) ⁽³⁾	15,211	13,509	9,215	
Scope 1 (Direct) – Fleet and building fuel consumptions, refrigerant releases, and company-owned travel	802,081	719,332	721,478	
Scope 2 (Indirect) – Electricity, location based	365,195	362,645	376,595	
Scope 2 (Indirect) – Electricity, market-based	223,319	350,214	372,395	
Total (Scope 1 and Scope 2, market-based)	1,025,400	1,069,546	1,093,873	
Air Emissions from Refrigeration (Metric tonnes of CO ₂ e except otherwise indicated)				
Gross global Scope 1 emissions from refrigerants	375,161	347,698	389,656	SASB FB-FR-110b.1
Percentage of refrigerants consumed with zero ozone-depleting potential (%)	96%	96%	97%	SASB FB-FR-110b.2
Fleet Fuel Management (Gigajoules except otherwise indicated)				
Fleet fuel consumed	2,590,393	2,190,895	1,564,532	SASB FB-FR-110a.1
Percentage renewable (%)	—%	0.167%	11%	
Energy Management (Gigajoules except otherwise indicated)				
Operational energy consumed	15,100,341	14,436,809	15,011,949	SASB FB-FR-130a.1.(1)
Percentage grid electricity (%)	70%	73%	73%	SASB FB-FR-130a.1.(2)
Percentage renewable (%)	18%	—%	0.0006%	SASB FB-FR-130a.1.(3)
Energy Breakdown (Gigajoules)				
Natural Gas	4,309,349	3,788,758	3,985,276	GRI 302.1.a
Heating Oil	7,165	9,202	12,809	
Propane	157,398	116,687	126,201	
Diesel	2,590,457	2,188,681	1,392,522	
Gasoline	131,054	132,279	153,882	
Jet Fuel	15,019	12,501	17,190	
Coal	—	—	—	
Biofuel	11,397	15,777	118,145	GRI 302.1.b

Three Year Summary – Carbon Metrics Endnotes

- (1) For the 2025 fiscal year ended January 3, 2026, third-party limited assurance was obtained for all data points included in this table. See the "Independent Practitioner's Limited Assurance Report" included within this Report.
- (2) In 2025, comparative year data was restated for 2024 and 2023 for emissions factors included in the 2025 National Inventory Report and factors for emissions from refrigerants from the IPCC Fifth Assessment Report ("AR5"). Furthermore, for 2024, the Company restated its Scope 1 emissions and data related to fleet fuel consumed due to updates made to the internal data used in these calculations. A review of fleet data revealed that certain rental fleet assets were not accurately captured and have now been included in the restated 2024 amounts. 2024 comparatives were also updated for actual data that became available in the current year.
- (3) Management has included emissions from HCFC refrigerant leaks in "Scope 1 emissions" and "Scope 1 by Greenhouse Gas Type – Other".

Glossary of Terms and Management’s Internally Developed Criteria

Term	Definition
General	
Fighting climate change	Fighting climate change for Loblaw means working to help mitigate the environmental causes and effects of climate change through measures such as: reducing our CO ₂ e emissions, reaching our net-zero targets, ensuring packaging compliance influenced by the Golden Design Rules (“GDRs”) as defined by the Consumer Goods Forum (“CGF”), and eliminating food waste.
Advancing social equity	Advancing social equity means building a diverse and inclusive workforce and supporting the health and well-being of women and children.
President’s Choice Children’s Charity/La Fondation Pour Les Enfants Le Choix Du Président (the “Charity” or “PCCC”)	PCCC is a charity incorporated without share capital. PCCC is continued under the Canada Not-for-Profit Corporations Act and is registered as a charitable organization under the Income Tax Act (Canada). PCCC is committed to the fight against childhood hunger and partners directly with schools to nourish students, remove hunger as a barrier to education and empower Canadian children with the skills to grow, cook and thrive.
Shoppers Foundation for Women’s Health™ / Fondation Pharmaprix pour la Santé des Femmes ^{MC} (the “Foundation”)	Shoppers Foundation for Women’s Health™ is a charity incorporated without share capital. The Foundation is continued under the Canada Not-for-Profit Corporations Act and is registered as a charitable organization under the Income Tax Act (Canada). The Foundation is committed to supporting charities that make a meaningful impact on the health and wellness of women.
Section 9 Fighting Climate Change	
Section 9.1 Carbon Net-Zero	
Scope 1 and Scope 2 Greenhouse Gas (“GHG”) emissions methodology	<p>Scope 1, Scope 2, location-based and Scope 2, market-based emissions are calculated following the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and emission factors defined by the National Inventory Report (“NIR”). Numbers in the GHG inventory table may fluctuate as more accurate information becomes available such as updates to the emission factors as defined by the NIR.</p> <p>A level of measurement uncertainty exists in these metrics due to the use of estimates for data points that are difficult to obtain. If actual data becomes available we will adjust historical estimates where applicable and where material.</p>
Scope 1 and Scope 2 GHG emissions factors	<p>The 2025 NIR is used for Scope 1 and 2 emission factors for 2025, 2024, 2023 and 2020.</p> <p>The Global Warming Potential (“GWP”) values from the IPCC Fifth Assessment Report (“AR5”) are used to calculate the emissions from refrigerants for 2025, 2024, 2023 and 2020.</p>
Restatement of historically reported amounts	<p>As a result of the restatement for the updated 2025 NIR, AR5, rental fleet data and actual 2024 data that became available, the following revisions have been made to historically reported amounts:</p> <ul style="list-style-type: none"> • Scope 1 (Direct) – Fleet and building fuel consumptions, refrigerant releases, and company-owned travel emissions were revised for the following years (in metric tonnes of CO₂e): <ul style="list-style-type: none"> ◦ 2024: from 687,940 to 719,332 (increase of 4.6%); ◦ 2023: from 726,052 to 721,478 (decrease of 0.6%); and ◦ 2020: from 826,921 to 815,772 (decrease of 1.3%). • Scope 2 (Indirect) – Electricity, market-based emissions were revised for the following years (in metric tonnes of CO₂e): <ul style="list-style-type: none"> ◦ 2024: from 368,076 to 350,214 (decrease of 4.9%); ◦ 2023: from 388,300 to 372,395 (decrease of 4.1%); and ◦ 2020: from 429,413 to 399,396 (decrease of 7.0%). • Scope 2 (Indirect) – Electricity, location-based emissions were revised for the following years (in metric tonnes of CO₂e): <ul style="list-style-type: none"> ◦ 2024: from 376,246 to 362,645 (decrease of 3.6%); and ◦ 2023: from 392,500 to 376,595 (decrease of 4.1%).

Glossary of Terms and Management's Internally Developed Criteria

Term	Definition
Restatement of historically reported emissions (<i>continued</i>)	<p>As a result of the restatement for the 2025 NIR, AR5, rental fleet data and actual 2024 data that became available, the following revisions have been made to historically reported amounts:</p> <ul style="list-style-type: none"> • Methane (CH₄) emissions were revised for the following years (in metric tonnes of CO₂e): <ul style="list-style-type: none"> ◦ 2024: from 255 to 309 (increase of 21.2%); and ◦ 2023: from 270 to 307 (increase of 13.7%). • Other (HCFC) emissions were revised for the following years (in metric tonnes of CO₂e): <ul style="list-style-type: none"> ◦ 2024: from 12,176 to 13,509 (increase of 10.9%); ◦ 2023: from 8,029 to 9,215 (increase of 14.8%). • Heating Oil were revised for the following years (in gigajoules): <ul style="list-style-type: none"> ◦ 2024: from 11,512 to 9,202 (decrease of 20.1%). <p>As a result of the restatement for the rental fleet data that was not accurately captured, the following revisions have been made to historically reported amounts:</p> <ul style="list-style-type: none"> • Fleet fuel consumed were revised for the following years (in gigajoules): <ul style="list-style-type: none"> ◦ 2024: from 1,767,921 to 2,190,895 (increase of 23.9%). • Diesel were revised for the following years (in gigajoules): <ul style="list-style-type: none"> ◦ 2024: from 1,766,894 to 2,188,681 (increase of 23.9%).
Capital expenditure on carbon reduction projects completed	<p>The total capital expenditure reported for Scope 1 and Scope 2, market-based carbon emission reduction projects includes investments made in both projects that were completed in 2025 and projects that were in progress as at the end of the reporting period. The calculation of this metric aligns with the capitalization policy for financial reporting purposes, as such, reported amounts include those which meet the criteria for capitalization within the reporting period. Items excluded from capital expenditure for this metric include, but are not limited to, regular maintenance and repairs, preventative measures (e.g. refrigeration leak inspections), and minor energy efficiency upgrades which are not capitalized.</p>
Number of carbon reduction projects completed	<p>Carbon reduction projects relate to the following activities: store refrigerant conversions, store lighting upgrades, franchise store recommissioning for efficiencies and calibrations of systems, automated refrigerant leak detection, DC retrofits including lighting and refrigeration, and fleet electrification. A project is defined at the individual site or fleet vehicle level.</p>
<h3>Section 9.3 Tackling Plastic Waste</h3>	
Percentage of recyclable or reusable control brand and store-supplied plastic packaging based on vendor provided data	<p>“Recyclable or reusable” packaging is defined as packaging that is aligned with Consumer Goods Forum's ("CGF") Golden Design Rules ("GDRs") 1, 2, 5, 6, and 7. The scope of this metric includes only plastic packaging that would leave the store with the customer with in-store purchases and as such does not include business-to-business packaging, or supplies used in-store in the ordinary course of business, or packaging for shipping and delivery to customers. In-scope plastic packaging includes products and store-supplied packaging found in corporate and franchise-owned retail food and Associate-owned Drug stores for the following brands: Carnaby Sweet®, Everyday Essentials®, Farmer's Market®, From Our Chefs®, Joe Fresh®, Life at Home™, Life Brand®, no name®, no name Naturally Imperfect®, Pane Fresco®, PC® Black Label, PC® Blue Menu®, PC® Free From, PC® Organic, President's Choice®, Quo Beauty®, Rooster®, Sequest®, Sufra®, SunSpun®, Suraj®, and Ziggy's®. This metric excludes T&T® branded products, products where packaging is considered a functional part of the product itself and/or a commercially viable alternative for material conversions is not yet available.</p>
Material conversions	<p>Refers to replacing product packaging material for more easily recyclable or reusable material.</p>
Problematic elements	<p>Refers to packaging components or material features that impair recyclability, contaminate recycling streams, or reduce the quality/value of recycled resin at scale.</p>

Glossary of Terms and Management’s Internally Developed Criteria

Term	Definition
In-scope Golden Design Rules as defined by the Consumer Goods Forum	In-scope Golden Design Rules include the following: <ul style="list-style-type: none"> • GDR 1 “Increase Value in PET Recycling”; • GDR 2 “Remove Problematic Elements from Packaging”; • GDR 5 “Increase Recycling Value for PET Thermoformed Trays and Other PET Thermoformed Packaging”; • GDR 6 “Increase Recycling Value in Flexible Consumer Packaging”; • GDR 7 “Increase Recycling Value in Rigid HDPE and PP”.
Out-of-scope Golden Design Rules as defined by the Consumer Goods Forum	Out-of-scope Golden Design Rules include the following: <ul style="list-style-type: none"> • GDR 3 “Eliminate Excess Headspace”; • GDR 4 “Reduce Plastic Overwraps”, given challenges with food safety or shelf life; • GDR 8 “Reduce Virgin Plastic Use in Business-to-Business Plastic Packaging”, which is not applicable as this metric does not relate to business-to-business sales; and • GDR 9 “Use On-Pack Recycling Instructions”, which is not applicable for Loblaw as it is the outcome of downstream stakeholders upgrading the capability of current municipal recycling systems.

Section 10 Advancing Social Equity

Section 10.1 Aim to be Canada’s Most Diverse and Inclusive Employer

Executive positions	Executive positions include Vice-President level and above.
Management positions	For the purpose of representation reporting, Management encompasses roles with direct leadership type responsibilities including managing operations and/ or managing people. The roles defined as management include, but are not limited to, senior director, director, senior manager, manager, DC managers, store managers, assistant store managers, and department managers. The Company has made efforts to apply this definition consistently, however where job titles were unclear, certain roles which may possess some managerial responsibilities were classified as individual contributors.

Section 10.2 Supporting the Health and Well-Being of Children and Women

Amounts raised for President’s Choice Children’s Charity from Loblaw’s corporate donations and fundraising	These metrics include amounts that were provided to PCCC and the Shoppers Foundation through Loblaw’s corporate donations and fundraising during the reporting period. Fundraising facilitated by Loblaw includes contributions obtained from customers, colleagues, vendors, online portals, PC Optimum™ points redemptions and corporate donations.
Amounts raised for Shoppers Foundation for Women’s Health™ from Loblaw’s corporate donations and fundraising	
Amounts raised for Food Banks and Food Recovery Agencies from Loblaw’s corporate donations and fundraising	This metric includes amounts that were provided by Loblaw to Food Banks and Food Recovery agencies through corporate donations and in-store fundraising facilitated by Loblaw during the reporting period. It also includes amounts raised during the year that were provided to Food Banks and Food Recovery Agencies subsequent to year end.
Amounts raised for other registered charitable organizations from Loblaw’s corporate donations and fundraising	Includes funds raised and donated to other registered charitable organizations over and above the amounts indicated for President’s Choice Children’s Charity, the Shoppers Foundation, and Feed More Families™ through corporate donations and in-store fundraising facilitated by Loblaw during the reporting period.
Donations in-kind provided to Food Banks and Food Recovery Agencies from Loblaw’s corporate donations and fundraising	Due to data limitations, these in-kind amounts are based on reporting provided by Second Harvest, Food Banks Canada, and Banques Alimentaires du Québec. The in-kind valuation of pounds of food donated is calculated by multiplying the number of pounds donated by a conversion rate – both the pounds and the conversion rates are provided to us by our food recovery partners. This conversion rate is based on a basket valuation that supports the average retail value of 1lb of food which allows a monetary value to be assigned to the donated food.

Independent practitioner's limited assurance report on the select performance metrics as presented in Loblaw Companies Limited's 2025 Priority ESG Disclosure Report

To the Directors of Loblaw Companies Limited

We have conducted a limited assurance engagement on the select performance metrics, including the greenhouse gas emissions performance metrics, as detailed in Schedule 1, of Loblaw Companies Limited ("Loblaw") included in the 2025 Priority ESG Disclosure Report as at January 3, 2026 and for the year then ended.

Responsibilities for the select performance metrics

Management of Loblaw is responsible for:

- the preparation of the select performance metrics in accordance with the applicable criteria applied as explained in the 2025 Priority ESG Disclosure Report (the applicable criteria);
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the select performance metrics, in accordance with the applicable criteria, that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the select performance metrics

Non-financial data is subject to more limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with independence and other ethical requirements of 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 Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the select performance metrics are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the select performance metrics.

We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* (CSAE 3000), and, in respect of the greenhouse gas emissions, Canadian Standard on Assurance Engagements (CSAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the Auditing and Assurance Standards Board (CSAE 3410).

As part of a limited assurance engagement in accordance with CSAE 3000 and CSAE 3410, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of Loblaw's use of the applicable criteria as the basis for the preparation of the select performance metrics.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of Loblaw's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the select performance metrics. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the select performance metrics. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgment, including the identification of where material misstatements are likely to arise in the select performance metrics, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- obtained an understanding of Loblaw's reporting processes relevant to the preparation of its select performance metrics by:
 - inquiring with those within Loblaw involved in preparing the select performance metrics.
 - inspecting relevant documentation relating to Loblaw's reporting processes.
- evaluated whether all material information identified by management has been considered for reporting on the select performance metrics;
- performed inquiries of relevant personnel and analytical procedures on selected information in the select performance metrics;
- performed substantive assurance procedures on selected information in the select performance metrics;
- evaluated the appropriateness of quantification methods and reporting policies;
- evaluated the methods, assumptions and data for developing estimates;
- performed procedures as to whether the Renewable Energy Certificates (RECs) were acquired, applied and retired. We have not, however, performed any procedures regarding the underlying certification of these REC; and
- reviewed the select performance metrics' disclosures in the 2025 Priority ESG Disclosure Report and evaluated the consistency with our understanding and the procedures performed.

Limited assurance 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 the select performance metrics as at January 3, 2026 and for the year then ended are not prepared, in all material respects, in accordance with the applicable criteria.

Other Matters

The comparative select performance metric, Percentage of recyclable or reusable control brand and store-supplied plastic packaging based on vendor provided data, for the years ended December 28, 2024, and December 30, 2023, were not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

Restriction on use

Our report has been prepared solely for the directors of Loblaw for the purpose of assisting management in reporting to the directors on its select performance metrics. The select performance metrics therefore may not be suitable, and are not to be used, for any other purpose. Our report is intended solely for Loblaw.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

Toronto, Ontario

February 24, 2026

Schedule 1 - Select performance metrics and criteria

The limited assurance engagement was performed on the following selected performance metrics for the year ended January 3, 2026 ("2025 Value"):

Select Performance Metrics	Applicable Framework	2025 Value	Report Page Number
Carbon Net-Zero			
Scope 1 & 2 Greenhouse Gas ("GHG") Emissions (Metric tonnes of CO ₂ e)			
Scope 1 (Direct) – Fleet and building fuel consumptions, refrigerant releases, and company-owned travel	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition with the inclusion of HCFC refrigerant leaks in Scope 1	802,081	9
Scope 2 (Indirect) – Electricity, location based	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	365,195	14
Scope 2 (Indirect) – Electricity, market-based	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	223,319	9
Progress through Projects			
Capital expenditure on carbon reduction projects completed (millions of Canadian dollars)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	\$36.95	9
Number of carbon reduction projects completed	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	344	9
Scope 1 by Greenhouse Gas Type (Metric tonnes of CO ₂ e)			
Carbon Dioxide (CO ₂)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	423,267	14
Methane (CH ₄)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	414	14
Nitrous Oxide (N ₂ O)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	3,239	14
Hydrofluorocarbons (HFCs)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	359,950	14
Perfluorocarbons (PFCs)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	—	14
Sulfur Hexafluoride (SF ₆)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition	—	14
Other (HCFC)	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition with the inclusion of HCFC refrigerant leaks in Scope 1	15,211	14
Air Emissions from Refrigeration (Metric tonnes of CO ₂ e except otherwise indicated)			
Gross global Scope 1 emissions from refrigerants	SASB FB-FR-110b.1	375,160	14
Percentage of refrigerants consumed with zero ozone-depleting potential (%)	SASB FB-FR-110b.2	96%	14
Fleet Fuel Management (Gigajoules except otherwise indicated)			
Fleet fuel consumed	SASB FB-FR-110a.1	2,590,393	14
Percentage renewable (%)	SASB FB-FR-110a.1	—%	14
Energy Management (Gigajoules except otherwise indicated)			
Operational energy consumed	SASB FB-FR-130a.1.(1)	15,100,341	14
Percentage grid electricity (%)	SASB FB-FR-130a.1.(2)	70%	14
Percentage renewable (%)	SASB FB-FR-130a.1.(3)	18%	14
Energy Breakdown (Gigajoules)			
Natural Gas	GRI 302.1.a	4,309,349	14
Heating Oil	GRI 302.1.a	7,165	14
Propane	GRI 302.1.a	157,398	14
Diesel	GRI 302.1.a	2,590,457	14
Gasoline	GRI 302.1.a	131,054	14
Jet Fuel	GRI 302.1.a	15,019	14
Coal	GRI 302.1.a	—	14
Biofuel	GRI 302.1.b	11,397	14

Select Performance Metrics	Applicable Framework	2025 Value	Report Page Number
Tackling Plastic Waste			
Percentage of recyclable or reusable control brand and store-supplied plastic packaging based on vendor provided data (%)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	98%	11
Aim to be Canada's Most Diverse and Inclusive Employer			
Percentage of women in Board of Directors	GRI 405-1a.i	46%	12
Percentage of women in Executive positions	GRI 405-1b.i	41%	12
Percentage of women in Management positions	GRI 405-1b.i	46%	12
Percentage of racialized individuals in Board of Directors	GRI 405-1a.iii	23%	12
Percentage of racialized individuals in Executive positions	GRI 405-1b.iii	28%	12
Percentage of racialized individuals in Management positions	GRI 405-1b.iii	29%	12
Supporting the Health and Well-Being of Children and Women			
Amounts raised for President's Choice Children's Charity from Loblaw's corporate donations and fundraising (millions of Canadian dollars)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	\$23.70	13
Amounts raised for Shoppers Foundation for Women's Health™ from Loblaw's corporate donations and fundraising (millions of Canadian dollars)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	\$18.70	13
Amounts raised for Food Banks and Food Recovery Agencies from Loblaw's corporate donations and fundraising (millions of Canadian dollars)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	\$3.90	13
Amounts raised for other registered charitable organizations from Loblaw's corporate donations and fundraising (millions of Canadian dollars)	Management's internally developed criteria as disclosed in Loblaw's 2025 Priority ESG Disclosure Report	\$1.47	13

Loblaw Companies Limited and its subsidiaries own a number of trademarks. Several subsidiaries are licensees of additional trademarks. These trademarks are the exclusive property of Loblaw Companies Limited, its subsidiaries or the licensor and where used in this report, are marked with ™ or ® symbols, or written in italics.

Loblaw
Companies
Limited