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**2015 Corporate Social  
Responsibility Report**



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“I want to shop at a place  
where I can feel good about  
what I buy, where I’ll find  
products that are good for  
me and good for the world  
around me.”

**Paromita**

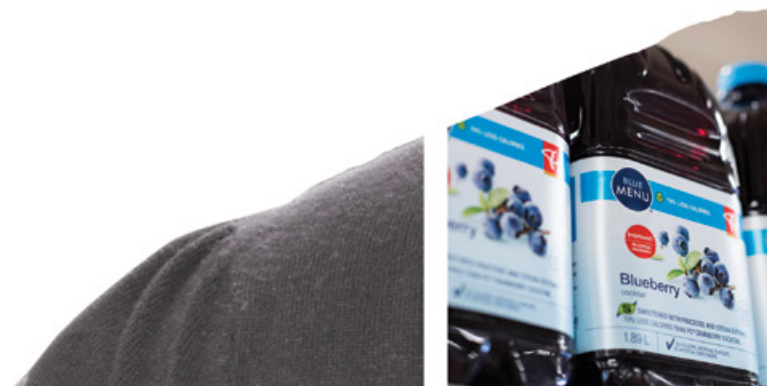
Customer at *Atlantic Superstore*, Nova Scotia

We want to help Canadians  
take simple steps to eat right  
and get expert advice when  
they need it.



We pursue third-party  
certification of  
sustainability for  
at-risk commodities.

Loblaw led the way  
in reducing plastic  
shopping bag use in  
Canada and we continue  
to drive environmental  
improvements.





# About This Report

Loblaw has a long tradition of playing a positive role in Canadian society. We are proud of our history and our responsible approach to business. This, our ninth annual corporate social responsibility (CSR) report, outlines the progress made in our corporate stores, distribution centres and store support centres in 2015. We also discuss initiatives related to our brands and community giving efforts in both corporate and franchised stores.

The scope of our reporting and the data measurement methods applied remain consistent with our 2014 CSR report, published in May 2015. Unless otherwise stated, all highlights in the report are based on 2015 results. Where franchisee, third-party, *Arz*, *T&T Supermarkets* and Shoppers Drug Mart/Pharmaprix Associate-Owner information has been included, it is indicated as such.

In defining report content, we refer to the principles and disclosures of the Global Reporting Initiative (GRI). All CSR plans and stated goals, targets, objectives and results were reviewed by members of Loblaw's Disclosure Committee and Legal department. In addition, our Internal Audit Services department audited certain targets and results included in this report.

## Trademarks

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 in italics.

If you have questions or would like more information, please email us at [csr@loblaw.ca](mailto:csr@loblaw.ca).

## How to Use This Report



### Classic method

You can read the CSR report as you would a regular book: start on page 1 and navigate page by page to the end. To do this, use the arrow keys in the bottom left-hand corner of the page.



### Selective method

You can also go straight to specific topics using the web-like navigation on the left-hand side of the page.

## Symbols Key

< Link to previous page

> Link to next page

Target met

Target almost met or on track

Target not met or at initial stages

## Message to Stakeholders

Each year, this report assembles the stories and statistics behind our corporate social responsibility (CSR) progress. It is an annual source of pride for the many teams and individuals who bring CSR to life at Loblaw.

In 2015, our company honed our previous five CSR pillars to three: sourcing, environment and community. These are the areas where we believe our CSR activities can make the biggest difference – evident in some notable highlights from this past year.

**Sourcing:** We committed to remove chemicals of concern from our household, beauty and cosmetic products in our *Life Brand* and *President's Choice* lines, and reached 94% compliance on our commitment to sourcing only sustainable seafood.

**Environment:** We continued our impressive reduction of store energy use, and have now eliminated 8.5 billion plastic shopping bags since 2007. A team from Loblaw ventured to the Paris climate summit, and I personally signed the Smart Prosperity pledge to formally advocate for a stronger, cleaner Canadian economy. Our company carbon-reduction plan – a personal focus of mine – will be further formalized in 2016.

**Community:** We donated more than \$23 million, primarily in support of women and children's health and wellness. And, we remained one of Canada's top contributors to food banks, supporting their operational capacity and donating 4.2 million pounds of perishable food.

Loblaw has six divisions, each committed to our company's CSR pillars and purpose – *Live Life Well*. But, each also has its own unique value proposition, which puts into words their commitment to the customers and communities they serve.

At Shoppers Drug Mart, the value proposition "*Your Life, Made Easier*" reflects an in-store promise of convenience and wellness, and support for programs that help women put their physical and mental health first. Our Market Division value proposition is "*We Love Food*" because of our in-store commitment to amazing food discovery, and our community commitment to providing programs and dietitians to teach Canadians – particularly kids – about healthy eating. In our Discount Division, "*Feed Everyone*" reflects our fresh and nutritious in-store offer for customers on a budget, and our support for those who turn to food banks when they simply can't afford to eat. In our Emerging Division, "*Reach Tomorrow Together*" speaks to bringing Canadians of every background together through food. At Joe Fresh ("*Essential Style, Exceptional Value*") and PC Financial ("*Making the Everyday Simple and Better*"), we commit to making life's essentials – family clothing and financial services – available to all.

Across our company, across our commitments, we feel very good about the close alignment between our business and our CSR pillars. We hope our pride and our progress is clear in the pages ahead.

As always, I welcome your feedback.



**Galen G. Weston**  
Executive Chairman and President







# Our Company

The Loblaw Family of Companies is made up of six complementary and independent businesses, each of which contributes to our company purpose – *Live Life Well*.

**SHOPPERS**  
DRUG MART



Your Life, Made Easier



Market



We Love Food



Discount



Feed Everyone

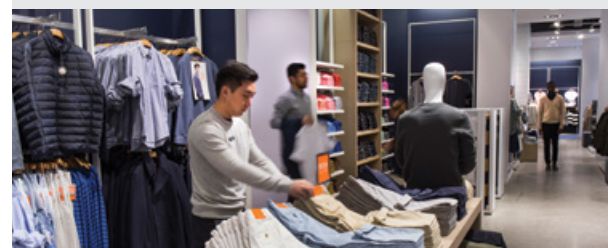


Emerging  
Business



Reach Tomorrow Together

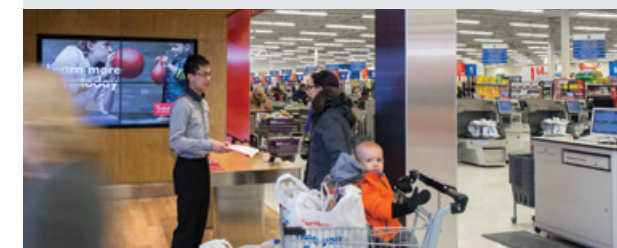
**JOE FRESH**



Essential Style, Exceptional Value



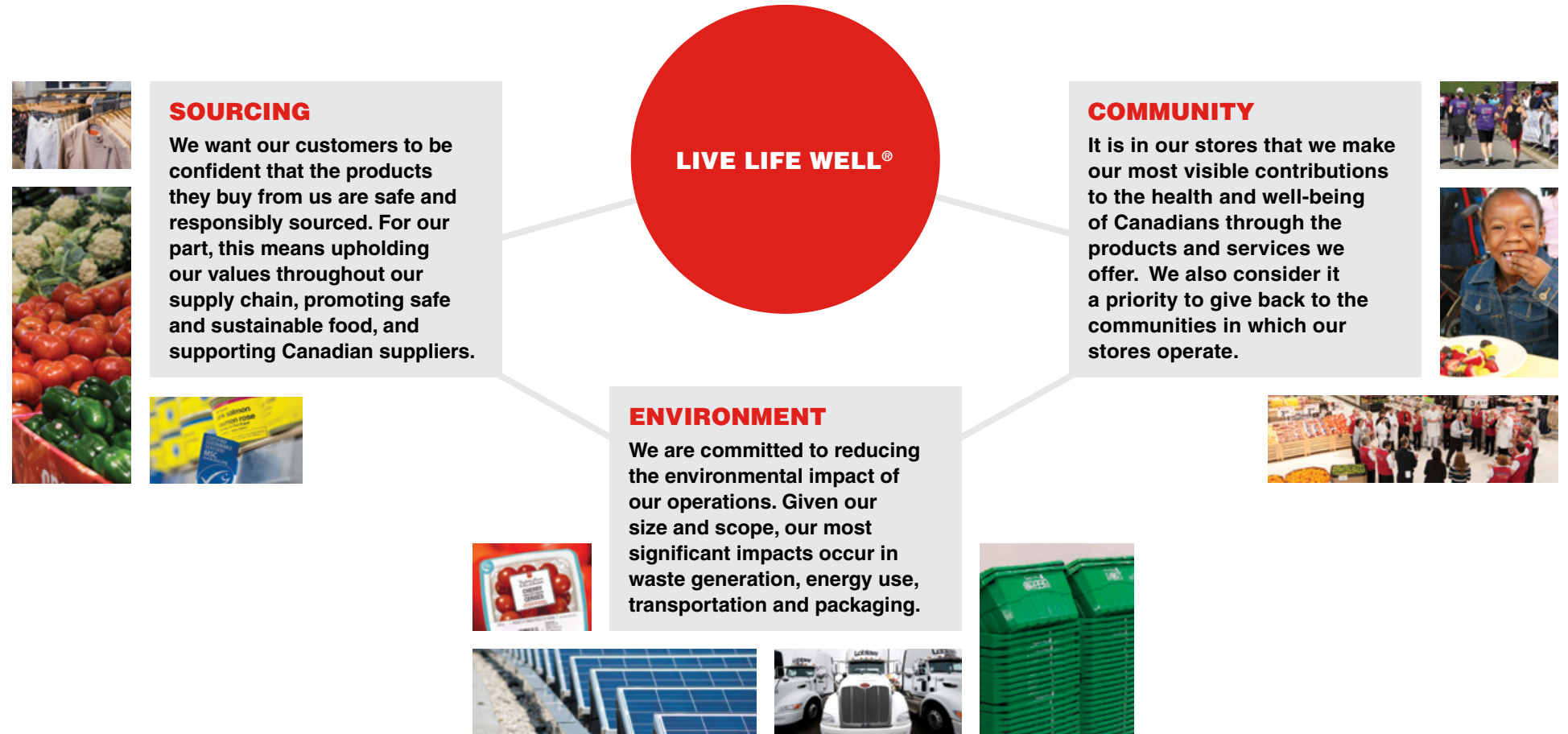
**FINANCIAL**



Making the Everyday Simple and Better

## CSR at Loblaw

**Our CSR Pillars** – By sourcing responsibly, protecting our environment and making a positive difference in our communities, our commitment to corporate social responsibility is one way we deliver on our company purpose – *Live Life Well*. We prioritize our work based on the urgency of an issue, its importance to Canadians and our customers, its relevance to our business and the potential for Loblaw to take a leadership position.



## CSR Governance

Loblaw's reputation is built on a solid foundation of honesty, integrity and accountability.

Our Board of Directors oversees the management and affairs of the company. The Board sets the tone for a culture of integrity and compliance throughout the company, and monitors and reviews reports on policies and practices related to CSR.

The CSR Committee is responsible for championing CSR within the company. The committee is made up of senior executives from various areas of the business, who establish the broad priorities, metrics and accountabilities within each of the company's three CSR pillars – Sourcing, Environment and Community – and drive action company-wide.



### Colleague Code of Conduct

Our [Code of Conduct](#) reflects our shared values and commitment to high standards of business conduct. The Code explains to colleagues what it means to represent Loblaw Companies Limited, our stores and our brands, and how to behave in this capacity.

All colleagues must review, understand and abide by the Code, as well as the supporting policies and procedures. Colleagues must also take reasonable steps to ensure that vendors understand and comply with the Code and the accompanying Supplier Code of Conduct.

## CORE VALUES

Our CORE values reflect what's important to our organization and guide our behaviours.

C

### CARE

[Improving the well-being of all Canadians](#)

O

### OWNERSHIP

[Approaching every day with personal accountability and commitment](#)

R

### RESPECT

[Acting with integrity, respect and openness every day](#)

E

### EXCELLENCE

[Leading through innovation and superior performance](#)

## Supplier Code of Conduct

Our suppliers are our partners in serving customers and we expect them to uphold the same values and principles that we do.

In 2015, we updated our Supplier Code of Conduct to address evolving risks and expectations. The Code sets out minimum standards for all Loblaw suppliers.



## Stakeholder Engagement and Materiality

Ongoing dialogue and collaboration with stakeholders is essential for delivering on our purpose and commitments. It helps us prioritize issues of greatest concern and develop appropriate strategies and action plans.

### Consumer Research

Each year, we conduct an online survey of Canadian consumers to find out which CSR initiatives matter most to them. Among the notable 2015 findings:

- Initiatives related to health and wellness, fair wages and preventing child labour are most important to consumers.
- Local sourcing, healthier food choices and packaging reduction are considered CSR priorities for grocery retailers.
- Our control brand products are the main reason why customers select Loblaw as one of the most socially responsible grocery retailers, citing our assortment of organics and our local and made-in-Canada products.

### Advisors

Loblaw works closely with the scientific community and stakeholders on various CSR initiatives. We also partner with advisors for expert opinion and guidance in specific areas.

#### Dr. David Fraser

University of British Columbia  
Animal welfare

#### Dr. David Jenkins

University of Toronto  
Health and wellness

#### Dr. Jeff Hutchings

Dalhousie University  
Sustainable seafood

#### Dr. Nigel Raine

University of Guelph  
Rebanks Family Chair in Pollinator Conservation

#### Dr. Ralph Martin

University of Guelph  
Loblaw Chair, Sustainable Food Production

#### Dr. Rick Smith

Executive Director, Broadbent Institute  
Chemicals of concern

#### Bruce Lourie

President, Ivey Foundation  
Chemicals of concern

#### Colin Isaacs

President, CIAL Group  
Environment and sustainable planning and development

### CSR Assessment

In 2015, we conducted a business risk assessment, including executive interviews and a thorough review of internal and external documents. Through this process, we were able to identify our greatest risks and mitigation priorities. These focus areas were identified:



**Responsible supply chain management – see Sourcing, [page 9](#)**

**Nutrition and nutritional education – see Community, [page 19](#)**

**Community investment/donations – see Community, [page 21](#)**



**Sustainable packaging – see Environment, [page 16](#)**

**Food waste – see Environment, [page 15](#)**

**Energy efficiency and refrigerants – see Environment, [page 14](#)**



## Stakeholders and Industry Alliances

We face a wide range of complex, systemic and increasingly global CSR challenges. By collaborating with industry peers, governments, academia and non-governmental organizations, we aim to make a positive, sustainable impact in these areas.

### Industry Agreements/Coalitions/Roundtables

- Accord on Fire and Building Safety in Bangladesh
- Canadian Roundtable for Sustainable Beef
- Global Sustainable Seafood Initiative
- National Farm Animal Care Council
- National Farmed Animal Health and Welfare Council
- Roundtable on Sustainable Palm Oil

### Associations

- Canadian Stewardship Service Alliance
- Conference Board of Canada
- The Consumer Goods Forum
- Fisheries Council of Canada
- Food Marketing Institute
- PAC-Packaging Consortium
- Retail Council of Canada
- Sustainability 50
- SustainAbility's Engaging Stakeholders Network

### Non-Governmental Organizations

- Canadian Breast Cancer Foundation
- Canadian Diabetes Association
- Canadian Red Cross
- Compost Council of Canada
- Food Banks Canada
- Food Allergy Canada (formerly Anaphylaxis Canada)
- The Food Institute of the University of Guelph
- Friends of CRP-Canada Society
- The Hospital for Sick Children
- Hypertension Canada
- Jane Goodall Institute of Canada
- La grande guignolée des médias
- Osteoporosis Canada
- Partnership for a Drug Free Canada
- Recycling Council of Ontario
- Save the Children Canada
- Second Harvest
- Trans Canada Trail
- Tree Canada
- UNICEF Canada
- Women's College Hospital
- WWF-Canada



## Sourcing

We understand our customers' interest in how and where our products are sourced. Over the years, we have introduced responsible sourcing policies and practices that include third-party certifications and audits, so customers can shop with confidence, knowing that we are working diligently to address the things that matter most to them.

"I want to know that my product choices are being sourced ethically and responsibly."

**Adriana**

Customer at *Fortinos*, Ontario

**1st** certified  
cocoa-based product

Our *President's Choice* Gold Bar line of chocolate is the first of our cocoa-based products to support UTZ certified cocoa.



**By 2018**

all *President's Choice* and *Life Brand* household, beauty and cosmetic products will contain no triclosan, phthalates or plastic microbeads.

**200**

certified sustainable and responsible seafood products in our stores.





## Offshore Sourcing

As a company that brings both local and global goods to our customers, we expect all factories making our products to uphold the same values and principles that we do. Our vendor policies and procedures are designed to ensure that suppliers meet our standards. Although we cannot guarantee that each of our suppliers is in full compliance with our standards at all times, it is our goal over time to contribute to the improvement of working conditions for the employees of our suppliers. We are also committed to cooperating with local authorities who are ultimately responsible for enforcing laws relating to the working conditions of our suppliers' employees.



Offshore contracted factories from which we are the importer of record must complete an annual Workplace Conditions Assessment (WCA), which assesses their labour, wages, hours of work, and health and safety procedures. Furthermore, contracted factories in Bangladesh, India, Sri Lanka, Cambodia, Vietnam and Thailand from which we are the importer of record must undergo a Fire and Structural Safety (FSS) Assessment as a condition of doing business with Loblaws.

Over the past two years, audit compliance managers and production auditors have been working on the ground in these emerging markets. The team is responsible for ensuring that the WCA and FSS Assessments occur, supporting factory improvement plans and investigating to confirm that our products are made in approved factories.

We are also employing a corporate risk-rating procedure. Once a facility has been audited, it is assigned a risk rating to determine appropriate follow-up action.



**“At Joe Fresh, we’re proud to bring Canadian families the best in affordable fashion. It takes a large team of people in Canada and around the world to make this happen. It’s important to all of us that our products are made in an ethical way. In the past few years, we’ve raised our standards for offshore factories and we’ve put people on the ground to help factories improve work conditions. In doing this, I believe that we are a force for good in these countries.”**

**LARA**  
Department Manager, Joe Fresh



## Canadian-First Buying Approach

Our Canadian-First buying approach gives priority to local and regional fresh products when the safety, quality, availability and value are right for our customers. Since our company's inception in 1919, we have taken great pride in working with local farmers, fishermen and producers, helping them grow their businesses and contributing to the growth of local economies. Here are some of the ways in which we fulfill our commitment:

- More than 30% of our annual produce purchases are from Canadian growers.
- During our *Grown Close to Home* and *Near You* in-store events, which take place during the peak growing season, up to 45% of the produce in our stores is Canadian grown.
- Our vendor development managers support local growers across Canada on a full-time basis and connect growers with Loblaw buyers.
- As a member of the Canadian Roundtable for Sustainable Beef (CRSB), we work with stakeholders in the beef value chain to help ensure that the Canadian beef industry remains economically viable, environmentally sound and socially responsible.
- *PC Free From* fresh poultry and pork is sourced from Canadian farmers. Photos of the local farmers who supply the product appear on the package. *PC Free From* products are raised without the use of antibiotics or hormones\* and the animals are fed a vegetable and grain diet.



## PAPER

Forests are essential to life on Earth, serving as a home to wildlife, conserving and enriching the environment, and supplying valuable products. However, deforestation is occurring at an alarming rate.

To help address the issue, we have made commitments to reduce our paper use, source paper products from certified sustainably managed forests, and increase the amount of recycled content used in our paper products and product packaging.

We have also taken steps to reduce our paper consumption. Examples include transitioning to a standard product shelf label in Loblaw stores and moving to a paperless workflow in Loblaw and Shoppers Drug Mart/Pharmaprix pharmacies.

\* All Canadian pork, poultry and lamb is free of hormones.



## Commodities and Ingredients

As the global population grows, there is increasing pressure on the Earth's finite resources to accommodate demand for commodities. Some commodities are also deemed highly at-risk due to the social, environmental and economic impacts of where and how they are produced, harvested and processed.

Loblaw pursues third-party certification of sustainability for at-risk commodities, such as seafood, palm oil and cocoa, to ensure that products meet specific environmental, economic and social standards.



**Chemicals of concern:** After working with our scientific advisors, Dr. Rick Smith and Bruce Lourie, to examine a number of chemicals used in everyday products, we announced that by year-end 2018, our *Life Brand* and *President's Choice* household, beauty and cosmetic products will not be formulated using triclosan, phthalates or plastic microbeads. These are ingredients commonly found in antibacterial soaps, hand sanitizers and skin exfoliants. We collaborated with our vendors to confirm which products contain these ingredients and we are developing action plans to meet the 2018 deadline.

**Seafood:** In 2015, we increased the number of Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) certified sustainable and responsible seafood products in our stores to 200.

Additionally, 76 Loblaw stores in Western Canada earned MSC and ASC chain-of-custody certification, bringing our total to 305 Loblaw stores and four distribution centres. The certification confirms that traceability, storage and record-keeping systems are in place to ensure that only seafood from certified sustainable fisheries and responsible farms carry the MSC and ASC labels in our fresh seafood counters. By the end of the year, 94%\* of our core seafood categories – frozen, fresh, canned and frozen grocery – was procured from certified sources, sources acceptable with conditions, or sources making meaningful progress toward sustainability.

**Palm oil:** We aligned with the Roundtable for Sustainable Palm Oil (RSPO) supply chain models for our food and household control brand products. We encourage our vendors to use certified physical palm oil where possible or to purchase GreenPalm certificates which support palm oil producers who comply with the RSPO standard for sustainable production.

**Cocoa:** The cocoa industry provides a livelihood for an estimated 40 million people, 90% of whom are smallhold farmers, labourers and employees in processing factories. Inefficient cocoa farming techniques have led to environmental concerns. To address these issues, several third-party certification standards have been established for cocoa. In 2015, we launched a range of *President's Choice* Gold Bar chocolate bars that support sustainable cocoa farming practices through the UTZ sustainability program.

\* Data comprises unit sales. Data does not include Arz, T&T Supermarkets, Real Canadian Wholesale Club, franchised stores and Shoppers Drug Mart/Pharmaprix stores.



**“Around the world, scientific evidence is accumulating that ingredients like triclosan, phthalates or synthetic microbeads could be a problem for environmental and human health. When a leader like Loblaw puts a stake in the ground on an issue like this, it enables real change.”**

**DR. RICK SMITH (right) and  
BRUCE LOURIE**





## Animal Welfare

The welfare of animals raised for food is important to us. Loblaw is one of Canada's largest retailers of meat, poultry, eggs and dairy products. We need to be sure that we sell safe, high-quality products produced in a humane way.

In collaboration with Dr. David Fraser, our scientific advisor, we discussed animal welfare practices for various livestock commodities including sows, cow calves, and dairy and beef cows. In 2015, we established a multi-year research grant to assess best practices for handling vulnerable dairy cows – those removed from the herd due to age and illness.

In 2015, we joined the National Farmed Animal Health and Welfare Council. The Council has two mandates: (1) to establish a harmonized and integrated approach to help manage animal health and welfare programs in Canada, and (2) to provide scientific, strategic and policy advice to various levels of government, regulatory agencies, industry associations and other stakeholders.

For the past three years, Loblaw has been an active member of the National Farm Animal Care Council. We support the farm animal Codes of Practice. Recognizing the impact that these codes will have on producers, it's important that we work with them and other stakeholders to transition to the best systems for protecting and enhancing the welfare of animals. This explains our commitment to source fresh veal and pork only from vendors that have transitioned to loose housing environments by year-end 2018 for veal and 2022 for pork.

To learn more, please see our [animal welfare principles](#).

We continue to work toward a cage-free supply for our *President's Choice* line of shell eggs. *PC Organics* and *PC Free-Run* shell eggs are available in stores across Canada and we expanded our *PC Blue Menu Omega-3 Free-Run Brown* shell eggs into *Loblaws* and *Provigo* stores in Quebec. Free-run eggs are exclusively sourced from laying hens that live in indoor open environments, where they are free to roam, feed, perch and nest.



**Nearly 60%**  
of *PC* egg sales were of free-run eggs.

## Genetically Modified Organisms (GMOs)

Customers have many questions about the food they consume, including nutritional values, production methods and ingredients. One area of consideration relates to genetically modified organisms (GMOs). Various products sold by Loblaw and other Canadian grocers contain GMOs. Health Canada has determined that these products are safe. This view is supported by many scientific studies. However, some people believe that these studies cannot predict the long-term effects of consuming GMO foods. We understand that this remains an important topic for some customers.

As a retailer, we do not require nor do we reject products with GMO labelling. For customers who prefer not to consume GMO foods, Loblaw offers a large selection of organic food as an alternative. There are more than 400 *PC Organics* products across a variety of categories, and a wide selection of national brand organic products in our stores.

## Environment

The pressures on our environment are mounting. As a company with a large ecological footprint, we accept our responsibility to minimize our environmental impacts and drive improvements wherever we can. We took a public stand on reducing the use of plastic shopping bags by introducing a pay-for-bag approach.

“In this day and age, we all need to do our part for the environment. I’ve changed my habits and I expect the stores I shop in to do the same.”

**Robert**  
Customer at *Maxi*, Quebec

**4.2 million pounds**  
of perishable food was donated to meal recovery programs and local food banks across Canada.



**8.5 billion plastic shopping bags**

eliminated from our stores since 2007.



**398 Loblaw and Shoppers Drug Mart/Pharmaprix stores**

completed lighting retrofits.





## Energy Efficiency

Lighting, refrigeration and heating account for most of our energy consumption. Here's some of the work completed over the past four years to improve energy efficiency and reduce our carbon emissions:

- Implemented centralized building energy management systems that monitor and control each grocery store's heating, ventilation and air conditioning (HVAC) system, refrigeration system and lighting.
- Converted to LED lighting for refrigerated cases, task lighting and underground parking garages in our corporate grocery stores, and receiving areas in our distribution centres.
- Installed vertical doors on dairy and frozen food cases in corporate grocery stores to keep cold air from escaping.
- Added curtains in the refrigerated areas of distribution centres so that separate spaces can run at different temperatures.
- Installed CO<sub>2</sub> refrigeration systems in three grocery stores.
- Retrofitted two corporate grocery stores with low greenhouse gas emitting refrigerant – hydrofluoroolefin (HFO) blend.
- Installed solar panels on the rooftops of 62 Loblaw facilities in Ontario.

Since 2012, we have reduced our electricity consumption year-over-year in existing corporate grocery stores. These reductions were the result of optimizing our building energy management systems and retrofitting existing lighting, refrigeration and HVAC equipment with new, more energy-efficient technologies.



**2.1% reduction in electricity consumption**

**in existing corporate grocery stores – exceeding our 1% reduction target.**



### DEMAND RESPONSE PROGRAM

Select Loblaw corporate stores and Shoppers Drug Mart stores in Ontario participate in Demand Response. When electricity demands are high (like on hot, sunny, humid days), we reduce lighting levels and increase our air conditioning set points to help alleviate demand on the Ontario electricity grid.



## Waste Reduction

Waste reduction and diversion are priorities for our stores, distribution centres and store support centres. We have programs to handle just about every type of waste material including:

- Cardboard
- Recyclables (plastic and glass bottles, aluminum cans, paper)
- Organics (produce trimmings)
- Perishable food (dairy, meat and bakery goods)
- Plastic film (shrink-wrap)
- Meat and seafood (bones and fat)
- Damaged grocery goods
- Brown grease
- Yellow grease (grease from our home meal replacement department)
- Electronic waste
- Expired medication, sharps and syringes

Our 22 Loblaw distribution centres (DCs) diverted an average of 88% of waste from landfill in 2015. In addition to standard materials, they recycle wood pallets, metal and equipment batteries, and most have organic diversion programs.

Our greatest opportunities for improvement in waste diversion are in our stores. Our corporate grocery stores currently divert an average of 61%. In a fast-paced retail environment that includes a variety of fresh and packaged consumer goods, waste diversion can be a challenge – particularly organic waste diversion, due to lack of infrastructure in many communities for collecting and reusing the material. We will make the biggest difference by embedding waste diversion into our everyday store operating procedures, making it second nature for our colleagues.



**88%**

average waste diversion rate  
of Loblaw distribution centres.



### LOBLAW FOOD RECLAMATION PROGRAM

Good food going to waste is a big issue with social, environmental and economic ramifications. That's why our food reclamation program is so important for ensuring that extra food goes directly to local food banks, meal centres and shelters to help feed Canadians. Currently, 230 Loblaw stores and two Loblaw DCs participate in the program. Collectively, they donated nearly 4.2 million pounds of perishable food in 2015.

### FOOD WASTE

Reducing food waste is a priority for us, which is why we commissioned Dr. Martin Gooch, food waste expert and head of Value Chain Management International, to conduct a food waste study in our stores. The study gave us insights into waste drivers, supply chain processes and how to improve efficiency, especially in the crucial last 150 metres that a product travels before being bought by a customer.



**“At the Regina distribution centre, we take waste diversion seriously. We know it’s important to keep waste out of landfill and we do what we can to make a difference. There are stations for separating all the different types of materials we handle so they can be easily recycled or put to some other good use. All colleagues are trained to sort materials properly to help reduce waste. Frankly, I think we do a great job of managing waste responsibly.”**

**KULDIP**  
Colleague, Loblaw Distribution Centre,  
Regina, Saskatchewan

## Packaging Reduction

Reducing packaging from our control brand products is an ongoing activity. Although progress isn't always as fast as we would like, we are making a difference.

Since 2009, we have removed more than 4.9 million kilograms (kg)\* of packaging from 338 control brand products, eliminating 532,166 kg\* in 2015 alone. Initiatives included converting our *no name* Applesauce and *no name* Olive Oil from glass to plastic containers and removing corrugated trays from cases of *Real Canadian* water bottles. Although we did not achieve our long-term packaging reduction target, we continue to make progress.

We now take a broader life cycle approach to packaging that includes increasing the use of renewable and/or post-consumer recycled (PCR) content, ensuring that our product packaging is recyclable, and sourcing fibres from certified sustainably managed forests – as well as reducing packaging components and materials.



**4.9 million kg**  
of packaging removed from  
338 control brand products  
since 2009.



\* Data comprises unit sales, including Shoppers Drug Mart/Pharmaprix store sales.



## Transportation

Loblaw makes more than one million deliveries a year, and trucks are most commonly used to make these deliveries. Our team works in multiple ways to improve the fuel efficiency of our corporate fleet, including:

- Replacing old trucks with new, more efficient models to minimize harmful emissions
- Improving aerodynamics by adding side skirts to trailers
- Training drivers on techniques for progressive shifting and minimizing idle time
- Using battery-powered auxiliary power units, instead of diesel, to heat sleeper cabs
- Recapping tires when treads are worn to help divert waste from landfill and reduce oil consumption required to produce new tires
- Using double and triple 53-foot trailers (long-combination vehicles, LCVs) to pull more weight with the same truck

- Piloting 60-foot trailers in Ontario
- Using liquefied natural gas (LNG) as an alternative to diesel
- Improving processes and systems to increase the number of cases per load and reduce the number of empty kilometres driven when trucks return to their point of origin

We made changes to our offshore shipments destined for stores in Atlantic Canada. Shipments now arrive directly in Halifax, instead of going through the ports of Montreal and Vancouver and being shipped by rail or truck to our southern Ontario distribution centres before travelling east. The new route saves time and reduces fuel consumption.

**177,876 backhaul trips**  
were made to reduce empty trailers  
on the road.

## Carbon Footprint

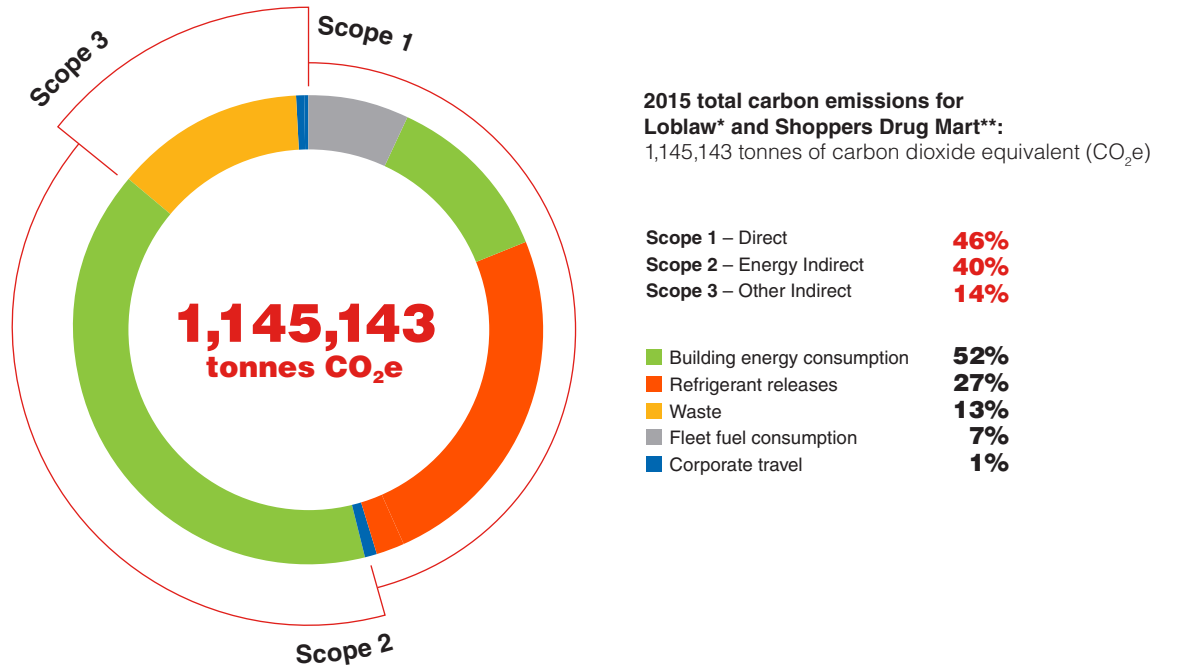
Reducing carbon emissions and contributing to mitigating climate change is a priority for us. Our Executive Chairman and President, Galen G. Weston, is a signatory to the Smart Prosperity initiative, advocating for a stronger, cleaner Canadian economy. We have been tracking carbon emissions for Loblaw operations since 2010. Great progress has been made over the past five years by investing in new lighting and refrigeration technologies, optimizing our building energy management systems, increasing our waste diversion efforts, improving transport fleet efficiencies, and using renewable energy technologies such as solar panels.

Loblaw operations achieved a 4% reduction in Scope 1 and Scope 2 emissions in 2015 compared to 2014. Our carbon emissions are calculated by The Delphi Group and follow the Greenhouse Gas Reporting Protocol. Scope 1 emissions are direct emissions resulting from fleet and building fuel consumption, refrigerant releases and corporate travel. Scope 2 emissions are indirect carbon emissions resulting from electricity consumption and Scope 3 emissions are indirect emissions associated with waste and corporate travel.

We are currently working on a carbon emissions reduction strategy that includes establishing a corporate-wide governance structure and setting targets based on science and industry benchmarking.

\* Data does not include T&T Supermarkets and Arz.

\*\* Data comprises select Shoppers Drug Mart/Pharmaprix stores and select Shoppers Drug Mart distribution centres. Refrigerant release data is not included.



“Climate change is the single greatest challenge facing society today. The solution requires thoughtful, stable, harmonized public policy, which enables the private sector and citizens to mobilize. Ultimately, our aim should be the dual benefit of improved economic and environmental health.”

**Galen G. Weston**

**Executive Chairman and President, Loblaw Companies Limited**



## Community

More than just a grocer and more than just a pharmacy, Loblaw is increasingly becoming a nutrition, health and wellness provider. Our network of stores offers access and convenience, and our network of pharmacists offers an extended range of services to improve patient outcomes.

“I’m trying to lead a balanced lifestyle. What I value is a store that supports my efforts with products and services that make it easy to stay on track.”

**Suzanne**

Customer at *Shoppers Drug Mart*, British Columbia

**951,788** flu shots

were administered by Loblaw and Shoppers Drug Mart/Pharmaprix pharmacists.

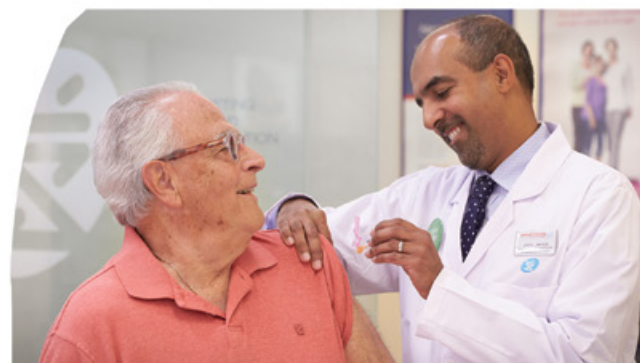


**251,073** kg of sodium removed

from 1,027 products since 2010.

**\$64** million raised and donated

to charities and non-profit organizations across Canada – with the help of our customers, colleagues, suppliers, Associate-Owners and their store teams, and franchisees and their employees.



## Quality Food Choices

We're passionate about food and committed to giving Canadians the widest selection of products.

Our *President's Choice* products offer customers quality fresh and processed food options. We launched the *PC Blue Menu* line in 2005 to make healthier eating simple and delicious. Today, there are more than 400 products with plus (+) and minus (-) symbols on the packaging to make it easier for customers to see a product's nutritional attributes.

*PC Organics* is one of the largest organic product lines in Canada. Products are third-party certified to ensure they meet Canada's organic standards, which emphasize sustainability and a natural approach to weed, pest and disease control.

Over the past five years, we have analyzed thousands of control brand products against Health Canada's suggested sodium reduction guidelines and removed 251,073 kilograms (kg)\* of sodium from 1,027 products – all the while maintaining the functionality, food safety and taste our customers expect. In 2015, we removed 31,381 kg\* of sodium from 264 *President's Choice* products and developed 160 new *President's Choice* products that meet Health Canada's suggested guidelines.

Over the past three years, we also replaced artificial sweeteners with stevia in 45 *President's Choice* products.

As of 2015, our array of product options includes the *no name Naturally Imperfect* line of fruits and vegetables. Produce in the program is misshapen or undersized, but still delivers great freshness and flavour at more affordable prices. The produce was previously used in juices, sauces or soups, or may not have been harvested at all simply because of its small size.



\* Data comprises unit sales, including Shoppers Drug Mart/Pharmaprix store sales.



## IN-STORE WELLNESS PROGRAMS

Education is a big part of our health and wellness commitment. We want to inspire and equip customers to make balanced food choices.

**In-store dietitians** play a key role. There are 64 dietitians in 163 Loblaw stores across Canada who educate and advise customers on how to maintain or improve their nutrition, often in partnership with store pharmacists.

Loblaw operates the largest **cooking school network** in Canada, currently in 118 Loblaw stores. With more than 700,000 people a year using the schools, they are the perfect venue for promoting nutritious eating. One of our popular events is a chef-led cooking class that includes a nutrition lesson delivered by a Loblaw dietitian.

The **Guiding Stars® nutritional rating system** is prominently displayed on shelf labels in 913 Loblaw stores. Guiding Stars points customers toward foods that contain ingredients such as vitamins, minerals, fibre, omega-3, whole grains and others. In 2015, we introduced a My Guiding Stars Profile for *PC Plus* members, so that when members use their *PC Plus* cards, they can see the Guiding Star rating of their shopping basket.





### Accessible Health Care

Pharmacists are the most readily accessible community health care professionals. Local residents rely on them for expert support and care. We support pharmacists practising to their full scope to help improve patient outcomes and ease the burden on the health care system by freeing up physicians' time to focus on matters that require specific expertise. Select Loblaw and Shoppers Drug Mart/Pharmaprix stores offer extended pharmacy hours and/or 24-hour pharmacy services to ensure customers get the care they need.

In addition to managing patients' medication needs, Loblaw and Shoppers Drug Mart/Pharmaprix pharmacists provide services such as administering vaccinations, conducting medication reviews, helping patients manage chronic conditions, providing nutrition and lifestyle recommendations and screening tests\*.

\* Pharmacy services vary depending on provincial regulation.

They also provide more focused services – more than 600 are Certified Diabetes Educators (CDEs) and can further support patients and families living with diabetes. In Alberta, pharmacists can apply for Additional Prescribing Authorization (APA) certification, which allows them to prescribe medication for their patients. More than 200 of our pharmacists in the province have received APA certification.

Loblaw and Shoppers Drug Mart/Pharmaprix pharmacists administered 951,788 flu shots in 2015. In provinces where they are permitted to do so, they also provided shingles, whooping cough and tetanus vaccines as well as travel vaccinations for typhoid and hepatitis A and B.

Increasingly, they provide medication reviews and health screenings. In 2015, they conducted:

- 760,283 medication reviews
- 33,178 blood pressure screenings
- 10,554 diabetes screenings
- 590 bone screenings

Each year, we run awareness campaigns and disease management programs for chronic conditions like high blood pressure, high cholesterol, diabetes and osteoporosis. In 2015, Shoppers Drug Mart teamed up with the Government of Canada and the Canadian Coalition for Seniors' Mental Health (CCSMH) to help seniors dealing with depression. The partnership provides funding to CCSMH to develop new mental health resources, which were launched in Shoppers Drug Mart/Pharmaprix stores, to help seniors detect symptoms of mental illness and access treatment.

**2,900+ Shoppers Drug Mart/Pharmaprix pharmacists**

**completed osteoporosis training to help women reduce their risk of fractures.**



**“The role of the pharmacist is expanding and it’s giving Canadians quicker, more convenient access to the health care services they need. We’re stepping up to meet patient needs through new approaches to service delivery. There’s no better example than the Shoppers Drug Mart Patient Contact Centre\* opened in 2015. It’s the first of its kind in Canada. More than 120 pharmacists and pharmacy assistants proactively call patients who are late in refilling their medication. It’s a way of getting them back on track with their health care plan.”**

**KAREN**  
Operations Manager,  
Patient Contact Centre

\* The Patient Contact Centre currently offers services to patients in Ontario, Manitoba, New Brunswick and Nova Scotia.





## Community Giving

We focus our community giving efforts on *SHOPPERS LOVE.YOU.*, *President's Choice Children's Charity* (PCCC) and programs dedicated to healthy active kids, feeding our neighbours and greening our communities.



### **SHOPPERS LOVE.YOU.**

With the help of Associate-Owners and customers, Shoppers Drug Mart/Pharmaprix raised and donated \$9.4 million to various women's health initiatives in 2015, benefiting more than 426,000 women. Building on our success, we launched the *SHOPPERS LOVE.YOU.* program, which is designed to help women stay focused on being their very best. Among our 2015 highlights:



- We announced a new \$1 million partnership with Osteoporosis Canada in conjunction with the launch of *SHOPPERS LOVE.YOU.*
- The annual *SHOPPERS LOVE.YOU. Run for WOMEN* in support of local women's mental health programs expanded to 12 cities with more than 11,000 participants.
- The annual Growing Women's Health fundraising campaign raised \$3.1 million and gave Associate-Owners, their store teams and customers an opportunity to donate directly to women's health organizations in their local communities.

### **President's Choice Children's Charity (PCCC)**

In 2015, PCCC granted \$5.4 million to children's nutrition programs – providing nutritious meals to more than 459,000 children – and \$8.8 million to families of children with disabilities for essential therapies and specialized equipment.



In addition to its relationships with Breakfast for Learning™ and Boys and Girls Clubs of Canada, PCCC announced partnerships with Pathways to Education and Blessings in a Backpack in 2015. PCCC provided financial grants to these new partners to provide healthy snacks for teenagers during Pathways after-school tutoring and mentoring programs, and for Blessings in a Backpack to buy food for school children on weekends.

- Since its inception in 1989, PCCC has granted \$130 million to more than 2.7 million children.
- Loblaw covers the administrative and operational fees for PCCC so that 100% of the money raised goes directly to helping children.



### **FEEDING OUR NEIGHBOURS**

During our 2015 spring and holiday national food drives, Loblaw stores raised and donated \$2.5 million and 1.8 million pounds of non-perishable food to local food banks across Canada. We also donated \$310,000 to Food Banks Canada to support its National Food Sharing System and Retail Food Program, which works to acquire and share food with food banks across the country to assist Canadians in need.



## Greening Our Communities

Partial proceeds from the sale of 5-cent plastic shopping bags in select Loblaw corporate and franchised stores go toward WWF-Canada. Since 2009, we have donated \$7 million (\$1 million annually) to fund WWF-Canada environmental and sourcing initiatives. Initiatives include raising awareness about sustainable seafood, improving the seafood supply chain, protecting marine areas of high conservation value and engaging Canadians to take positive action on the environment by participating in the following programs:

- National Sweater Day – a day in February when Canadians are asked to put on their favourite sweater and lower the temperature a few degrees to help take action against climate change
- The Great Canadian Shoreline Cleanup – a conservation initiative that encourages Canadians to help rehabilitate shoreline areas through group cleanups
- Loblaw Water Fund – a fund that provides grants to charities and non-profit organizations for projects aimed at improving the health of freshwater in Canada

Not only do we provide financial support to the initiatives listed above, we also participate in them. On National Sweater Day, we lowered the temperature in our stores, DCs and store support centres by 3°C. Loblaw colleagues and franchised employees organized and participated in cleanups across Canada as part of the Great Canadian Shoreline Cleanup.

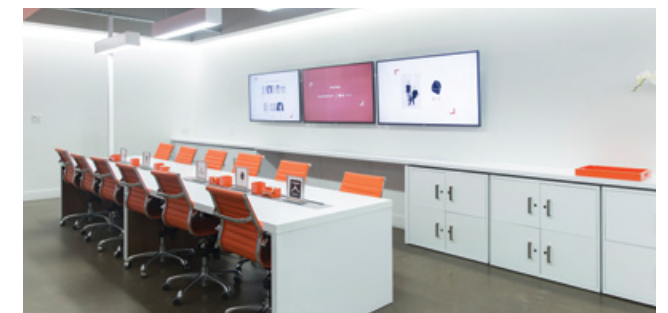


## Joe Fresh Centre for Fashion Innovation

Joe Fresh and Ryerson University partnered to create the Joe Fresh Centre for Fashion Innovation at Ryerson University. Funded by a \$1 million grant from the Joe Fresh Fund, the Toronto-based program supports Canada's next generation of fashion-inspired entrepreneurs.

In fall 2015, the first wave of startup businesses, or Joe Fresh Innovators, was selected by a panel of fashion and business leaders to join the Joe Fresh Centre. They were granted access to shared work space, equipment, seminars, networking events and working sessions with leaders from the fashion, retail and technology fields, including Joe Fresh executives. Upon completion of the 18-month program, Joe Fresh Innovators are eligible to apply for investment funding of up to \$50,000 in addition to receiving academic recognition from Ryerson University.

The program is expected to develop up to 21 emerging Canadian businesses over the next four years. The initiative reinforces the Joe Fresh commitment to fostering Canadian talent in the fashion and beauty retail space.





## Developing Our People and Culture

Over the past two years we've been working to create our ideal culture, where colleagues rally around our shared company purpose, collaborate, and support each other across our six independent businesses.

In 2015, we took a number of steps to understand the current state of our business and culture to identify ways to improve. This included a bi-annual culture check-in survey, our annual "Tell It As It Is" engagement survey, and listening sessions with colleagues in stores and distribution centres. All of these actions provided valuable insights into how we can continue to develop our people and culture, and where we need to focus more attention.

Culture Champions, made up of a team of volunteer executives, play an active role in our journey. They provide input into our culture strategy, model desired behaviours, motivate and develop others, and get involved in projects with a cultural component.

**13.5% reduction**  
in total workplace accidents

Through a variety of new and unique programs, we continue to help our colleagues and Associates-Owners achieve personal satisfaction and growth, contribute meaningfully to business success and drive our desired culture:

- "Inspire U" aims to develop talent for Inspire stores which, like our flagship *Loblaws* store at Maple Leaf Gardens\*, specialize in food discovery. The program includes a group cooking challenge, department-specific learning guides, and leadership and customer service sessions anchored in a stronger store culture.
- We developed a series of huddle-based training sessions for multicultural hypermarkets like our *Real Canadian Superstore* location in Mississauga. The curriculum focuses on key drivers for engaging customers and colleagues.
- Strategic Analytics is a program developed in partnership with Queen's University for colleagues in senior analytical roles. The six-module program demonstrates how to deploy analytics in new and powerful ways. It ends with participants completing a project in which they can apply their newly developed skills.
- The Advanced LEAD program at Shoppers Drug Mart is aimed at fast-tracking high-potential graduates from the LEAD Foundations management training program. Participants complete structured activities that are essential to the front store manager role. They work with a certified coach and document their daily activities.
- A continued evolution of our Performance Development program ensures a more balanced approach that focuses on how Associate-Owners and their store teams, and colleagues utilize new skill-sets to complete their work and achieve desired results.



**70,000+** colleagues  
participated in e-learning training courses.

### MENTORING

Our newly launched mentorship program exceeded expectations, attracting more than 180 participants. The program partners colleagues with senior executives for a six-month period as a means of accelerating colleagues' career development.

\* Reg'd TM Lic'd Use.



# 2015 Performance



## Sourcing

Our customers put their trust in us to source products responsibly. These targets show our progress and make us accountable.

### Responsible Sourcing



**TARGET:** Continue to source sustainable seafood by expanding our chain-of-custody certification and increasing the number of certified sustainable and responsible products in our stores.

**ACHIEVEMENT:** Increased the number of Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) certified products in our stores and expanded our chain-of-custody certification in stores in Western Canada. See [page 11](#).



**TARGET:** Identify *President's Choice* and *Life Brand* products that contain chemicals and ingredients of concern through a vendor audit.

**ACHIEVEMENT:** Identified products within our *President's Choice* and *Life Brand* lines that contain chemicals of concern – triclosan, phthalates and plastic microbeads – through both product analyses and vendor surveys.



**TARGET:** Establish a deadline to no longer use triclosan and phthalates in *President's Choice* and *Life Brand* household, beauty and health products.

**ACHIEVEMENT:** Set a target of year-end 2018 as the date by which *President's Choice* and *Life Brand* household, beauty and cosmetic products will no longer contain triclosan, phthalates or plastic microbeads. See [page 11](#).



**TARGET:** Be the retail lead on the executive council of the Canadian Roundtable for Sustainable Beef (CRSB) and in the verified sustainable beef pilot.

**ACHIEVEMENT:** As the retail lead on the CRSB executive council, continued working with stakeholders in the beef value chain to help ensure that the Canadian beef industry remains economically viable, environmentally sound and socially responsible.

2015 Performance



**TARGET:** Support sustainable cocoa farming practices by sourcing UTZ certified cocoa for our *President's Choice* Gold Bar line of chocolate by year-end 2015.

**ACHIEVEMENT:** Launched a range of *President's Choice* Gold Bar chocolate bars that support sustainable cocoa farming practices through the UTZ sustainability program.



**TARGET:** By year-end 2015, support the sustainable production of palm oil for our control brand products by aligning with the Roundtable on Sustainable Palm Oil (RSPO) supply chain models including the purchase of GreenPalm certificates.

**ACHIEVEMENT:** Aligned with the RSPO supply chain models for our food and household control brand products. Next step is to extend the models to our *Life Brand* and *Joe Fresh* products. See [page 11](#).



**TARGET:** Implement sustainable sourcing guidelines for food category management teams.

**ACHIEVEMENT:** Finalized our sustainable sourcing guidelines for our control brand products. The intent is for category managers to use the guidelines as a reference tool to inform and engage vendors on key sourcing issues.

Animal Welfare



**TARGET:** Obtain status updates from our fresh veal and fresh pork vendors on their progress toward loose housing environments for veal calves and pig sows that align with our targets.

**ACHIEVEMENT:** On track. Continue to receive annual status updates from our fresh veal and fresh pork vendors.



**TARGET:** Expand *PC Blue Menu* Omega-3 Brown Free-Run eggs offering.

**ACHIEVEMENT:** Expanded *PC Blue Menu* Omega Brown Free-Run eggs to stores in Quebec.



**TARGET:** Conduct a comprehensive review of best practices in animal handling and welfare with our animal welfare scientific advisor.

**ACHIEVEMENT:** Working with our scientific advisor, Dr. David Fraser, we reviewed and assessed animal welfare best practices against each livestock commodity with the intent of developing an animal welfare commitment for the business. See [page 12](#).

Supply Chain



**TARGET:** Update Loblaw Supplier Code of Conduct.

**ACHIEVEMENT:** Updated our Supplier Code of Conduct.



**TARGET:** Implement management program in emerging markets to ensure products delivered to Canada are sourced from approved factories.

**ACHIEVEMENT:** Production auditors currently work on the ground in emerging markets to review processes and investigate to confirm that our products are made in approved factories. See [page 9](#).



**TARGET:** Expand audit compliance management team in emerging markets.

**ACHIEVEMENT:** Expanded the audit compliance management team and have people on the ground in Bangladesh, Thailand, Cambodia, Sri Lanka, Vietnam, India and China. The team is responsible for the following:

- Ensuring Workplace Conditions Assessments occur in all factories from which we are the importer of record
- Ensuring Fire and Structural Safety Assessments occur in all facilities in designated jurisdictions if we are the importer of record
- Supporting factory improvement plans

See [page 9](#).



Target met



Target almost met or on track



Target not met or at initial stages



## Environment

Most of our environmental targets are aimed at reducing waste and improving energy efficiency in our stores, and improving the packaging of our control brand products.

### Waste Reduction



**TARGET:** Improve waste diversion in corporate grocery stores in each region by three percentage points relative to 2014 results (Ontario, 66%; Quebec, 63%; West, 52%; Atlantic, 64%).

**ACHIEVEMENT:** Achieved 64% in Ontario; 62% in Quebec; 56% in the West region; and 66% in the Atlantic region. See discussion on [page 15](#).

### Energy Efficiency



**TARGET:** Reduce total electricity consumption by 1% per square foot in existing corporate grocery stores.

**ACHIEVEMENT:** Reduced our electricity consumption in existing corporate grocery stores by 2.1%.



**TARGET:** Retrofit the fresh counters in corporate grocery stores with LED lighting.

**ACHIEVEMENT:** Retrofits were completed in corporate grocery stores in Ontario and Nova Scotia.



**TARGET:** Retrofit task lighting in corporate grocery stores in Ontario, Nova Scotia and Newfoundland and Labrador.

**ACHIEVEMENT:** Retrofits were completed in stores in Ontario and Newfoundland and Labrador, and in select stores in Nova Scotia.



**TARGET:** Install vertical doors on open dairy and frozen food cases in corporate grocery stores by year-end 2017.

**ACHIEVEMENT:** On track. Completed retrofits in stores in Ontario.



2015 Performance

Refrigeration



**TARGET:** Reduce greenhouse gas emissions associated with refrigerant leaks by 5% in corporate grocery stores.

**ACHIEVEMENT:** Reduced greenhouse gas emissions associated with refrigerant leaks by 2%.



**TARGET:** Install CO<sub>2</sub> refrigeration system in two grocery stores.

**ACHIEVEMENT:** Installed CO<sub>2</sub> refrigeration systems in our *Real Canadian Superstore* and *Loblaws City Market* locations in Calgary, Alberta.



**TARGET:** Pilot hydrofluoroolefin (HFO) refrigerant in two corporate grocery stores.

**ACHIEVEMENT:** Piloted HFO refrigerant blend in two corporate grocery stores in Ontario. Currently testing results. HFO is a low greenhouse gas emitting refrigerant.

Packaging



**TARGET:** Reduce packaging in control brand products by 5% by year-end 2015.

**ACHIEVEMENT:** Reduced packaging in control brand products by 2%. Since 2009, we have reduced packaging in 338 control brand products by more than 4.9 million kilograms.\*



**TARGET:** Source fibres used in corrugated boxes and trays, folding cartons and paperboard trays from recycled material and/or certified sustainably managed forests by year-end 2018.

**ACHIEVEMENT:** On track. Completed an analysis of control brand products with fibre-based packaging. The next step is to develop action plans with our vendors.

\* Data comprises unit sales, including Shoppers Drug Mart/Pharmaprix store sales.



Target met



Target almost met or on track



Target not met or at initial stages

Food Waste



**TARGET:** Conduct a food waste study alongside industry stakeholders.

**ACHIEVEMENT:** Conducted a food waste study in two corporate grocery stores in Ontario, providing insights into waste drivers, supply chain processes and how to improve efficiency.





## Community

**Our community targets focus on meeting the health and wellness needs of Canadians, giving back to our local communities, and being a great place to work.**

### Health and Wellness



**TARGET:** Replace artificial sweeteners in *President's Choice* products with stevia by year-end 2015.

**ACHIEVEMENT:** Analyzed more than 80 *President's Choice* products and replaced artificial sweeteners with stevia in 45 of those products.



**TARGET:** Reduce sodium in 400 *President's Choice* products by an average of 20% by year-end 2015.

**ACHIEVEMENT:** Since 2014, we have reduced sodium in 357 *President's Choice* products by an average of 24%.

During this period we also developed 311 new *President's Choice* products that meet Health Canada's recommended sodium reduction guidelines.



**TARGET:** All *President's Choice* products to be below the maximum allowable Health Canada sodium reduction guidelines by year-end 2015, as long as functionality, food safety and taste are not compromised in the process.

**ACHIEVEMENT:** Since 2014, we analyzed hundreds of *President's Choice* products, many of which already met Health Canada's recommended sodium reduction guidelines. We reformulated 357 products and launched 311 new products.

Moving forward, all new *President's Choice* products will be developed in accordance with Health Canada's recommended sodium reduction guidelines.



**TARGET:** Introduce *no name Naturally Imperfect* products in select Loblaw stores.

**ACHIEVEMENT:** Introduced *no name Naturally Imperfect* line of fruits and vegetables to provide Canadians with access to fresh produce at more affordable prices. See [page 19](#).



**TARGET:** Launch Guiding Stars® in *Maxi* and *Maxi & Cie* stores in Quebec.

**ACHIEVEMENT:** Guiding Stars is now offered in 913 Loblaw stores across Canada.

2015 Performance



**TARGET:** Expand dietitian program in Loblaw stores in Quebec.

**ACHIEVEMENT:** Dietitians are now available to assist customers in select Loblaw stores across the country.



**TARGET:** Provide 3,000 pharmacists at Shoppers Drug Mart/Pharmaprix locations with advanced osteoporosis training to help Canadian women reduce their risk of fractures.

**ACHIEVEMENT:** More than 2,900 pharmacists completed osteoporosis training to help women reduce their risk of fractures.

Pharmacy



**TARGET:** Open Shoppers Drug Mart Patient Contact Centre.

**ACHIEVEMENT:** The Centre opened in early 2015, with more than 120 pharmacists and pharmacy assistants proactively calling patients who are starting new treatments or who are late in refilling their medication\*.



**TARGET:** Develop a nutrition guide for Shoppers Drug Mart/Pharmaprix pharmacists to help educate customers and patients on healthy eating.

**ACHIEVEMENT:** Developed and distributed diabetes nutrition brochures to help pharmacists in pilot food stores engage with customers. The brochure highlights healthy grocery choices and encourages consumption of fresh foods and balanced portion sizes.

A modified version of the brochure was distributed in non-food stores.

\* The Patient Contact Centre currently offers services to patients in Ontario, Manitoba, New Brunswick and Nova Scotia.

Target met Target almost met or on track Target not met or at initial stages

Community Giving



**TARGET:** Provide nutritious meals to 450,000 children across Canada through *President's Choice* Children's Charity (PCCC) grants.

**ACHIEVEMENT:** Provided nutritious meals to more than 459,000 children across the country through PCCC grants. See [page 21](#).



**TARGET:** Raise \$2.5 million and 1.5 million pounds of food to assist provincial and local food banks across the country through our national food drives.

**ACHIEVEMENT:** Raised \$2.5 million and 1.8 million pounds of food during our spring and holiday national food drives.



**TARGET:** Expand the Loblaw food reclamation program to 250 corporate grocery stores.

**ACHIEVEMENT:** Expanded the program to 230 corporate grocery stores.



**TARGET:** Assist 20,000 expectant parents, new mothers and caregivers across Canada through the Motherisk Helpline.

**ACHIEVEMENT:** The Motherisk Helpline assisted 27,572 expectant parents, new mothers and caregivers. The toll-free helpline provides access to specially trained counsellors and is run by The Hospital for Sick Children.





2015 Performance



**TARGET:** Increase participation in the *SHOPPERS LOVE YOU. Run for WOMEN* event to 10,000 participants.

**ACHIEVEMENT:** Twelve events took place in communities across Canada with 11,008 participants helping to raise awareness and funds for women's mental health.



**TARGET:** Shoppers Drug Mart/Pharmaprix to provide funding to 450 local charitable organizations across Canada focused on women's health and well-being.

**ACHIEVEMENT:** With the help of Associate-Owners and customers, \$9.4 million was donated to 617 local charities focused on women's health and well-being.



**TARGET:** Engage 20,000 women across Canada in developing a personalized breast health plan through an online tool.

**ACHIEVEMENT:** Engaged more than 45,000 women across Canada who completed personalized health plans online.



**TARGET:** Support the provision of mobile mammography services to 11,000 women in British Columbia.

**ACHIEVEMENT:** Launched the first mobile mammography van in 2015 and more than 3,200 women received screenings. Plans in place to do more mobile screenings across the province in 2016.



Target met



Target almost met or on track



Target not met or at initial stages

Inclusive Workplace



**TARGET:** Achieve a 50% participation rate of women in talent development programs.

**ACHIEVEMENT:** Achieved a participation rate of 53%.

Learning and Development



**TARGET:** Increase colleague participation in e-learning courses by 10%.

**ACHIEVEMENT:** Increased participation by 13.7%.

Colleague participation in e-learning courses:



**TARGET:** Increase colleague participation in our national mentorship program by 10%.

**ACHIEVEMENT:** Increased the number of participants from 42 in 2014 to 186 in 2015.

Health and Safety

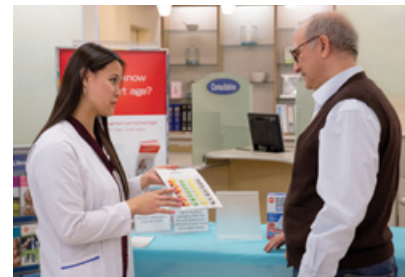


**TARGET:** Reduce total accidents by 5%.

**ACHIEVEMENT:** Reduced total accidents by 13.5%.



## 2016 Targets



### Sourcing

#### Responsible Sourcing

Remove triclosan, phthalates and plastic microbeads from *Life Brand* and *President's Choice* household, beauty and cosmetic products by year-end 2018.

Expand sustainable palm oil commitment to *Life Brand* products by year-end 2016.

Expand sustainable palm oil commitment to *Joe Fresh* products by year-end 2016.

Introduce additional Marine Stewardship Council (MSC) and/or Aquaculture Stewardship Council (ASC) certified sustainable and responsible control brand products by year-end 2016.

Contribute to the development of a national sustainable beef standard by active membership on the Canadian Roundtable for Sustainable Beef indicator and verification committees.

Introduce eight UTZ certified control brand cocoa products by year-end 2016.

#### Animal Welfare

Transition all shell eggs to cage-free by year-end 2025.

Source all fresh veal from suppliers that have transitioned to loose housing by year-end 2018.

Source all fresh pork from suppliers that have transitioned to loose housing by year-end 2022.

#### Supply Chain

Expand the audit compliance management team and the production audit team in emerging markets.



2016 Targets

Environment

Carbon Emissions

Establish a carbon emissions reduction strategy.

Energy Efficiency

Reduce total electricity consumption by 2% per square foot in existing corporate grocery stores.

Refrigeration

Reduce refrigerant leaks in existing corporate grocery stores by 5%.

Install CO<sub>2</sub> refrigeration system in four grocery stores.

Install vertical doors to open dairy and frozen food cases in corporate grocery stores by year-end 2017. Thirty-seven projects to be completed by year-end 2016.

Water Footprint

Conduct a water footprint assessment of our corporate operations.

Waste Reduction

Improve waste diversion in corporate grocery stores and Shoppers Drug Mart/Pharmaprix stores by two percentage points relative to 2015 results (Loblaw – Ontario, 66%; Quebec, 64%; West, 58%; Atlantic, 68%; Shoppers Drug Mart/Pharmaprix, 52%).

Packaging

Source fibre used in corrugated boxes and trays, folding cartons, and paperboard trays from recycled material and/or certified sustainably managed forests by year-end 2018.

Launch a selection of *President's Choice* Biodegradable Products Institute (BPI) certified 100% compostable\*, single-serve coffee pods made with renewable materials by year-end 2016.

\* For collection in municipal programs. These coffee pods may not be accepted for composting in your area.

Community

Health and Wellness

Launch online tool to educate customers about the Guiding Stars® food rating system.

Conduct 1,900 in-store nutrition school tours.

Introduce 30 new *PC* Organics products by year-end 2016.

Introduce 10 *no name Naturally Imperfect* products in select stores.

Pharmacy

Extend Shoppers Drug Mart Patient Contact Centre services to additional provinces across Canada.

Conduct two million patient touch-points (e.g., vaccinations, health consultations, risk assessments).

Community Giving

Grant \$16 million to children with disabilities and children's nutrition programs through *President's Choice* Children's Charity.

Provide 500,000 nutritious meals to children across Canada through *President's Choice* Children's Charity grants.

Expand the Loblaw food reclamation program to an additional 20 corporate grocery stores relative to 2015 results.

Raise \$2.5 million and two million pounds of food to assist provincial and local food banks across the country through our bi-annual national food drives.

Add three new locations and increase participation in the *SHOPPERS LOVE.YOU. Run for WOMEN* event from 11,000 to 15,000 participants.

Shoppers Drug Mart/Pharmaprix to provide funding to 500 local charitable organizations across Canada focused on women's health and well-being.

Provide mobile mammography services to 25,000 women in British Columbia.

Health and Safety

Reduce total workplace accidents by 5%.

Engagement and Talent Development

Increase company-wide engagement score by 3% by year-end 2017.

Expand talent development programs to Loblaw colleagues in corporate grocery stores and distribution centres.





## Awards and Recognition

We were honoured to be recognized with CSR-related awards in 2015.

Canada's Top 100 Employers  
(seventh consecutive year)



Greater Toronto's Top Employers



Canada's Best Diversity Employers



Maclean's – Top 50 Socially  
Responsible Corporations in  
Canada



Canada's Top Employers for Young  
People



Select Loblaw colleagues  
named to Moisson Montréal's  
Ambassador Club in recognition  
of their leadership in the fight to  
end hunger



Shoppers Drug Mart named  
to Achievers 50 Most Engaged  
Workplaces in North America



Shoppers Drug Mart received  
Canadian Breast Cancer Foundation  
Corporate Commitment Award



## Contact Information

Loblaw Companies Limited is a subsidiary of George Weston Limited.

### National Head Office and Support Centre

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Brampton, Ontario, Canada  
L6Y 5S5

Tel: 905-459-2500  
loblaw.ca

For CSR-related inquiries, please contact us at [csr@loblaw.ca](mailto:csr@loblaw.ca).



**William**

Colleague, Provigo Office, Montreal, Quebec

Thank you to the many colleagues and customers who are profiled in this year's report.

