



Sustainability Accounting Standards Board (SASB) 2019

Loblaw
Companies
Limited

2019 SASB Reference Table

The Sustainability Accounting Standards Board (SASB) is an independent private sector standards-setting organization dedicated to enhancing the efficiency of capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. The table below references the industry standard for Food Retailers & Distributors, as defined by the SASB's Sustainable Industry Classification System (SICS). Loblaw has identified the following topics and activity metrics as key issues against which it is able to disclose as a publicly-traded company.



Topic	Accounting metric	Code	Data	Source
Fleet Fuel Management	Fleet fuel consumed, percentage renewable (fleet)	FB-FR-110a. 1	1,097,976 GJ (gigajoules), 1.3% renewable	After already reducing carbon emissions by nearly 30% -- well before our original 2030 timeline -- the Company announced a new target to reduce corporate operational carbon emissions by 50% by 2030. The target covers carbon emissions associated with; electricity use, transportation, refrigerants and waste diversion. For more information on the Company's carbon footprint, review pages 8-10 of the Environment section of the 2019 CSR report
Energy Management	(1) Operational energy consumed (2) Percentage grid electricity (3) Percentage renewable	FB-FR-130a. 1	(1) 8,040,576 GJ (2) 70% (3) The Company currently works with multiple partners to support the generation of renewable energy into the grid. More than 60 corporate sites host solar installations in Ontario and one site has a wind turbine in Nova Scotia.	
Air Emissions from Refrigeration	Gross global Scope 1 emissions from refrigerants	FB-FR-110b. 1	254,174 tonnes CO ₂ e	
	Percentage of refrigerants consumed with zero ozone-depleting potential	FB-FR-110b. 2	92.20%	
	Average refrigerant emissions rate	FB-FR-110b. 3	Information not currently available. Data will be collected in 2020.	
Food Waste Management	Amount of food waste generated, percentage diverted from the waste stream	FB-FR-150a. 1	In 2017, the Company announced a target to reduce or divert the food waste we produce by 50% by 2025, measured against 2016 baseline results. Through various programs, the Company diverted nearly 11 million kilograms of food from landfill in 2019. This includes 5.4 million kilograms of food donated to food banks and food recovery agencies.	

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Topic	Accounting metric	Code	Data	Source
Data Security	(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of customers affected	FB-FR-230a. 1	The Company tracks all incidents related to its data security and that of its key suppliers, and reports to requisite authorities, affected individuals and other parties as required and in accordance with applicable laws. In 2019, the Company did not experience any material breach of its data.	For more information, review the Loblaw Privacy Policy
	Description of approach to identifying and addressing data security risks	FB-FR-230a. 2	The Company has implemented cyber and data security measures, including employee awareness and training, security monitoring and testing, maintenance of protective systems and contingency plans, data loss prevention and multi-factor authentication, all in order to provide in-depth defence and to prevent unauthorized access of confidential information. The Company's data security program is subject to internal, external and regulatory audits, and utilizes a number of industry practices around assessing, penetration testing, benchmarking and tracking security control maturity, including the Information Security Forum (ISF) and the Payment Card Industry Data Security Standard (PCI DSS). The Company also has three internal policies (Cyber and Information Security Policy, Acceptable Use of IT Assets Policy and Acceptable Use of Mobile Devices Policy), which provide further guidance on the management of data security risks.	
Food Safety	High-risk food safety violation rate	FB-FR-250a. 1	Of the 1,022 food safety inspections performed in 2019, 99.6% resulted in successful and timely resolutions.	For more information on recalls, visit the Canadian Food Inspection Agency website.
	(1) Number of recalls (2) Number of units recalled (3) Percentage of units recalled that are private-label products	FB-FR-250a.2	(1) 35 national brand and private-label recalls were executed in Loblaw stores in 2019. (2) Information not collected. (3) Private label recall occurred at a much lower rate than national brands, representing 14.3% of total recalls.	
Product Health & Nutrition	Revenue from products labelled and/or marketed to promote health and nutrition attributes	FB-FR-260a. 1	By year-end 2019, the Company offered nearly 1,700 private-label products designed to meet customer nutritional and health concerns and preferences regarding ingredients, additives and potential allergens. The number of products in this category increased by nearly 50% in comparison to 2018. This is largely attributed to the increase of the number of products with the no name® Simple Check™ symbol. Some of these products include organic, gluten-free, plant-based, peanut-free and no name® Simple Check™ products. These products are available at stores across multiple grocery divisions, making healthier alternatives available to our customers no matter where they shop with us. For competitive reasons, the Company does not disclose category revenue data.	For more information on private-label products, visit the President's Choice® and no name® websites.
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-FR-260a. 2	The Company employs a systematic approach when collecting evidence-based research and seeks the input of scientific advisors for the Company's private-label line of products. This process drives and supports the Company's decision-making process regarding ingredient standards and sustainability priorities.	

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Topic	Accounting metric	Code	Data	Source
Product Labelling & Marketing	Number of incidents of non-compliance with industry or regulatory labelling and/or marketing codes	FB-FR-270a. 1	Zero reported incidents of non-compliance with regulatory labelling and marketing practices per the Canadian Code of Advertising Standards as a result of adverse rulings by the Advertising Standards Council of Canada (ASC).	
	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labelling practices	FB-FR-270a. 2	Zero monetary losses as a result of court judgements associated with marketing and/or labelling practices.	
	Revenue from products labelled as: (1) Containing genetically modified organisms (GMOs) (2) Non-GMO	FB-FR-270a. 3	The Company offered more than 500 private-label products third-party certified to meet Canada's organic standards for customers seeking non-GMO products. The number of products in this category increased by nearly 10% in comparison to 2018. For competitive reasons, the Company does not disclose category revenue data.	For more information on the Company's private-label organic offering, visit the President's Choice® website.
Labour Practices	(1) Average hourly wage (2) Percentage of in-store and distribution centre employees earning minimum wage, by region	FB-FR-310a. 1	(1) Our average hourly rate for all part-time and full-time corporate in-store and distribution centre colleagues is \$17.09 per hour. Including fringe benefits, the average hourly rate is 22.21 per hour. (2) The vast majority of our in-store and distribution centre employees' hourly rates exceed provincial employment standards minimum hourly wage rates. The Company does not disclose further details for competitive reasons.	
	Percentage of active workforce covered under collective bargaining agreements	FB-FR-310a. 2	82%	
	(1) Number of work stoppages (2) Total days idle	FB-FR-310a. 3	(1) 0 (2) 0	
	Total amount of monetary losses as a result of legal proceedings associated with: (1) Labour law violations (2) Employment discrimination	FB-FR-310a. 4	Zero monetary losses as a result of labour board or human rights tribunal judgements associated with labour law violations or employment discrimination.	

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Topic	Accounting metric	Code	Data	Source
Management of Environmental & Social Impacts in the Supply Chain	Revenue from products third-party certified to an environmental and/or social sustainability sourcing standards	FB-FR-430a. 1	The Company offers nearly 750 private-label products labelled with third-party certification related to environmental and/or social sustainability sourcing standards. The number of products in this category increased by 10% in comparison to 2018. For competitive reasons, the Company does not disclose category revenue data.	For more information, review page 16 and 17 of the 2019 CSR report .
	Percentage of revenue from: 1) Eggs that originated from a cage-free environment 2) Pork produced without the use of gestation crates	FB-FR-430a. 2	The Company has established sourcing priorities for various animal proteins, including eggs and pork, to improve animal welfare standards. 100% of eggs marketed under our lead private brand, President's Choice®, are cage-free. Review our animal welfare principles and the CSR Report for more information. For competitive reasons the Company does not disclose category revenue data.	For more information, review our Animal Welfare Principles and pages 15 and 25 of the 2019 CSR report .
	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	FB-FR-430a. 3	Review the Sourcing section in the 2019 CSR report for information on the Company's sourcing priorities relating to identified environmental and social risks, including animal welfare.	Review pages 13-17 in the 2019 CSR report .
	Discussion of strategies to reduce the environmental impact of packaging	FB-FR-430a. 4	The Company has undertaken many initiatives over the years to reduce the environmental impact of our packaging. In 2019, the Company announced a target to ensure all PC® plastic packaging is either reusable or recyclable by 2025. Please review the 2019 CSR report for more information.	For more information on the Company's packaging commitments, review pages 11 and 26 of the 2019 CSR report .
Activity metric		Code	Data	Source
Number of retail locations and distribution centres		FB-FR-000.A	The Company (including for these purposes its franchisees) operates nearly 2,500 stores and 25 distribution centres across the country.	For more information, review page 7 and 8 of the 2019 Annual Information Forum .
Total area of retail space and distribution centres		FB-FR-000.B	The Company's stores and distribution centres are approximately 70.4 and 11.7 million square feet in size, respectively.	
Number of vehicles in corporate fleet		FB-FR-000.C	350 class 8 trucks	
Ton miles travelled		FB-FR-000.D	Information not currently available.	

Reading and understanding this report

- Unless otherwise noted, all information is based on 2019 results and performance for our store support centres, corporate stores and distribution centres, and excludes T&T, franchised grocery stores and Shoppers Drug Mart/Pharmaprix pharmacies.
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- This report is only being published in English for the 2019 reporting year. SASB has not yet translated the above standards in French. Once the standards have been translated into French, the Company will produce a French language report.