

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Green Bond Selection Criteria

Alimentation Couche-Tard Inc.
May 7, 2021

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none">• Green Bond
Relevant standards	<ul style="list-style-type: none">• Green Bond Principles (GBPs), as administered by the International Capital Market Association (ICMA)
Scope of verification	<ul style="list-style-type: none">• Couche-Tard Green Bond Framework (as of April 2021)
Lifecycle	<ul style="list-style-type: none">• Pre-issuance verification
Validity	<ul style="list-style-type: none">• As long as no material changes are made to Couche-Tard's Green Bond Framework and Selection Criteria (April 2021)

CONTENTS

Scope of work	3
ISS ESG ASSESSMENT SUMMARY.....	3
ISS ESG SPO ASSESSMENT.....	4
PART I: GREEN BOND LINK TO COUCHE-TARD’S SUSTAINABILITY STRATEGY	4
A. ASSESSMENT OF COUCHE-TARD’S ESG PERFORMANCE	4
B. CONSISTENCY OF GREEN BOND WITH COUCHE-TARD’S SUSTAINABILITY STRATEGY.....	6
PART II: ALIGNMENT WITH ICMA’S GREEN BOND PRINCIPLES (GBPS).....	8
PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE	12
A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs	12
B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA.....	14
ANNEX 1: Methodology	17
ANNEX 2: ISS ESG Corporate Rating Methodology	18
ANNEX 3: Quality management processes	21
About ISS ESG SPO	22

Scope of work

Alimentation Couche-Tard Inc. (“Couche-Tard” or “the issuer”) commissioned ISS ESG to assist with its Green Bond by assessing three core elements to determine the sustainability quality of the instrument:

1. Green Bond link to Couche-Tard’s sustainability strategy – drawing on Couche-Tard’s overall sustainability profile and issuance-specific Use of Proceeds categories.
2. Couche-Tard’s Green Bond Framework (April 2021 version) – benchmarked against the International Capital Market Association’s (ICMA) Green Bond Principles (GBPs).
3. The Selection Criteria – whether the projects contribute positively to the UN SDGs and perform against ISS ESG’s issue-specific key performance indicators (KPIs).

ISS ESG ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION ¹
Part 1: Green Bond link to issuer’s sustainability strategy	<p>According to the ISS ESG Corporate Rating published on 12.22.2020, the issuer shows a moderate sustainability performance against the industry peer group on key ESG issues faced by the Retail sector. The issuer is rated 142nd out of 254 companies within its sector.</p> <p>The Use of Proceeds financed through this bond are consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing green bonds is clearly described by the issuer.</p>	Consistent with issuer’s sustainability strategy
Part 2: Alignment with GBPs	<p>The issuer has defined a formal concept for its Green Bond regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting. This concept is in line with the GBPs.</p>	Positive
Part 3: Sustainability quality of the Selection Criteria	<p>The overall sustainability quality of the Selection Criteria in terms of sustainability benefits, risk avoidance and minimization are good based upon the ISS ESG assessment. The Green Bond will (re-)finance eligible asset categories which include: clean transportation, energy efficiency, renewable energy, pollution prevention and control, sustainable water and wastewater management, and green buildings.</p> <p>Those use of proceeds categories have a positive contribution to SDG 3 ‘Good health and well-being’, SDG 6 ‘Clean water and sanitation’, SDG 7 ‘affordable and clean energy’, SDG 11 ‘Sustainable cities and communities’, SDG 12 ‘Responsible consumption and production’, SDG 13 ‘Climate action’ and SDG 15 ‘Life on land’. The environmental and social risks associated with those use of proceeds categories have been well managed.</p>	Positive

¹ ISS ESG’s evaluation is based on Couche-Tard’s Green Bond Framework (April 2021 version), on the analysed Selection Criteria, and on the ISS ESG Corporate Rating applicable at the SPO delivery date (updated on the 12.22.2020).

ISS ESG SPO ASSESSMENT

PART I: GREEN BOND LINK TO COUCHE-TARD'S SUSTAINABILITY STRATEGY

A. ASSESSMENT OF COUCHE-TARD'S ESG PERFORMANCE

The ISS ESG Corporate Rating provides material and forward-looking environmental, social and governance (ESG) data and performance assessments.

COMPANY	SECTOR	DECILE RANK	TRANSPARENCY LEVEL
COUCHE-TARD	RETAIL	6	MEDIUM

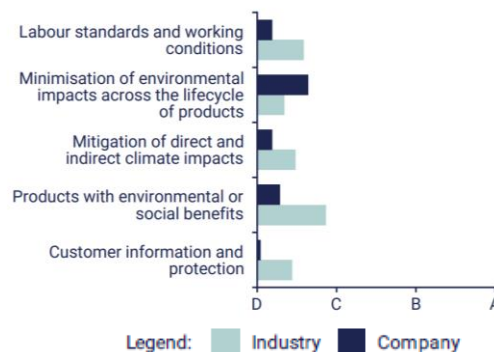
This means that the company is currently shows a moderate sustainability performance against its peers on key ESG issues faced by the Retail sector, given that the company obtains a Decile Rank relative to industry group of 6, where a Decile Rank of 1 indicates highest relative ESG performance out of 10.

ESG performance

As of 12.22.2021, this rating places Couche-Tard 142nd out of 254 companies rated by ISS ESG in the Retail sector.

Key challenges faced by companies in terms of sustainability management in this sector are displayed in the chart on the right, as well as the issuer's performance against those key challenges in comparison to the average industry peers' performance.

Key Issue Performance



Sustainability Opportunities

In the fiscal year 2020, Alimentation Couche-Tard generated 72% of its net sales from transportation fuels. Within the company's merchandise and services operations, which accounted for 27% of the total revenues, the major product groups are tobacco products (10.7% of total net sales), followed by beverages, food services, and beer/wine/liquor. Through its substantial sale of fuels, Alimentation Couche-Tard's product portfolio is not considered to be in line with tackling global climate change. Besides, the company offers biofuels and electric car chargers to its customer, yet, there is no evidence that the company would actively promote cleaner fuel alternatives.

Sustainability Risks

In the retail sector, significant social risks exist in relation to the working conditions of their own staff as well as workers employed in the supply chain. Alimentation Couche-Tard has implemented general actions for non-discrimination and diversity as well as health and safety management. However, the

company does not demonstrate adequate efforts to handle further relevant labor rights of their own staff (e.g. freedom of association). Besides, there is no evidence of coherent management of labor rights in the supply chain. And the company does not seem to fulfill its responsibility toward customers: apart from initial measures to ensure food safety and nutritional targets of its food offering, there are no indications of efforts to ensure product safety and information security or to provide customers with comprehensive information on product characteristics and potential hazards.

Regarding environmental topics, the company demonstrates basic steps to mitigate climate change risks and to increase the energy efficiency of retail buildings. Yet, energy use from large-scale transport activities is not yet addressed. Regarding the environmental footprint of products, in relation to fuels, most of the company's operations are bound by the legislation of where they operate (United States, Canada, and European Union), which set strict maximum content of sulfur in fuels. Apart from this, there is no evidence that the company aims to further reduce the environmental impacts of fuels, e.g., offering liquid gas (LPG or CNG). For the rest of the products (mainly food and beverages), convincing measures to mitigate environmental impacts are not visible.


Governance opinion





The chair of Alimentation Couche-Tard's board (Mr. Alain Bouchard, as at September 24, 2020) is not independent, as he previously served as CEO of the company. The company's governance structure ensures effective supervision of management: more than half of board members are independent and fully independent board committees responsible for audit, nomination and remuneration exist. The company discloses its policy for executive remuneration, which includes long-term incentive components.

Regarding the company's governance of sustainability, the company's Human Resources and Governance Board Committee is overseeing sustainability has been set up. Yet, ESG components do not seem to be integrated into the remuneration of the executive management team. Alimentation Couche-Tard's ethics code of conduct sets at least reasonable, partly even comprehensive, standards regarding most significant compliance topics, such as corruption and insider dealings. Comparatively comprehensive procedures, such as anonymous and confidential reporting channels, are in place to enable the implementation of sound business ethics in practice.

Sustainability impact of products and services portfolio

Using a proprietary methodology, ISS ESG assessed the contribution of Couche-Tard's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not include practices along Couche-Tard's production process.

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED PERCENTAGE OF REVENUE	DIRECTION OF IMPACT	OF UN SDGS
Staple foods (e.g. rice), dairy products with limited processing/additives, water, unsweetened tea, fish products	1.5%	CONTRIBUTION	

with limited processing/additives, flour, raw cereal			
Alcoholic beverages, red meat-based products, energy and soft drinks, confectionary, desserts, sugar, highly processed food products with critical levels of certain nutrients (e.g. salt, sugar, fat)	6.5%	OBSTRUCTION	
Food and beverage products with a low nutritional value and potential negative health impacts, tobacco products	17.2%	OBSTRUCTION	
Conventional road, aviation and marine fuels	72%	OBSTRUCTION	 
Others	N/A	NO NET IMPACT	N/A

Breaches of international norms and ESG controversies

The company is not facing any controversy.

B. CONSISTENCY OF GREEN BOND WITH COUCHE-TARD'S SUSTAINABILITY STRATEGY

Key sustainability objectives and priorities defined by the issuer

In 2020, Couche-Tard identified four sustainability priorities, which have become increasingly important for the company's stakeholders and business: fuel, energy, packaging and waste and workplace safety.

For each of these four priorities, the company assigned an Executive Sponsor and set specific targets to achieve by 2025 and ambitions to aim towards by 2030:

- i. Fuel:
 - With the aim to be 10% greater than global legislation related to renewable fuel by 2030, Couche-Tard is committed to reducing the greenhouse gas (GHG) footprint of the company's total fuel offer by 12% by 2025 from 2020.
- ii. Energy:
 - Anchored in the ambition for 30% of Couche-Tard's sites to be carbon neutral by 2030, the company's 2025 target is to reduce electricity consumption by an average of 20% per site from 2020.
- iii. Packaging and Waste:

- By 2030, Couche-Tard’s aspiration is for 100% of its packaging to be recyclable or reusable and aim to increase sustainable packaging in the company’s foodservice and private brand consumable products by 25% by 2025 from 2020.
- iv. Workplace Safety:
 - Couche-Tard’s aspiration by 2030 is to cause zero harm for its people, customers and suppliers. For this reason, Couche-Tard’s goal is to decrease robberies and recordable work-related injuries by 50% by 2025 from 2020.

Rationale for issuance

Through the issuance of the Green Bonds, Couche-Tard aims to finance a low-carbon and sustainable future through expenditures that align with the company’s purpose to create a more resourceful world. The investments in the eligible categories will support the company’s efforts to achieve its sustainability targets in the areas of Fuel, Energy, and Packaging and Waste.

Contribution of Use of Proceeds categories to sustainability objectives and priorities

ISS ESG mapped the Use of Proceeds categories financed under this Green Bond Framework with the sustainability objectives defined by the issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Retail sector. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g. climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds categories.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Clean Transportation	✓	✓	Contribution to a material objective
Energy Efficiency	✓	✓	Contribution to a material objective
Renewable Energy	✓	✓	Contribution to a material objective
Pollution Prevention and Control	✓	✓	Contribution to a material objective
Sustainable Water and Wastewater Management	✓	✓	Contribution to a material objective
Green Buildings	✓	✓	Contribution to a material objective

Opinion: ISS ESG finds that the Use of Proceeds financed through this bond are consistent with the issuer’s sustainability strategy and material ESG topics for the issuer’s industry. The rationale for issuing green bonds is clearly described by the issuer.

PART II: ALIGNMENT WITH ICMA'S GREEN BOND PRINCIPLES (GBPS)

1. Use of Proceeds

We intend to allocate an amount equal to the net proceeds from the sale of any Green Bond issuances to finance or refinance, in whole or in part, one or more new or existing Eligible Projects. "Eligible Projects" include expenditures made by us or any of our subsidiaries beginning with the issuance date of any Green Bonds, or in the 24 months prior to any such issuance. We will allocate an amount equal to the net proceeds as soon as practicable and, where feasible, aim to allocate a majority of the proceeds within the first 18 to 24 months after the issuance date of any Green Bonds.

"Eligibility Criteria" are outlined below:

GBP Category	Eligible Projects and Examples
Clean Transportation	Expenditures that are designed to/expected to reduce greenhouse gas emissions from transportation such as electric vehicle charging stations.
Energy Efficiency	Expenditures related to design, construction, operation, and maintenance of energy-efficient facilities and infrastructure including efficient HVAC, roofs, energy management systems, LED lighting and upgrading refrigeration equipment that aim to achieve a 30% improvement in energy efficiency.
Renewable Energy	Expenditures related to renewable energy projects including on-site or off-site solar, wind and small-scale hydropower generation with a capacity of fewer than 20 megawatts. Expenditures related to sourcing renewable fuels that is strictly limited to biofuels in compliance with EU legislation REDII plus rapeseed (canola). All biofuels are documented sustainable biofuels. ²
Pollution Prevention and Control	Expenditures related to reduction of air emissions, greenhouse gas control and soil remediation, waste prevention including operational improvements, food waste recycling and minimization efforts, waste recycling including associated recycling infrastructure construction and operation and optimizing packaging for sustainability.

² Regarding PFAD/soy certification, all biofuels purchased under the framework (including those which use PFAD as feedstock) are certified by an accredited body. For the avoidance of doubt, all biofuels purchased from external suppliers are compliant with REDII and any other relevant national legislation. PFAD as feedstock to HVO might be up to 5% of Circle K Europe's total HVO sales in 2021.

Given Couche-Tard is not a producer of biofuels, rather sources biofuels, we will comply with all feedstock in compliance with RED II Directive.

Exclusion: crude palm and soy will not be used as feedstock. PFAD/soy may be used as feedstock in pre-blended biodiesel.

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG&toc=OJ:L:2018:328:TOC

	<p>Expenditures may include plastic and packaging reduction, increase in recyclability or compostability of plastics and improving collection and recycling.</p> <p>Expenditures may include changing car wash chemicals to natural or climate-friendly substances in an effort to minimize the amount of required chemicals.</p>
Sustainable Water and Wastewater Management	Expenditures related to water efficiency projects, such as efficiency in water used at our car washes, installation of new efficient water-related equipment, water recovery and recycling, wastewater management and water treatment in an effort to improve water quality by reducing pollution, eliminate dumping, minimize the release of hazardous chemicals and materials and increase recycling and safe water reuse.
Green Buildings	Expenditures related to real estate projects that have received or are expected to receive third-party sustainable certifications or verification, such as BREEAM Excellent+, Energy Star 85+, LEED Gold or Platinum, or equivalent certification. Expenditures may include: design, development, construction, materials, equipment and certification costs.

Opinion: ISS ESG considers the Use of Proceeds description provided by Couche-Tard’s Green Bond Framework as aligned with the GBPs. The eligible project categories are aligned with the issuer’s sustainability strategy.

2. Process for Project Evaluation and Selection

A Green Bond Committee consisting of representatives from heads of relevant business units, Sustainability, and Treasury shall be responsible for the assessment and selection of Eligible Projects, on an annual basis, to ensure alignment with this Framework. In addition, all projects allocated funding from the issuance proceeds will follow an internal process that includes final review and approval by the CFO. The Green Bond Committee will also be responsible for identifying and managing potential ESG risks associated with eligible projects.

Opinion: ISS ESG considers the Process for Project Evaluation and Selection description provided by Couche-Tard’s Green Bond Framework as aligned with the GBPs. The issuer has a structured process to identify eligible projects and ESG risks associated with the eligible projects. Moreover, the issuer has set up a Green Bond Committee comprised of relevant stakeholders, which is considered best market practice.

3. Management of Proceeds

The Finance and Accounting departments will track an amount equal to the net proceeds from the sale of any Green Bonds allocated to Eligible Project. Pending allocation, an amount equal to the net proceeds from the sale of any Green Bonds may be temporarily invested in cash, cash equivalents, and/or held in accordance with our internal liquidity policy.

In the case of divestment or if a project no longer meets the eligibility criteria listed above, we intend to reallocate the funds to other Eligible Expenditures. Any payment of principal and interest on any Green Bonds will be made from Couche-Tard's general account and will not be linked to the performance of any Eligible Expenditures.

Opinion: ISS ESG finds that Management of Proceeds proposed by Couche-Tard's Green Bond Framework is well aligned with the GBPs. All proceeds will be tracked in an appropriate manner. Moreover, the intended types of temporary placement for the balance of unallocated net proceeds have been disclosed.

4. Reporting

Allocation Reporting

Annually, until all the proceeds have been fully allocated, and on a timely basis in case of material developments, Couche-Tard will publish a Green Bond Report, on its website [<https://corpo.couche-tard.com/en/investors/sustainable-finance>], which will include (i) the amount of net proceeds allocated to each Eligible Project; (ii) project portfolio reporting on expected impact metrics, where feasible; (iii) a selection of brief project descriptions; and (iv) the outstanding amount of net proceeds to be allocated to Eligible Green Projects at the end of the reporting period.

Impact Reporting

Examples of expected impact metrics may include, where feasible:

Project Category	KPI
Clean Transportation	<ul style="list-style-type: none"> Installed EV charging stations (Total Number)
Energy Efficiency	<ul style="list-style-type: none"> Energy savings (MWh) Emissions (including metric tons of CO₂e) reduced Office energy consumption/square foot Office energy consumption/employee
Renewable Energy	<ul style="list-style-type: none"> Renewable energy capacity sourced and developed (MW) Renewable energy procured and produced from the capacity above (MWh) Emissions (including metric tons of CO₂e) reduced Annual renewable energy procured and produced as a % of annual global electricity consumption Annual renewable liquid fuel share volume % Total GHG emissions reduced through EV, renewable fuels and Carbon off setting as a % compared to if all road transportation fuels had been derived from fossil sources only
Pollution Prevention and Control	<ul style="list-style-type: none"> Size of area remediated Tons of waste recycled / properly disposed of via our operations % of post-consumer primary packages collected as a result of waste management initiatives Food waste

[Sustainable Water and Wastewater Management]	<ul style="list-style-type: none"> ▪ % improvement in water use efficiency in our operations ▪ Water replenished (m³) ▪ Reduced amount of chemicals
[Green Buildings]	<ul style="list-style-type: none"> ▪ Green building certifications ▪ Total number of buildings certified ▪ Total square feet certified ▪ Percentage of overall company square feet certified

Opinion: ISS ESG finds that the reporting proposed by Couche-Tard’s Green Bond Framework is aligned with the GBPs. The issuer has clearly defined the level and scope on which it will publicly report annually, according to best market practices. Furthermore, the issuer has defined relevant metrics to report on the environmental impact of the projects financed, aligned with the ICMA Harmonized Framework for Impact Reporting.

External review

Second Party Opinion

Couche-Tard has obtained and will make publicly available a Second Party Opinion (“SPO”) from a consultant with recognized environmental and social expertise to provide an opinion on the environmental benefits of this Framework as well as the alignment to the GBP. The SPO will be available on the SPO provider’s website³.

Assurance

Couche-Tard expects that its Green Bond Report will be accompanied by (i) assertions by Couche-Tard’s management as to the amount of the net proceeds from the sale of any Green Bonds that have been allocated to Eligible Projects; (ii) a report from an independent third party who will examine and verify Couche-Tard’s management of the net proceeds from the sale of any Green Bonds and provide assurance as to the compatibility in all material respects of any selected Eligible Project(s), to which a portion or all of the net proceeds from the sale of any Green Bonds have been allocated, with the eligibility criteria set forth in this Framework.

³ <https://www.isscorporatesolutions.com/solutions/esg-solutions/second-party-opinion/>

PART III: SUSTAINABILITY QUALITY OF THE ISSUANCE














A. CONTRIBUTION OF THE GREEN BOND TO THE UN SDGs

Based on the assessment of the sustainability quality of the Green Bond Selection Criteria and using a proprietary methodology, ISS ESG assessed the contribution of the Couche-Tard's Green Bond to the Sustainable Development Goals defined by the United Nations (UN SDGs).



This assessment is displayed on 5-point scale (see Annex 2 for methodology):

Significant Obstruction	Limited Obstruction	No Net Impact	Limited Contribution	Significant Contribution
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------

Each of the Green Bond's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
Clean Transportation <i>Electric vehicles charging stations</i>	Limited Contribution	 
Energy Efficiency⁴	Significant Contribution	 
Energy Efficiency <i>LED for lighting</i>	Limited Contribution	 
Renewable Energy <i>Wind, solar and small-scale (<10MW) hydropower</i>	Significant Contribution	 
Renewable Energy <i>Energy-provision from certified biomass</i>	Limited Contribution	 
Pollution Prevention and Control <i>Waste recycling services</i>	Significant Contribution	
Pollution Prevention and Control <i>Soil remediation/improvement services</i>	Limited Contribution	
Sustainable Water and Wastewater Management	Significant Contribution	

⁴ This encompasses products/services that enable energy efficiency/savings with a high impact (insulating materials, battery technology that allows improvements in the field of renewable energy storage, enabling technologies that significantly increase the energy efficiency of other sectors/products).

	Limited Contribution	
Green Buildings⁵ <i>Including strict sustainable building certifications</i>	Significant Contribution	

⁵ According to ISS ESG methodology, green building certifications with strict requirements have a significant contribution to SDG 11 (e.g. LEED, BREEAM), while less strict certifications have a limited contribution to SDG 11 (e.g. Energy Star).

B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS ASSOCIATED WITH THE SELECTION CRITERIA

The ISS ESG KPI ensures that environmental and social risks attached to the projects financed are taken into consideration and have been minimized. This assessment is based on the issuer’s policies and strategy regarding ESG risks minimization in its assets selection process.

ASSESSMENT AGAINST ISS ESG KPI

RELEVANT KPIS FOR ALL USE OF PROCEEDS CATEGORIES

Impact of operations on biodiversity

- No policies in place at the company-level around biodiversity management for relevant assets during all phases (e.g. during site selection and due diligence activities), although five business units in Europe have ISO 14001 implemented.

Labor and Health & Safety

- ✓ The company has a global Health, Safety, and Environment (HSE) strategy and implements worker safety-related programs. Moreover, the company has operations in Europe, where high labor and health and safety standards are in place (e.g. ILO conventions).

Waste management and pollution prevention

- While the company has some measures in place to manage and reduce the waste of its retail products, no information is available on such measures related to the Use of Proceeds categories considered under its framework.

Dialogue with local communities

- ✓ The company engages with the local community and municipalities through its involvement in local industry groups. Moreover, the company considers topics affecting local communities (e.g. human rights, labor conditions) during the supplier pre-qualification process and in its operations.

RELEVANT KPIS FOR ALL USE OF PROCEEDS CATEGORIES

Prerequisite: Energy efficiency (green buildings only)

- ✓ All assets underwent an appropriate and detailed selection process that ensures good standards regarding energy efficiency.
- ✓ All assets selected under this framework will receive, or are expected to receive, a green building certification such as BREEAM standard label Excellent+, LEED (Gold or above), Energy Star 85+, or equivalent certification.

Safety of building users

- ✓ All assets financed are located in the United States and Europe. National legislations ensure operational safety (e.g. emergency and safety measures, exits, fire sprinklers, fire alarm systems). Furthermore, the company has a global HSE strategy and implements worker-safety related programs.

Water use minimization in buildings



More than 50% of assets provide for measures to reduce water consumption (e.g. water metering, high-efficiency fixtures and fittings, rain sensors).

Environmental impact of Solar PV



There is no group-wide policy regarding environmental standards on take-back and recycling of solar modules at end-of-life stage (e.g. in line with WEE requirements).

DISCLAIMER

1. Validity of the SPO: As long as no material changes are made to Couche-Tard's Green Bond Framework and Selection Criteria and that the ESG Corporate rating does not change.
2. ISS ESG uses a scientifically based rating concept to analyze and evaluate the environmental and social performance of companies and countries. In doing so, we adhere to the highest quality standards which are customary in responsibility research worldwide. In addition, we create a Second Party Opinion (SPO) on bonds based on data from the issuer.
3. We would, however, point out that we do not warrant that the information presented in this SPO is complete, accurate or up to date. Any liability on the part of ISS ESG in connection with the use of these SPO, the information provided in them and the use thereof shall be excluded. In particular, we point out that the verification of the compliance with the selection criteria is based solely on random samples and documents submitted by the issuer.
4. All statements of opinion and value judgements given by us do not in any way constitute purchase or investment recommendations. In particular, the SPO is no assessment of the economic profitability and credit worthiness of a bond but refers exclusively to the social and environmental criteria mentioned above.
5. We would point out that this SPO, in particular the images, text and graphics contained therein, and the layout and company logo of ISS ESG and ISS-ESG are protected under copyright and trademark law. Any use thereof shall require the express prior written consent of ISS. Use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The issuer that is the subject of this report may have purchased self-assessment tools and publications from ISS Corporate Solutions, Inc. ("ICS"), a wholly-owned subsidiary of ISS, or ICS may have provided advisory or analytical services to the issuer. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any issuer's use of products and services from ICS by emailing disclosure@issgovernance.com.

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

ISS is an independent company owned by entities affiliated Genstar Capital ("Genstar"). ISS and Genstar have established policies and procedures to restrict the involvement of Genstar and any of Genstar's employees in the content of ISS' reports. Neither Genstar nor their employees are informed of the contents of any of ISS' analyses or reports prior to their publication or dissemination. The issuer that is the subject of this report may be a client of ISS or ICS, or the parent of, or affiliated with, a client of ISS or ICS.

© 2021 | Institutional Shareholder Services and/or its affiliates

ANNEX 1: Methodology

ISS ESG Green KPIs

The ISS ESG Green Bond KPIs serve as a structure for evaluating the sustainability quality – i.e. the social and environmental added value – of the use of proceeds of Couche-Tard’s Green Bond.

It comprises firstly the definition of the use of proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets and which can also be used for reporting. If a majority of assets fulfill the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and social risks.

To review the KPIs used in this SPO, please contact Federico Pezzolato (details below) who will send them directly to you.

Environmental and social risks assessment methodology

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIs.

All percentages refer to the amount of assets within one category (e.g. wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Bond KPIs.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Couche-Tard (e.g. Due Diligence Reports). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the issuer.

Assessment of the contribution and association to the SDG

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which Couche-Tard’s Green Bond contributes to related SDGs.

ANNEX 2: ISS ESG Corporate Rating Methodology

The following pages contain methodology description of the ISS ESG Corporate Rating.

Alimentation Couche-Tard Inc.

Methodology - Overview

The ESG Corporate Rating methodology was originally developed by Institutional Shareholder Services Germany (formerly cekom research) and has been consistently updated for more than 25 years.

ESG Corporate Rating - The ESG Corporate Rating universe, which is currently expanding from more than 8,000 corporate issuers to a targeted 10,000 issuers in 2020, covers important national and international indices as well as additional companies from sectors with direct links to sustainability and the most important bond issuers that are not publicly listed companies.

The assessment of a company's social & governance and environmental performance is based on approximately 100 environmental, social and governance indicators per sector, selected from a pool of 800+ proprietary indicators. All indicators are evaluated independently based on clearly defined performance expectations and the results are aggregated, taking into account each indicator's and each topic's materiality-oriented weight, to yield an overall score (rating). If no relevant or up-to-date company information with regard to a certain indicator is available, and no assumptions can be made based on predefined standards and expertise, e.g. known and already classified country standards, the indicator is assessed with a D-

In order to obtain a comprehensive and balanced picture of each company, our analysts assess relevant information reported or directly provided by the company as well as information from reputable independent sources. In addition, our analysts actively seek a dialogue with the assessed companies during the rating process and companies are regularly given the opportunity to comment on the results and provide additional information.

Analyst Opinion - Qualitative summary and explanation of the central rating results in three dimensions:

- (1) Opportunities - assessment of the quality and the current and future share of sales of a company's products and services, which positively or negatively contribute to the management of principal sustainability challenges.
- (2) Risks - summary assessment of how proactively and successfully the company addresses specific sustainability challenges found in its business activity and value chain, thus reducing its individual risks, in particular regarding its sector's key issues.
- (3) Governance - overview of the company's governance structures and measures as well as of the quality and efficacy of policies regarding its ethical business conduct.

Norm-Based Research - Severity Indicator - The assessment of companies' sustainability performance in the ESG Corporate Rating is informed by a systematic and comprehensive evaluation of companies' ability to prevent and mitigate ESG controversies. ISS ESG conducts research and analysis on corporate involvement in verified or alleged failures to respect recognized standards for responsible business conduct through Norm-Based Research.

Norm-Based Research is based on authoritative standards for responsible business conduct such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the Sustainable Development Goals.

As a stress-test of corporate disclosure, Norm-Based Research assesses the following:

- Companies' ability to address grievances and remediate negative impacts
 - Degree of verification of allegations and claims
 - Severity of impact on people and the environment, and systematic or systemic nature of malpractices
- Severity of impact is categorized as Potential, Moderate, Severe, Very severe. This informs the ESG Corporate Rating.

Decile Rank - The Decile Rank indicates in which decile (tenth part of total) the individual Corporate Rating ranks within its industry from 1 (best - company's rating is in the first decile within its industry) to 10 (lowest - company's rating is in the tenth decile within its industry). The Decile Rank is determined based on the underlying numerical score of the rating. If the total number of companies within an industry cannot be evenly divided by ten, the surplus company ratings are distributed from the top (1 decile) to the bottom. If there are Corporate Ratings with identical absolute scores that span a division in decile ranks, all ratings with an equal decile score are classified in the higher decile, resulting in a smaller number of Corporate Ratings in the decile below.

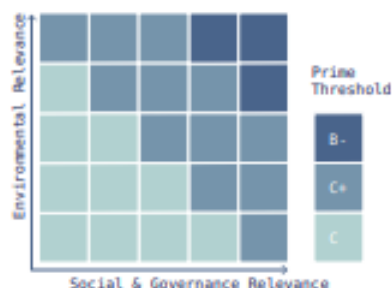
Distribution of Ratings - Overview of the distribution of the ratings of all companies from the respective industry that are included in the ESG Corporate Rating universe (company portrayed in this report: dark blue).

Alimentation Couche-Tard Inc.

Methodology - Overview

Industry Classification - The social and environmental impacts of industries differ. Therefore, based on its relevance, each industry analyzed is classified in a Sustainability Matrix.

Depending on this classification, the two dimensions of the ESG Corporate Rating, the Social Rating and the Environmental Rating, are weighted and the sector-specific minimum requirements for the ISS ESG Prime Status (Prime threshold) are defined (absolute best-in-class approach).



Industry Leaders - List (in alphabetical order) of the top three companies in an industry from the ESG Corporate Rating universe at the time of generation of this report.

Key Issue Performance - Overview of the company's performance with regard to the key social and environmental issues in the industry, compared to the industry average.

Performance Score - The ESG Performance Score allows for cross-industry comparisons using a standardized best-in-class threshold that is valid across all industries. It is the numerical representation of the alphabetic ratings (D- to A+) on a scale of 0 to 100 with 50 representing the prime threshold. All companies with values greater than 50 are Prime, while companies with values less than 50 are Not Prime. As a result, intervals are of varying size depending on the original industry-specific prime thresholds.

Rating History - Development of the company's rating over time and comparison to the average rating in the industry.

Rating Scale - Companies are rated on a twelve-point scale from A+ to D-:

A+: the company shows excellent performance.

D-: the company shows poor performance (or fails to demonstrate any commitment to appropriately address the topic).

Overview of the range of scores achieved in the industry (light blue) and indication of the grade of the company evaluated in this report (dark blue).

Sources of Information - A selection of sources used for this report is illustrated in the annex.

Status & Prime Threshold - Companies are categorized as Prime if they achieve/exceed the sustainability performance requirements (Prime threshold) defined by ISS ESG for a specific industry (absolute best-in-class approach) in the ESG Corporate Rating. Prime companies are sustainability leaders in their industry and are better positioned to cope with material ESG challenges and risks, as well as to seize opportunities, than their Not Prime peers. The financial materiality of the Prime Status has been confirmed by performance studies, showing a continuous outperformance of the Prime portfolio when compared to conventional indices over more than 14 years.

Transparency Level - The Transparency Level indicates the company's materiality-adjusted disclosure level regarding the environmental and social performance indicators defined in the ESG Corporate Rating. It takes into consideration whether the company has disclosed relevant information regarding a specific indicator, either in its public ESG disclosures or as part of the rating feedback process, as well as the indicator's materiality reflected in its absolute weight in the rating. The calculated percentage is classified in five transparency levels following the scale below.

0% - < 20%: very low

20% - < 40%: low

40% - < 60%: medium

60% - < 80%: high

80% - 100%: very high

For example, if a company discloses information for indicators with a cumulated absolute weight in the rating of 23 percent, then its Transparency Level is "low". A company's failure to disclose, or lack of transparency, will impact a company's ESG performance rating negatively.

ANNEX 3: Quality management processes

SCOPE

Couche-Tard commissioned ISS ESG to compile a Green Bond SPO. The Second Party Opinion process includes verifying whether the Green Bond Framework aligns with the GBPs and to assess the sustainability credentials of its Green Bond, as well as the issuer's sustainability strategy.

CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA GBPs
- ISS ESG KPI

ISSUER'S RESPONSIBILITY

Couche-Tard's responsibility was to provide information and documentation on:

- Framework
- Eligibility criteria
- Documentation of ESG risks management at company and asset level

ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly-reputed thought leader in the green and social bond market and has become one of the first CBI approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Bond to be issued by Couche-Tard based on ISS ESG methodology and in line with the ICMA GBPs.

The engagement with Couche-Tard took place in April – May 2021.

ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond / loan from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For Information about SPO services, contact:

Federico Pezzolato

SPO Business Manager EMEA/APAC

Federico.Pezzolato@isscorporatesolutions.com

+44.20.3192.5760

Miguel Cunha

SPO Business Manager Americas

Miguel.Cunha@isscorporatesolutions.com

+1.917.689.8272

For Information about this Green Bond SPO, contact: SPOOperations@iss-esg.com

Project team

Project lead

Oriana Mansur
Analyst
ESG Consultant

Project support

Melanie Comble
Sr. Associate
Head of SPO Operations

Project supervision

Viola Lutz
Associate Director
Deputy Head of Climate Services