



# Sustainability Report

for the financial year 2022/23





This sustainability report covers FY23 and is prepared in compliance with the Danish Financial Statements Act. The report is prepared in accordance with sections 99a, 99b and 99d of the Danish Financial Statements Act

# Content

---

<b>We are working to build a more sustainable future</b>	<b>4</b>
<b>Business model and key figures</b>	<b>6</b>
<b>Sustainability framework</b>	<b>7</b>
<b>UN's sustainable goals</b>	<b>8</b>
<b>Targets and ambitions</b>	<b>9</b>
<b>Planet</b>	<b>10</b>
<b>People</b>	<b>28</b>
<b>Prosperity</b>	<b>38</b>
<b>Compliance</b>	<b>44</b>

---







**METTE  
UGLEBJERG**

**“Employees’  
safety and  
well-being  
are essential  
to achieving  
our goals”**

**WE ARE WORKING TO BUILD  
A MORE SUSTAINABLE FUTURE**

FY23 was a year that not only brought constant change, but also brought everything to a standstill. Circle K maintained its focus on investment in sustainable solutions of the future, ensuring the well-being of our team members in the workplace, and making a positive impact on society through our business partners. Although uncertain times put pressure on companies worldwide, they also highlight the importance of finding sustainable solutions and relying less on fossil fuels in the future.

Circle K’s vision is to become the world’s leading destination for convenience and mobility. Simply put, convenience is about making life easier for our customers. We want to make it easy for our customers to make sustainable choices when charging or refueling their vehicles and shopping in our stores.

And we achieve this through our strategic goal of being a responsible retailer. In other words, what is important to the world around us is also important to us. This means that we want to engage in a dialogue with our customers, team members, suppliers as well as interest groups and decision-makers to understand their priorities in terms of environmental, climate and social issues, enabling us to be part of the solution in the communities where we work and live.

As one of the world’s leading mobility and convenience providers, we recognise the climate and societal impacts of our activities. By 2035, 35% of Denmark’s greenhouse gas emissions will come from the transport sector<sup>1</sup>, and even today more than 90% of Denmark’s transport emissions come from road transport.<sup>2</sup> We therefore believe that we can play a



significant role in reducing Denmark’s carbon emissions by making more sustainable fuel choices more accessible to our customers.

We are deeply dependent on strong partnerships, suppliers, and hard-working employees who work as ‘ONE TEAM’. Our team members are our most important asset – both in terms of our current core business and in terms of the transformation our business is going through. Employees’ safety and well-being are essential to achieving our goals, which is why we have continued our efforts to increase diversity and inclusion in the workplace again this year. Without our employees and their unwavering commitment, we would not be able to succeed, and we want to thank each and every one of them for their support and tireless efforts to contribute to Circle K’s sustainability journey.

This sustainability report describes Circle K initiatives – both major and minor – aiming to contribute to a

more sustainable development in the communities we live and work. The report also details Circle K’s sustainability goals. It describes our efforts to reduce our carbon emissions, and how we live out our desire to be a responsible retailer that contributes to creating a better and safer future as we minimise our footprint on the planet. We still have a long road ahead, but I am proud of the important steps we have taken so far for our planet, our people and its prosperity.

I look forward to continuing this important work in the coming years.

**Mette Uglebjerg**  
CEO, Circle K Denmark

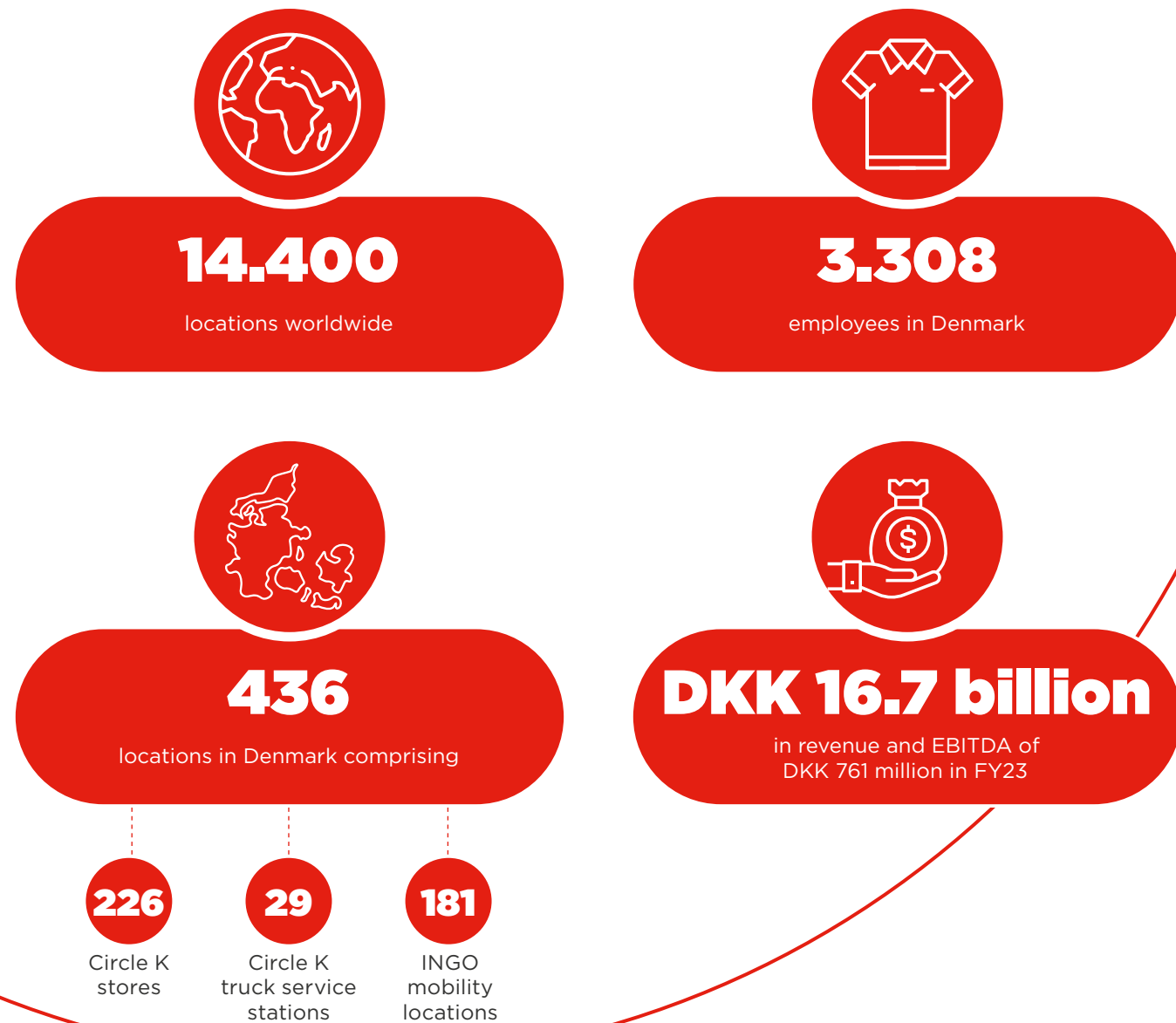


<sup>1</sup>[https://ens.dk/sites/ens.dk/files/Basisfremskrivning/kf23\\_hovedrapport.pdf](https://ens.dk/sites/ens.dk/files/Basisfremskrivning/kf23_hovedrapport.pdf)  
<sup>2</sup><https://www.dn.dk/energi/transport/>

# Business model and key figures

Circle K Danmark A/S (Circle K) is part of Alimentation Couche-Tard Inc. The company has more than 14,000 convenience and mobility locations and approximately 128,000 employees in 25 different countries around the world. In Denmark, Circle K operates two separate brands (Circle K and INGO) in a total of 436 locations across the country. At 206 of our Circle K mobility lo-

cations, we also offer food, beverages and car wash services in addition to fuel. Thirty-six of our INGO mobility locations also offer car wash services. In addition, we have 212 high-speed EV charges point across 55 mobility locations. Circle K employs 3,308 people, 80% of whom are part-time or hourly paid workers. 194 people work at our service office in Copenhagen.



# Sustainability framework

## WE HAVE THREE MAIN PILLARS - PLANET, PEOPLE & PROSPERITY

Our planet is under pressure due to climate change. Being a leading Danish supplier of fuel and energy, we recognise our responsibility and our obligation to contribute to a sustainable future and we want to take the lead in the green transition of the industry.








Our work is based on our sustainability ambitions, which rest on three pillars:



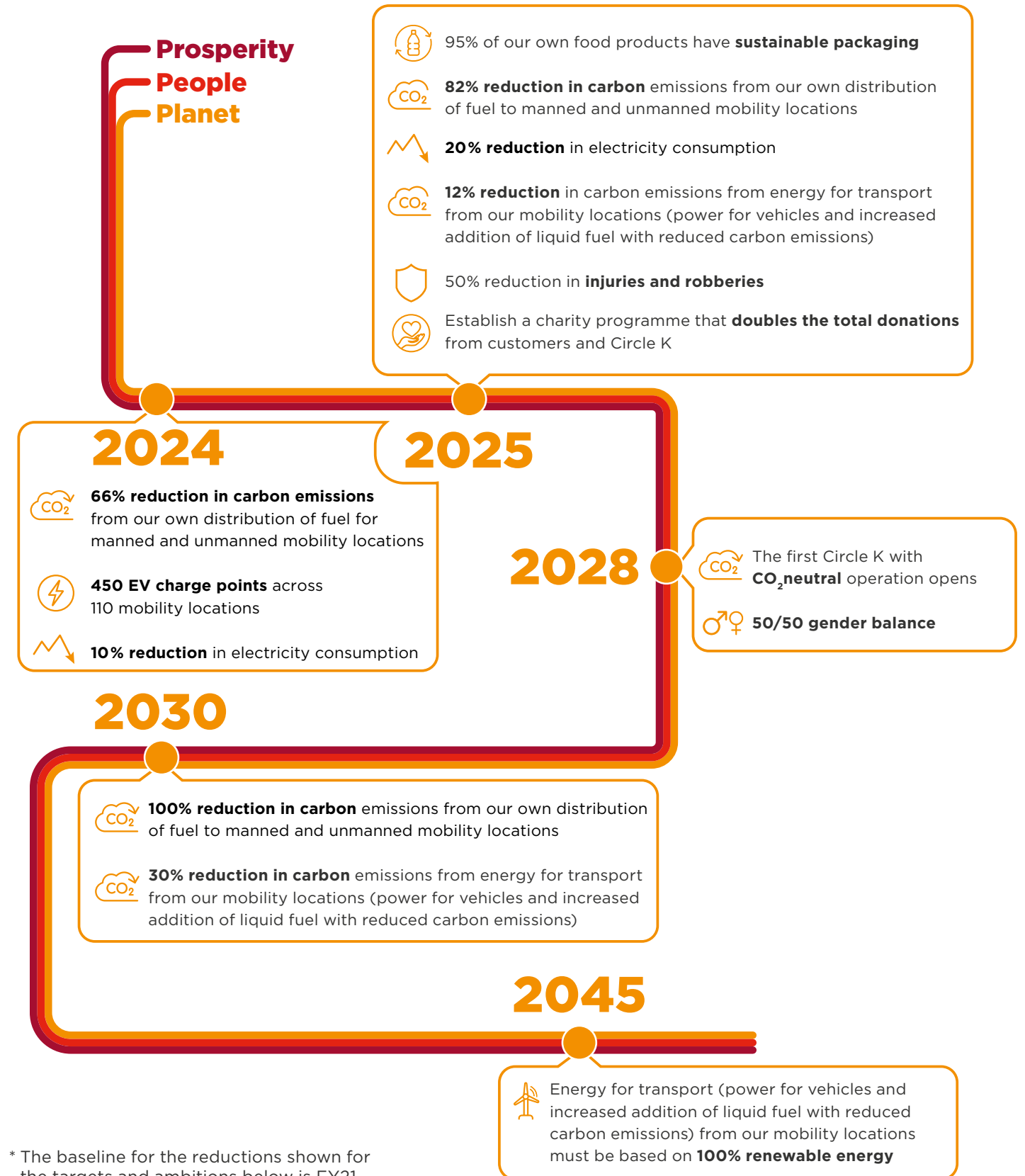
# UN's sustainable goals

We have been working with the UN's sustainable development goals (SDGs) since 2019. Based on these goals, we have identified six sustainability priorities within the three pillars where we believe we can make a significant difference - for the planet, our people and prosperity.

**OUR WORK IS CENTRED ON THE SIX SDGS SHOWN IN THE MODEL BELOW:**

FOCUS AREA	SDG	AMBITION	SUSTAINABILITY PRIORITIES
 <b>PLANET</b>	 7 AFFORDABLE AND CLEAN ENERGY	<i>We want the transport of the future to be powered by renewable energy sources and are committed to transforming our own business.</i>	<ul style="list-style-type: none"> <li>Climate, e.g. greenhouse gases and energy consumption</li> <li>Resources, e.g. packaging consumption, water, plastic, waste, and food waste</li> <li>Food and drink, e.g. organic products, animal welfare and meat-free options</li> </ul>
	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION		
 <b>PEOPLE</b>	 5 GENDER EQUALITY	<i>We want to contribute to diversity and inclusion by living our values of openness and employee engagement.</i>	<ul style="list-style-type: none"> <li>Employee engagement</li> <li>Working environment</li> <li>Training and education</li> <li>Diversity and inclusion</li> </ul>
	 8 DECENT WORK AND ECONOMIC GROWTH		
 <b>PROSPERITY</b>	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<i>We want to be a responsible company that contributes to society and minimises our impact on the planet by engaging customers and employees and partnering with organisations that share our values and goals</i>	<ul style="list-style-type: none"> <li>CSR</li> <li>Partnerships with organisations that share our values and goals</li> <li>Supplier agreements</li> </ul>
	 17 PARTNERSHIPS FOR THE GOALS		

# Targets and ambitions



\* The baseline for the reductions shown for the targets and ambitions below is FY21. The model is based on financial years.



# PLANET

We want the transport of the future to be powered by renewable energy sources and are committed to transforming our own business

## KEY RESULTS IN 2022/23:

- With 122 high-speed EV charges point installed at 32 mobility locations, we now have a total of 212 high-speed chargers across 55 different mobility locations across the country.
- 46% of the diesel points used in our own operations (distribution of fuel to manned and unmanned mobility locations) has been converted to HVO, which corresponds to 10 fully operating trucks.
- We have implemented a wide range of energy-saving initiatives in our stores and at our service office. These include installing light and water sensors, replacing oil-fired boilers with other heat sources, setting up water-saving car washes and putting doors on refrigerators, which has reduced our energy consumption by 7.3% and generated savings of 3,462,159 kWh.



This section describes initiatives aimed at reducing our carbon emissions and environmental impact. At Circle K, we invest heavily in developing fossil-free fuels in the form of Power-to-X, increasing the number of EV high-speed chargers across the country, and reducing our consumption of energy, water, and plastic.

In recent years, we have taken the lead in helping drive the development of new fossil-free transport solutions, for example by entering into a dialogue with political decision-makers about changing the framework conditions for the use of Power-to-X in the form of e-methanol. This work will continue in the coming years.

## Our direct and indirect carbon emissions



### What are scopes 1, 2 and 3?

#### Scope 1: Direct emissions

Cover direct carbon emissions originating from sources controlled or owned by Circle K Denmark. These include the refrigerants and fuels used in our warehouses and stores, as well as carbon emissions from vehicles that distribute fuel to our mobility locations. Direct GHG emissions and energy included natural gas and heating oil.

#### Scope 2: Indirect emissions

Cover electrification and district heating that we buy from third parties for our buildings and stores. Indirect GHG emissions and energy included electricity covering both renewable and non-renewable energy sources.

#### Scope 3: Other indirect emissions

Cover emissions that occur in our value chain from sources not owned or controlled by us. These include carbon emissions from our suppliers and carbon emissions resulting from the use of the goods and services we sell, including packaging.

### Development in scope 1 and 2 emissions expressed in tCO<sub>2</sub>e

FY	2020/21	2021/22	2022/23
Scope 1	373	197	212
Scope 2	14.983	10.496 <sup>3</sup>	9.779
<b>Total</b>	<b>15.356</b>	<b>10.693</b>	<b>9.991</b>

<sup>3</sup>Emissions are covered when purchasing green energy (climate compensation)



## Carbon account

Our GHG emissions were calculated using GHG protocol, covering scope 1 and 2 emissions only. We measured carbon dioxide using emission factors from Danish Energy Agency. Compiling our total carbon accounts is a complex process which we take very seriously, and which takes time to complete in order to get the full picture of our scope 1, 2 and 3 emissions.

This work will be completed in the coming year at the earliest, which is why our scope 3 calculations are not included in this report. However, we already know that our emissions primarily occur within the following three areas, which require different actions to achieve our overall sustainability goals:

**1:** Within scopes 1 and 2, our primary emissions come from our electricity and heat consumption. Our work is therefore based on the goal that most of our existing stores will undergo renovations over the next few years to improve energy efficiency and achieve climate neutrality by 2040. We are already taking targeted action to reduce our energy consumption at the individual sites and will continue to do so until we reach our goal in 2040.

**2:** Within scope 3, the vast majority of our carbon emissions come from the sale of fuels. We therefore aim for the fuels sold at Circle K mobility locations to be based on 100% renewable energy by 2045.

**3:** Within scope 3, we also want to reduce emissions related to product packaging in our stores. Emissions from product packaging make up a small part of the total accounts, for example compared to emissions related to fuel sales. Nevertheless, we believe that we all should do something where we can, to reduce the overall CO<sub>2</sub> footprint.



**In the coming year, we will continue to map our emissions related to scopes 1, 2 and 3. Our goal is to complete the mapping of our scope 1, 2 and 3 emissions by 2024, which can serve as a baseline for emission reductions going forward.**

## Mobility

According to Statistics Denmark, the transport and trade sector accounted for as much as 54% of Denmark's greenhouse gas emissions in 2020, if international transport is included.<sup>4</sup> Given that approximately half of Denmark's emissions are generated by the transport sector, the transport industry naturally play an important role in developing future-proof solutions to the sustainable transition. Simply put, a more sustainable Denmark requires a transition of the transport industry, and it is therefore crucial that future transport is powered by energy sources and fuels with much lower carbon emissions than is the case today.



### Targets from the Danish Climate Act

In order to counteract negative climate impacts, Denmark introduced a number of climate targets in the Danish Climate Act 2020 which must be achieved as part of the green transition of society. Among them is the 2030 target to reduce Denmark's total carbon emissions by 70% by 2030 compared to 1990 levels.<sup>5</sup> In addition, the Danish Climate Act has set a target of climate neutrality by 2045, which means that Denmark will only be allowed to release as much greenhouse gas as can be absorbed.<sup>6</sup>

We want to lead the green transition of the industry, and to that end we have taken some important first steps towards a fossil-free future. In Circle K Denmark we have set two ambitious goals for the:

- 1. Carbon emissions from fuel sold at our mobility locations must be reduced by 30% by 2030.**
- 2. Fuel sold at our mobility locations must be 100% climate-neutral by 2045**

To achieve these goals, we have invested heavily in increasing the number of high-speed EV charges point across the country and in the development of new Power-to-X fuels. No political decisions have yet been made on the future regulation of fossil fuel vehicles. Our goal of offering our customers climate-neutral fuels for both electric vehicles and vehicles currently running on fossil fuels by 2045 is therefore an important step towards achieving the government's overall climate neutrality target by 2045.

<sup>4</sup>Climate - Statistics Denmark (dst.dk)

<sup>5</sup>Legal information (2020): Law no. 965 af 26/06/2020

<sup>6</sup>Climate-neutral in 2045 - action today



**TARGETS AND AMBITIONS 2024/25:**

- 2024: 66% reduction in carbon emissions from our own distribution of fuel to manned and unmanned mobility locations
- 2025: 82% reduction in carbon emissions from our own distribution of fuel to manned and unmanned mobility locations
- 2025: 12 % reduction in carbon emissions from energy for transport from our mobility locations (power for vehicles and increased addition of liquid fuel with reduced carbon emissions)
- 2030: 30% reduction in carbon emissions from energy for transport from our mobility locations (power for vehicles and increased addition of liquid fuel with reduced carbon emissions)
- 2030: 100% reduction in carbon emissions from our own distribution of fuel to manned and unmanned mobility locations
- 2045: 100% reduction in carbon emissions from energy for transport from our mobility locations (power for vehicles and increased addition of liquid fuel with reduced carbon emissions)

Last year, we set a target requiring us to achieve a 66% reduction in carbon emissions from our own distribution of fuel to manned and unmanned mobility locations. With our reduction currently at 46%, we still have some way to go. In 2023/24, we will continue to work towards our target and expect to achieve a 66% reduction in the coming financial year. In addition, we expect to achieve a 82% carbon emission reduction by 2025.

**High-speed chargers**

There is a growing demand for high-speed chargers across the country, and in spring 2023 every third newly registered vehicle was 100% electric.<sup>7</sup> As a result, high-speed chargers play an increasingly important role in maintaining growth, employment and productivity in Denmark.

The growing number of high-speed chargers accelerates the mobility transition and makes it easier for all, as it reduces the time needed to charge a vehicle.

We know that accessibility is one of the most important factors if consumers are to invest in an electric vehicle rather than a vehicle running on fossil energy. That is why it is important to increase the number of high-speed chargers across the country to help people make more sustainable choice. Circle K's long-term ambition is to install 1,300 high-speed EV charges point by 2030, and so far, we plan to invest more than DKK 1 billion in total in the project.

Circle K currently has 212 high-speed EV charges point (150-300 kW) across 55 different mobility locations all over the country (at the end of FY23). This means that Circle K has installed high-speed chargers at 24% of our mobility locations across Denmark.

70% of our current EV charge point network has four or more available charge points. This means that Circle K currently covers 17% of the total high-speed charger network in Denmark. By May 2024, we expect to have installed a total of 450 Circle K high-speed EV charges point.

Denmark's green think tank, Concito, estimates that road freight transport will grow in the coming years, which will increase Denmark's total carbon emissions by more than 20% towards 2030 unless significant action is taken.<sup>8</sup> By May 2024, Circle K expects to have opened EV charge points for heavy transport at four mobility locations – an important step if we are to reduce the potential increase in carbon emissions from freight transport.

<sup>7</sup>More than every third new car in March was an electric car  
<sup>8</sup>Green conversion of trucks comes furthest with electrification







**Power-to-X**

As one of Denmark’s largest energy and fuel companies, we have a responsibility to drive, explore, and develop new fossil-free transport solutions. As mentioned earlier, road transport will account for 36% of Denmark’s carbon emissions in 2030, and the reduction potential is particularly significant within heavy transport. Direct electrification via electric vehicles will be an important part of the solution, but it cannot necessarily stand alone.

We will need huge amounts of sustainable power if the direct electrification of society is to be a success. It is therefore important that we implement technology-neutral framework conditions now to support the development of alternative fuels, for example through Power-to-X, as all kinds of sustainable solutions must be able to compete cost-effectively in a free market with other sectors.

Direct electrification is an obvious choice for use where feasible. Electricity is the best solution for passenger cars, vans, and heavy transport travelling short distances, while alternative fuels will be needed for heavy transport travelling long distances across Europe.

This is because the range offered by current battery technology is not long enough for heavy transport

<sup>9</sup>Climate status and projection 2023

travelling long distances. With the current technology, heavy transport travelling long routes needs to be charged very frequently and for a long time. This is not an optimum solution, as it prolongs driving times and puts pressure on the EV charge point infrastructure, thereby increasing the costs throughout the supply chain. If the mobility transition of heavy transport is to be attractive to hauliers, we need to devise solutions that make it easier and faster to switch to alternative fuels.

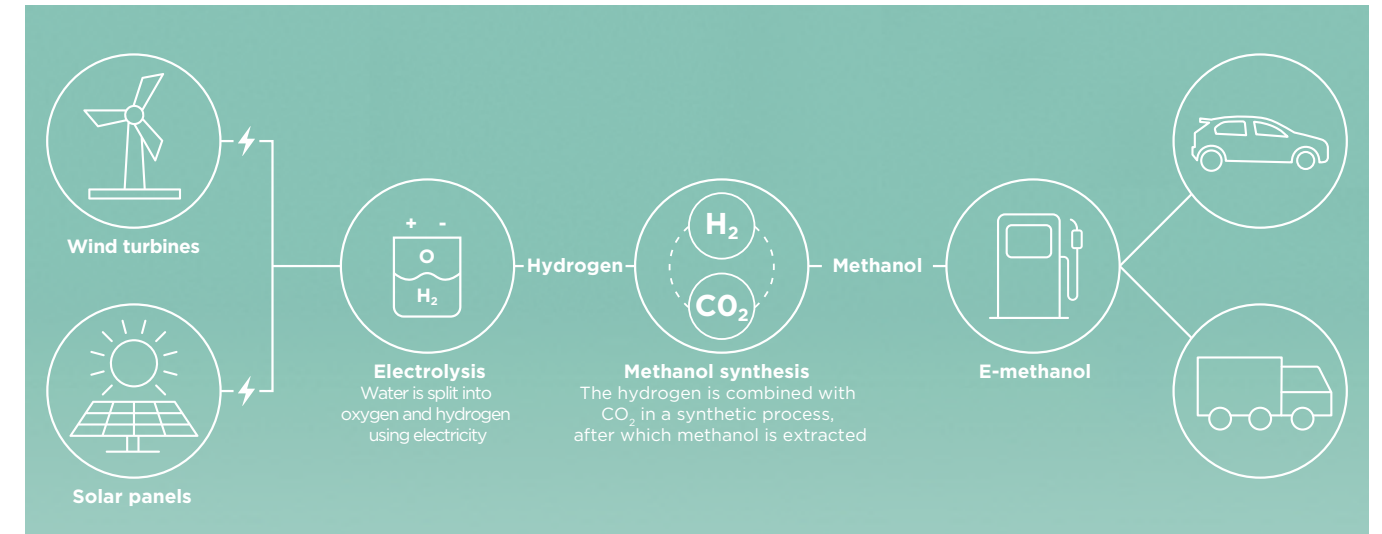
E-methanol is a fuel that is better suited to the long distances travelled by heavy transport. E-methanol is a liquid carbon-neutral fuel made from renewable energy sources. An e-methanol truck has a traditional internal combustion engine or methanol fuel cells, and the tank can quickly be filled with up to 800 litres of e-methanol which gives the truck a much longer driving range than an electric truck.

Circle K can quickly prepare its mobility locations for e-methanol. All we need to do is to pump the petrol out of the tanks and fill them with e-methanol. By 2030, it is estimated that there will be more than 3 million vehicles on Danish roads, and 1 million of them will be electric vehicles.<sup>9</sup> If society invests in e-methanol, and small modifications are made to the vehicles so they can run on e-methanol, it is possible to reduce emissions from the 2 million vehicles that do not run on electricity by 2030.

The investments in e-methanol will happen alongside our further investments in electrification. The mobility transition of the transport sector will only be successful if we as a society choose a technology-neutral approach to the transition of the transport sector.



**How e-methanol is made**



Power-to-X is the process in which electric current is converted into fuel through electrolysis. The electric current may be generated by wind turbines or solar panels. Next, the electrolysis of water can begin. The water is split into oxygen and hydrogen using the electric current generated by wind turbines and solar panels. The hydrogen can be used as an alternative to fossil fuels, but the process can also be expanded by adding CO2 to the hydrogen. Through this process, e-methanol is extracted. E-methanol is yet another

alternative to fossil fuel. It is a liquid fuel, whereas hydrogen is a gas that cannot be used in our current vehicles and truck engines. That would require replacing fuel tankers and converting all mobility locations. The Power-to-X process is energy-intensive, and direct electrification would be preferable where possible. However, much of the heavy transport will depend on alternative sustainable fuels from Power-to-X in order to complete the transition.





## Technology-neutral framework conditions to ensure an effective mobility transition of road transport

We are proud of our ambitious goal that fuels sold at Circle K mobility locations must be based on 100% renewable energy by 2045. But if we are to reach our goal and for the mobility transition of road transport to be a success, the political framework conditions must support the development of future-proof solutions to a much greater extent. This ensures an efficient transition of both heavy and light transport.



### AS PART OF OUR DIALOGUE WITH POLICYMAKERS, CIRCLE K FOCUSES ON:

#### Technology-neutral framework conditions

When it comes to the mobility transition of road transport, technology-neutral framework conditions ensure a level playing field for those tasked with developing innovative and future-proof solutions. Technology-neutral framework conditions enable us to attract investment in climate-friendly solutions for the entire transport sector, making it possible for people to make the most climate-friendly choice.

#### A future-proof tax structure

Circle K is committed to a future-proof tax structure, where there is a better balance between the fuel's climate impact and the size of the tax. A future-proof tax structure should encourage commercial operators to develop alternative fuels and ensure that consumers choose the most climate-friendly products.

#### Updating methods for calculating road transport emissions

Circle K is committed to ensuring that policy decisions in the field of transport are based on an overall assessment of a vehicle's emissions over its entire lifetime rather than just zero emissions from the vehicle's exhaust as is the case today. This will provide a more accurate picture of a vehicle's emissions over its entire lifetime (from cradle to grave).

**In the past year, Circle K has focused on these topics in our dialogue with policymakers, civil servants and the media. This work continues in 2023-2024.**

## HVO

HVO biofuel (hydrotreated vegetable oil) is a fuel made from waste products from other production and is a viable alternative to fossil fuels. HVO biofuel reduces emissions by up to 90% compared to fossil fuels. Where HVO emits 0.302 grams of CO<sub>2</sub> per litre, regular diesel emits 3.247 grams of CO<sub>2</sub> per litre.

The great advantage of HVO biofuel is that it can be used in most existing diesel truck engines, meaning that it can be used in today's vehicles. Circle K's HVO biofuel is a product made from recycled cooking oil, making it 100% fossil fuel- and palm oil-free.<sup>9</sup>

However, the demand for HVO far outstrips supply, which means that the price is much higher than the price of fossil fuel. Circle K is aware that increased supply may have positive benefits for the transport sector, but that there may also be a risk of affecting carbon

emissions in the supply chains of other sectors if they no longer have access to the waste products used to produce HVO biofuel.

In January 2021, Circle K introduced HVO100, which is currently sold at ten of our mobility locations. The aim is to offer the heavy transport segment a sustainable fuel alternative. HVO is part of the solution, but more is needed to achieve the mobility transition, as supply cannot keep up with the potential demand, as mentioned before.

In 2022, Circle K introduced HVO biofuel in its own distribution. This means that 46% of the diesel consumption used in the distribution to our mobility locations has been converted to HVO. However, we expect the figure to grow to 70% by July 2023.

### HOW HVO IS MADE:

HVO stands for hydrotreated vegetable oil. As the name suggests, hydrotreated used cooking oil or animal fat is used in the production process. HVO is a synthetic fossil-free diesel fuel that does not release new carbon dioxide into the atmosphere. HVO is made in a two-step process: First, the 100% recycled raw material such as vegetable oil (used cooking oil from deep frying) or animal fat from slaughterhouse waste is hydrotreated. Then the product is hydrogenated. This creates a chemical reaction that allows HVO to achieve the same properties as traditional fossil diesel. HVO does not solve the climate problem, but it is an alternative out of several sustainable alternatives. The HVO biofuel sold by Circle K is free from palm oil and PFAD (palm fatty acid distillate).



<sup>9</sup>Be careful when replacing traditional diesel with bio-fuel. Read more here:



# Energy and water consumption

At Circle K, we have worked for many years to minimise energy consumption in our stores and at our service office. Our scopes 1 and 2 emissions mainly come from the large amounts of energy used by our stores, making energy-saving measures essential.

Although we have focused on reducing our energy consumption for many years, the energy crisis in 2022, has undoubtedly sharpened the focus on our energy and water consumption, and our main efforts in this area included replacing lighting and taps, installing water sensors, setting up wash halls with water treatment systems, and putting doors on refrigerators.

## TARGETS AND AMBITIONS 2024/25:

The baseline for the reductions shown for the targets and ambitions below is FY2020/21

- 2024: 10 % reduction in electricity consumption
- 2025: 20 %reduction in electricity consumption
- 2028: The first Circle K with CO<sub>2</sub> neutral operation opens



Due to the war in Ukraine, countries across Europe saw the price of coal, oil, and gas skyrocketing during 2022. The rising energy prices and the potential risk that Denmark might run out of power prompted Circle K to step up its efforts even more in the energy area and implement a series of energy-saving initiatives.

Prior to the energy crisis in 2022, we had already implemented a wide range of energy-saving initiatives in our stores and at our service office, and so we knew that there were big savings to be made. From September 2022 onwards, we turned off our floor coolers and air conditioning systems, lowered the temperature in our stores and at our service office, emptied

and turned off freezers and beverage coolers, and turned off heated holding cabinets and sausage pans during fixed times throughout the day.

These initiatives helped save a total of 3,462,159 kWh from FY2021/22 to FY23, corresponding to savings of 7.3%.<sup>11</sup>

Our store team members have worked hard to implement the energy-saving initiatives and have provided valuable input on how to achieve further savings. We remain fully committed to achieving further energy savings in the future.

<sup>11</sup>Does not include the energy consumption of EV charge points at our mobility locations.

## OTHER ENERGY-SAVING INITIATIVES

### In FY23, we also implemented a number of energy-saving initiatives:

- Replaced 16 oil-fired boilers with other heat sources, saving a total of 7.3 tonnes of CO<sub>2</sub>.
- Replaced all taps on customer/staff toilets with electronic sensor taps.
- Set up the first two implementations of integrated energy system with solar panels. Expecting to provide energy savings of 20-30%
- Put doors on refrigeration equipment, which is expected to provide energy savings of 33%.
- Installed light sensors in all secondary rooms such as storage rooms, offices, technical rooms and sheds.
- Adjusted the temperature of water coolers which is expected to provide energy savings of 3-5% per degree adjusted.
- Set temperature requirements in offices/stores/storage rooms, which is expected to provide savings of around 4,400 kWh per year per store.
- Reduced the heating point in the car wash from 8 °C to 5 °C, which is estimated to provide annual savings of 68,600 kWh.





In the coming year, we will continue our many energy-saving initiatives towards our 2025 goal of a 20% reduction in our total energy consumption. We will achieve this through a number of initiatives:



Goals



**ENERGY - 20% REDUCTION IN ELECTRICITY CONSUMPTION AT EACH FULL SERVICE MOBILITY LOCATION BY 2025**

- Installation of solar panels and integrated energy systems at new mobility locations and locations where energy systems are being replaced. The system reduces energy consumption by 20-30%.
- Continued implementation of energy optimisation measures: Temperature control, doors on refrigerators etc. - reduce energy consumption by 3-5% per degree adjusted.
- Installation of water treatment systems in all new and upgraded wash bays.
- Installation of recirculation systems in all new and upgraded wash bays.

Goals



**THE FIRST CIRCLE K WITH CARBON-NEUTRAL OPERATION OPENS IN 2028**

- In September 2022, we opened the first Circle K store with solar panels on the roof on Herlev Hovedgade. With the new mobility location in Herlev, we now have a store and forecourt with a high level of sustainability: Four high-speed chargers for electric vehicles, a store partly powered by solar energy and a wash hall with a water treatment system that reuses and treats the water used in the wash hall - initiatives that help minimise our energy consumption and carbon footprint. To ensure lower electricity consumption, less heat generation and less noise, the store's food and beverage coolers are cooled by an integrated energy solution. We expect the solar panels on our Herlev Hovedgade location to produce an average of 26,500 kWh per year, the equivalent of two months' energy consumption for the entire store.
- In addition, we will open a new mobility location at Odense Business Park in October 2023. Here, we will also install rooftop solar panels, a water treatment system in the wash hall, high-speed chargers in the forecourt and energy optimisation devices as well as a shared energy solution in the store.
- In January 2024, we will open a new Circle K store in Recharge City near Horsens. It will be our first sustainability-certified mobility location. The 'Recharge City' project is sustainability certified according to the German certification scheme DGNB Gold, which also includes Circle K's store and buildings. To ensure lower electricity consumption, less heat generation and less noise, the store's food and beverage coolers are cooled by an integrated energy solution. In addition, the mobility location will offer amenities such as a wash hall with a water treatment system for passenger cars and six high-speed chargers with 12 EV charge points in total. We are also working on setting up EV charge points for heavy transport at Recharge City.



**CIRCLE K**

In FY23, we installed six water treatment systems at three of our mobility locations: Two car washes at our mobility location on Borgmester Christiansens Gade, two car wash bays at Herlev Hovedgade, and two car wash bays at Gladsaxe Møllevej. Car Washes with a water treatment system only use 10-30 litres of water per wash compared to 110 litres in car washes without a water treatment system. This reduces water consumption by up to 60% per car wash. The car wash is also Nordic Swan Ecolabelled due to their water treatment systems, use of Nordic Swan Ecolabelled products and overall low environmental impact.

A total of 26 mobility locations are currently equipped with water treatment systems. We will continue to install new, efficient water treatment systems in FY2023/24. Our ambition is to install water treatment systems at all our car washes by 2030.

**INGO**

In 2022/23, INGO installed water treatment systems at four more car washes which means that as many as 16 of the 36 INGO CARWASH facilities in Denmark are now equipped with water treatment systems. Each time a car wash is replaced, the machines are replaced with a water treatment system. This means that the number of water treatment systems increases significantly year by year. Our ambition is to install water treatment systems at all our car washes by 2030.



# Packaging and waste

## GOALS AND AMBITIONS 2024/25:

- 2025: 95% of our own food products and to-go items/offering must have sustainable packaging
- 2028: 100% of our own food products and to-go items/offering must have sustainable packaging

Packaging is an important focus area for Circle K, which is why we aim for 95% of our own food products to have sustainable food packaging by 2025. We therefore work closely with our own packaging suppliers and suppliers of third-party products to continue to offer smarter and more sustainable packaging solutions.

Reducing waste and increasing recyclability are important steps towards lowering the climate footprint of our stores. We are therefore committed to reducing our overall consumption of plastic and packaging. All our stores have a food packaging guide that describes ways to reduce packaging consumption. For example, all customers are asked if their food will be eaten immediately which eliminates the need for packaging to keep it warm.



**Tip!**  
Our coffee also tastes great without a lid.  
If you need a lid for your coffee,  
please only take one.

In June 2022, we put up a sign next to our coffee cups and coffee lids at all our mobility locations that read: Tip! Our coffee also tastes great without a lid. If you need a lid for your coffee, please only take one. The sign has helped ensure that 265,000 fewer lids were delivered and used over a period of 10 months (June 2022-April 2023), resulting in a 7% reduction in the number of lids used and less use of plastic.



# Food and beverages



We are constantly striving to develop our food offering for people on the go, including offering more vegetarian and vegan options as well as fresh and healthy food options. At the same time, we are working to increase the number of organic and fair trade-certified products, and we also demand that all our suppliers meet our requirements for sustainability and responsible production.

## VEGAN OPTIONS

Today we have a vegan/vegetarian option in the following categories:

- Sandwich (vegetarian sandwich with hummus)
- Salads (vegan protein salad)
- Vegan nuggets
- Bakery: Vegan cookies and vegan rolls
- Coffee (coffee with oat milk)
- Cold drinks (all smoothies are vegan)

## Animal welfare

Animal welfare is a key priority for Circle K, and we are constantly working to increase our offering of high animal welfare products. About 95% of all chicken products sold in our stores are made from higher-welfare chicken produced in Denmark. All chicken in our sandwiches, salads and burgers is 1 heart higher-welfare chicken. Our chicken nuggets were replaced by vegan nuggets in early 2022.



### WHAT DOES 1 HEART ANIMAL WELFARE MEAN?

It means that the animal welfare requirements exceed the requirements of Danish law and that additional requirements are placed on housing conditions. The animals have more litter, more space and shorter transport times to the slaughterhouse. The chickens are of a slower growing breed, the pigs are not tail-docked, and the calves have a better start in life.

Our meatballs are made from Danish 1 heart higher-welfare pork. They are also gluten-free. The burger patty in our beef burgers is made from higher-welfare beef.

We still need to replace the chicken in our chicken skewers with higher-welfare chicken. We are working on it and aim to reach this goal by the end of 2023.

In the past year, we have switched to a sausage producer who works actively with sustainability. The pigs are raised on GMO-free feed, and the meat is antibiotic-free and carbon-neutral.

Our assortment of bread and bakery products does not contain palm oil. Our ambition is to find alternative ingredients that can replace palm oil, if at all possible. In the long term, our goal is for third-party products containing palm oil to be certified.

## Coffee

Our coffee is 100% organic and the coffee beans are Rainforest Alliance-certified, which means that the product is produced using methods that protect people and the environment. Moreover, all our stores offer organic oat milk which is a vegan and more climate-friendly alternative.

# Food waste

Food production has a climate footprint which is one of the reasons why food should not go to waste. Since May 2021, we have been working to reduce food waste in our stores and ensure that surplus food can be saved and turned into new meals. We have tried to optimise our stores and food offering to not only ensure a varied selection of food throughout the store's opening hours but also prevent excessive food waste during the day.

We have partnered with Too Good To Go since 2021, and in the past year we delivered 77,159 Too Good To Go bags, reducing food waste and carbon emissions by 193 tonnes. Since the start of our partnership with Too Good To Go, we have sold 160,210 bags and re-

duced our food waste and carbon emissions by 400 tonnes.

In the past year, we have also expanded our Too Good To Go range with new product types/bags in our stores, offering mystery bags of surplus food which can be bought in the app. We have started selling bags of bread rolls which can be picked up once the morning rush is over. In the past year, we have also started selling bags of sweets and cakes.

We are pleased to contribute to minimise food waste, and we look forward to continuing our partnership with Too Good To Go in the coming year.



## DANISH FOOD BANK

The past year we also partnering with the Danish Food Bank by offering them a discount agreement on fuel for their refrigerated trucks. The Danish Food Bank is committed to fighting food waste and food poverty in Denmark.

**Read more in the prosperity section on page 41.**







# PEOPLE

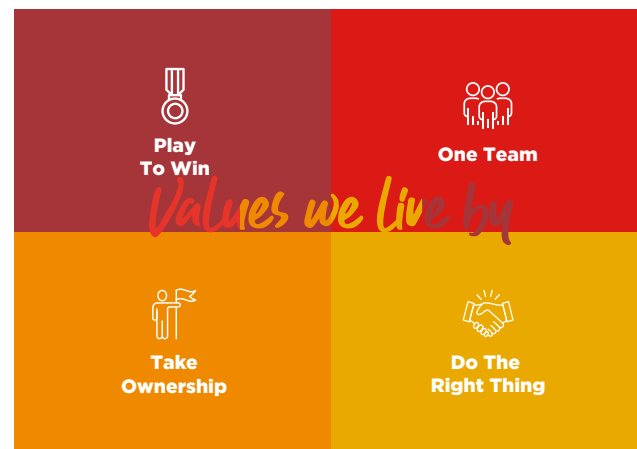
We want to contribute to diversity and inclusion by living our values of openness and employee engagement

## KEY RESULTS IN 2022/23:

- MyVoice' engagement survey score of 4.27 out of 5 – an improvement of 0.04 points from 2021/22
- Development programme completed by 148 future managers and all sales market managers
- Campaign launch and Kindness Day celebration, which focused on respect for our store employees.
- Launch of security measures and mandatory training courses, and conflict de-escalation training completed by all employees.

Every month, we welcome new faces to the company, which together with approximately 3,000 team members in Denmark and more than 18,500 Circle K employees across Europe are the beating heart of Circle K. Our team members are the driving force that keeps the wheels turning, and it is important to us that all employees feel safe and can be their authentic selves at work. Working together as 'One Team', our employees make a huge difference every single day.

Our values 'One Team', 'Do the right thing', 'Take ownership', and 'Play to win' are important to our culture and the way we work. They create a sense of community across our 226 stores and our service office.



At Circle K, we work together to ensure happy customers and a good work life. We work as one team of employees that care about each other, challenge each other, and help each other. Our aim is to promote diversity and inclusion by offering good working conditions.

Our team members meet people from all walks of life, and so it is important to us that our employees reflect the society we operate in. Our aim is to achieve a more balanced employee composition by 2030, which must be reflected in a 50/50 distribution of men and women.

All Circle K employees should feel included, which is why we also measure employee well-being and work actively to maintain our high employee engagement. Our target is to achieve a Gallup myVOICE employee survey score of at least 4.25 out of 5 every year. The MyVoice engagement survey was answered by 98% of our employees. Engagement is assessed on a scale of 1-5, with 5 being the best.

Another significant focus area is the people working in our stores and in our support office. We strive to build an inclusive, diverse, and safe workplace devoid of any form of discrimination. Being respectful of all our employees, business partners, and customers is a prerequisite for running a sustainable business and attracting the right talent.



## GOALS AND AMBITIONS:

- Respect for our employees and creating a tolerant, diverse, and safe workplace
- Ensure a diverse and inclusive environment by mirroring the society we operate in in terms of gender, ethnicity, age, and disability
- 50/50 gender balance by 2028
- 2025: 50% reduction in injuries and robberies (baseline 2020/21)



# Employee engagement



Our values define who we are as a company, shape our culture, and make Circle K a great place to work. They describe how we interact, what we expect of each other, how we work together, and how we make decisions. Our employees champion our values, encouraging customers to choose Circle K by creating value for them.

Circle K works to ensure great employee leadership by setting specific targets and communicating clearly about expectations and development opportunities. Our performance management cycle ensures that each employee has annual performance and development targets.

We use Gallup's myVOICE employee survey to monitor the well-being of our teams. We welcome constructive feedback from our employees, as it helps us identify potential areas of improvement which can be addressed in the individual teams by means of action plans. This is an important prerequisite for working with employee engagement, and our employee's input helps drive the company forward.

At Circle K, we are constantly developing our employees, which is why our Retail Academy and internal career ladder are important to us. They help ensure targeted talent development, assisting leaders and aspiring leaders in our stores in strengthening their knowledge, engagement, and sense of self in relation to their leadership role. We have also developed a talent development programme called 'My Journey', which is offered to 12 talents in our service office.

Both initiatives are intended to secure a strong pipeline of qualified candidates for leadership and other key positions to prepare our organisation for the future. This year, we have entered into a professional partnership with Business College Syd with the aim of elevating our internal career ladder to a publicly recognised training programme and making Circle K an even more attractive workplace, not only for our own employees but also for external candidates.

This will further professionalise our management training for deputy managers and store managers, which will now become academy profession subjects triggering ECTS points. We expect approximately 150-160 future managers to complete the programme in the coming financial year.

## Making our employees sustainability ambassadors

Our employees are our most important ambassadors – both when it comes to shaping and achieving the transition we as a company are facing, and when it comes to inspiring others to make green choices. It is therefore important to us that we involve and train our employees in the transition they are part of.

In September 2022, Circle K Europe hosted an internal 'Sustainability Day' for all our employees. It focused on some of the many sustainability initiatives launched in the business and gave our team members insight into what we have achieved together within the three focus areas: Planet, People and Prosperity. It also looked at targets and ambitions for the coming years. The 'Sustainability Day' was an impor-

tant mark of how we want to involve employees at all levels in our efforts to transform the business and make a more positive impact on the world around us. Measured by employee feedback and the input received for our ongoing sustainability efforts, the day was a success.

In the past year, we have also set up an internal sustainability group with representatives from all departments in the business. The group meets every month to ensure progress on ongoing sustainability activities and create engagement across the business. Moreover, new ideas and sustainability projects are born, which the members of the group help to bring to life.







**AT CIRCLE K, WE CONSIDER INCLUSION AND DIVERSITY TO BE IMPORTANT**

**In 2023/24, we want to:**

- Establish a local network group for diversity and inclusion composed of employees across functions and disciplines who can provide inspiration, ideas, and initiatives to promote diversity and inclusion in Circle K.
- Attract more young people to our service office by working with educational institutions.
- Partner with disability organisations and highlight the possibilities of attracting and hiring people with disabilities in our stores.
- Ensure bias-free recruitment processes by adjusting the way we post job ads and train our leaders.

## Workplace safety

Circle K works systematically to minimise risks and improve the working environment. Our ambition, target, and values are zero robberies and work-related injuries. We are constantly working to achieve this. All our stores use the Safepay security system, which means that our employees do not have access to cash.

A robbery is very traumatic for the employee involved and in addition to our efforts to bring down the number of robberies, we also aim to ensure that our internal guidelines are always followed by our employees, for example by making sure that the employee has undergone training and that the Health Safety Environment guidelines are used before, during and after the robbery.

We have a 2025 target of a 50% reduction in injuries and robberies. Our baseline is 2020/21 when we experienced eight robberies. In 2021/22, this figure fell to five. Unfortunately, we had a total of 10 robberies at our Circle K mobility locations in 2022/23. It is not only in Circle K that the number of robberies has increased. Throughout the retail industry, there is an increase in burglaries, robberies, and thefts.<sup>12</sup>

We continuously train our employees to handle situations that involve risks. All employees are therefore required to complete a mandatory training course on safety and anti-robbery measures once a year.

In 2022/23, conflict de-escalation also became a permanent part of the training course. Store managers also receive training on how to deal with employees who have been victims of harassment.

As regards workplace injuries, 56 injuries were reported among our employees in the baseline year 2021/2022. Unfortunately, this number has risen to 103 reported injuries in 2022/23. The reported injuries cover all types of injuries, from employees cutting themselves on a knife or sharp edge to stress and threats from customers. The number of injuries is partly due to an increasingly harsh tone from customers and harassment of the employees in our stores in recent years.

The rise in the number of reported injuries is also due to the fact that we have generally increased the number of injury reports by employees. The (positive) reason for the increase in reporting is partly due to the improved communication on how to prevent harassment internally and externally, the impact of a new reporting system introduced in 2021, and our ongoing efforts to make reporting faster and simpler for our employees. In addition, our Health, Safety and Environment department is involved in the onboarding of all new employees and also participates in leadership training etc.



<sup>12</sup>Increase in burglaries, robberies and shoplifting



**Campaign**

# ”Thank you for respecting me”

Although the majority of our customers are positive and friendly, the number of reported cases of harassment has grown, with the incidents becoming more violent. On 25 January 2023, we therefore launched an anti-harassment campaign in partnership with the other European Circle K companies. Using signs and information aimed at customers in all our stores, the campaign aimed to raise awareness of the harassment our employees are exposed to and encourage our customers to treat them with respect.

In two years, the number of reported cases of harassment has increased tenfold from 18 to 188. Moreover, an internal survey conducted in January 2023, which was completed by 596 out of Circle K’s 2,800 Danish store employees, shows that 70% of our employees have experienced harassment or threats at work.



**THE CAMPAIGN FOCUSED ON VERBAL ABUSE AND THE IMPORTANCE OF TREATING OUR STORE EMPLOYEES WITH RESPECT:**



- During the ‘Thank you for respecting me’ campaign, we put stickers/posters on the doors of our stores. We also handed out bags of gummy bears with stickers bearing the campaign message, made films with messages on our screens at the pumps and on SoMe channels. The campaign was supported by a considerable media push, where our employee Laura, who is a victim of harassment, was interviewed by TV2 Kosmopol and regional media.
- To address the growing problem of increased harassment throughout the retail sector, we joined forces with HK Handel and the rest of the Danish retail sector (Coop, Dagrofa, Salling Group, Maxi Zoo, Lidl etc.) in February 2023 to launch a joint campaign that focused on verbal abuse and the importance of treating our store employees with respect.

**WEAT - Working Environment Assessment**

WEAT is a European safety assessment of each Circle K mobility location. In 2021/22, Circle K conducted the first global WEAT survey. The survey was repeated in 2022/23. It covered all our stores and provided an overview of the individual store’s WEAT compliance to identify where action was needed to improve the working environment and safety – both in terms of preventive measures and measures to support the individual employee during and after an incident. Other examples of major initiatives implemented on the basis of the WEAT include: Installation of additional lighting on the forecourt of 28 mobility locations for added security, new security routines, and extra onboarding material. A WEAT 3.0 is also planned for the coming financial year.



**IN 2023/24, WE WILL CONTINUE OUR EFFORTS TO CREATE A SAFE WORKING ENVIRONMENT THROUGH THE FOLLOWING INITIATIVES:**

- New ‘Kindness Day’
- Implement new methods for easy registration of harassment
- Conduct an internal communication campaign focusing on building knowledge among employees and managers about harassment and how to prevent and deal with harassment
- Increase focus during onboarding on how to prevent and manage harassment
- Partner with trade unions (HK Handel) and retail competitors
- Identify causes of harassment and processes that need to be improved to prevent harassment (for example work is underway on a new solution for reserving fuel payments on payment cards)
- Conflict de-escalation and anti-harassment training of store managers and district managers
- Cooperation with, for example, the Danish Chamber of Commerce on the ‘Stricter punishment’ initiative (such as assault on those providing a public service)

**Cooperation with the Copenhagen Police via the Danish Chamber of Commerce**

Research shows that to reduce robberies and assaults/harassment in retail stores and fuel stations, close cooperation between police, employees, and local communities is needed. In the past financial year, we therefore attended a workshop with the Safety Committee of the Danish Chamber of Commerce and the Copenhagen Police. This helped ensure a better understanding of the challenges each of us are facing and develop solutions together through dialogue.

The Safety Committee discussed topics such as faster/simpler reporting of theft via the ‘Crimestat’ platform, sharing recordings with the police etc.



# Diversity and inclusion



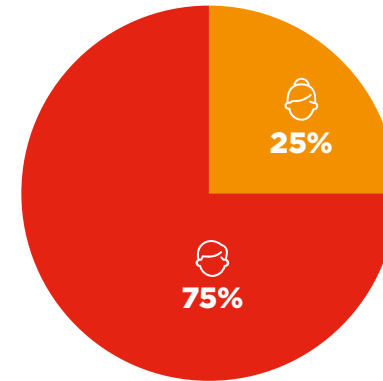
We want to be a workplace where all employees feel safe, respected, and capable of realising their full potential. We support the continuous focus on minimising bias through training, townhalls, and e-learning, and constantly encourage all employees to be aware of their own and colleagues' unconscious bias. Over the past year, we have also tested a new recruitment tool for our stores, which has now been rolled out in

all our stores. The purpose of the recruitment tool is to raise awareness of unconscious biases among our managers in recruitment situations. The tool has been a tremendous success and has been welcomed by managers, as it has resulted in new employees with a different profile and background than we would normally go for, and a better retainment rate.

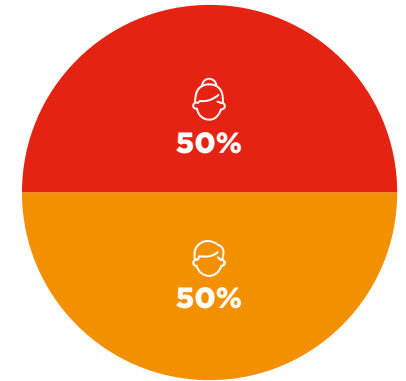
## GENDER BALANCE

Circle K strives to improve the gender balance at all levels of the organisation. The Board of Directors consists of three men and one woman. This means that we have achieved gender balance, as we have ensured that the underrepresented gender makes up at least 25% of the entire Board of Directors. The management team consists of four women and four men. At management level (stores and service office), the gender distribution is 55% men and 45% women. The overall gender distribution in the Danish organisation is 54% men and 46% women.

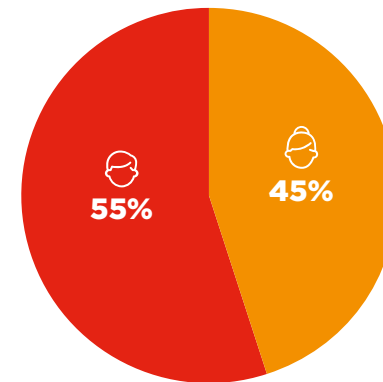
Board of Directors



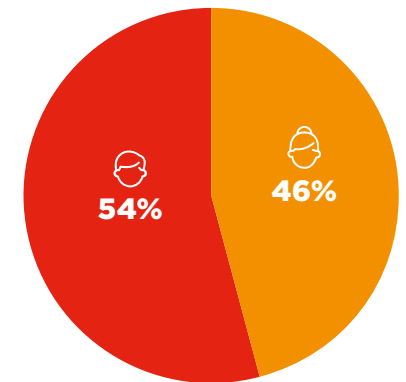
Management team



Management level



Danish organisation



The target is 50/50 men and women, and to achieve that we are focusing on achieving gender balance in positions with advancement opportunities. In addition, we continue to work to increase the share of the underrepresented gender with a special focus on diversity in our recruitment process.

Our efforts are supported by continuously evaluating employees, competence mapping, competence dialogues, work-life balance, and open discussions of how to avoid bias.

We aim to foster a culture that allows team members of all backgrounds to bring their authentic selves to work and grow in their careers. In the autumn of 2022, we joined the Diversity Pact initiated by the Danish Chamber of Commerce and the Above & Beyond Group to take joint action with other Danish companies to promote diversity. The aim is to highlight the importance of ensuring diversity and inclusion.

[Read more about the Diversity Pact here:](#)



# PROSPERITY

We want to be a responsible company that contributes to society and minimises our impact on the planet by engaging customers and employees and partnering with organisations that share our values and goals

## KEY RESULTS IN 2022/23:

- DKK 500,000 donation to Julemærkefonden and DKK 1 million donation to Børns Vilkår
- Partnership with the non-profit organisation the Danish Food Bank, which is committed to preventing food waste and food poverty in Denmark
- Christmas party for our employees, collecting Christmas presents and money for the Løkkehus children's home

Every year, more than 70 million customers visit our stores, and many of them are families with children. As a result, it makes sense for us to provide financial assistance in the following three areas: Children, food waste, and food poverty.

Every year, we, along with our customers, support a number of organisations whose heart is in the right place, so that we can help each other make sustainable choices and a positive impact on society. The money collected is donated to organisations that focus on children, food waste, and food poverty



Values we live by



One Team



Do The Right Thing



Take Ownership



Play To Win

## GOALS AND AMBITIONS 2024/25:

- Establish a charity programme that doubles the total donations from customers and Circle K with 2020/21 as the baseline
- Engage and encourage our employees to donate to charity and support partnerships



Do The Right Thing



In addition to our own donations to selected organisations and activities, which are aimed at making life easier for vulnerable families with children in Denmark, we are also working actively to engage our customers and employees in the effort.

One of Circle K Denmark's core values is 'Do the right thing', and we want our employees to be proud to live this value. When entering into partnerships, it is important that the organisations we support share our values and targets. Moreover, we focus on our partnerships in our internal communication and events such as our 'Sustainability Day'.

The decisions we make affect not only our customers and communities, but the entire supply chain.

Therefore, we engage and work together with our suppliers to promote responsible practices in areas such as the environment.

In addition, we have established partnerships that seek to prevent food waste, as this is also a major focus area in our own business which aims to make a positive difference for the planet.

During 2023 and 2024, we intend to set a strategic and realistic target for our donations to children in Denmark and the reduction of food waste and food poverty.





# Børns Vilkår



Circle K's kunder og Circle K har tilsammen indsamlet

# 1 million kroner

til udvidelse af BørneTelefonens åbningstid om morgenen.  
Fordi alle børn fortjener en god start på dagen.



Since 2009, we have worked with the Danish charity Børns Vilkår on the BørneKaffe campaign, resulting in donations of more than DKK 5 million to BørneTelefonen (an anonymous children's helpline). The donations have gone towards increasing BørneTelefonen's opening hours, so that it is now open 24/7.

This year, the BørneKaffe campaign ran in all our stores from December 2022 until March 2023. For every cup of BørneKaffe coffee sold, the customer donated DKK 2.50, a donation that was matched by Circle K, which also donated DKK 2.50.

In FY23, Circle K raised a total of DKK 1 million, which went towards financing BørneTelefonen and Børns Vilkår's counselling initiative HØRT, targeted at young people aged 15 to 24.

In addition to BørneKaffe, we supported Børns Vilkår's 'Bake for a cause' initiative, making our stores available for the collection of baking boxes. We have also donated prizes to Børns Vilkår's Christmas lottery and spring lottery.

We will continue our partnership with Børns Vilkår in the coming financial year by supporting Børns Vilkår's spring lottery and Christmas lottery and launching a new BørneKaffe campaign in the autumn, which, unlike previous years, will not run for a limited period, but all year.



# The Danish Food Bank



In 2022, we entered into a fuel agreement with the non-profit organisation the Danish Food Bank, which is committed to preventing food waste and food poverty in Denmark by collecting surplus food from food producers and wholesalers. Every day, the food is delivered to 350 social organisations by 200 volunteers.

The Danish Food Bank has 17 refrigerated trucks that travel 450,000 km on Danish roads every year. Traveling so many kilometres naturally requires a lot of diesel, and we have decided to support the Food Bank by entering into a fuel discount agreement with them. The discount will be increased as the number of refrigerated trucks or food recipients grows. In January 2023, we also donated a thermo mug to all the volunteers, allowing them to get free coffee at all our locations for the rest of 2023 when they deliver surplus food to recipients.

We are very happy to support the Danish Food Bank, and hope that with our support we can help fight food waste and food poverty and help even more people.





## The Løkkehus children's home

In December 2022, we held a Christmas party for our employees and their families at our service office, where we collected money for the Løkkehus children's home in Odense. Prior to the Christmas party, the employees in all our stores organised a collection, and departments/teams teamed up to buy a personalised Christmas present worth DKK 500-600 for every child at the home.

We collected an impressive DKK 50,500, with DKK 30,500 being donated by the employees and DKK 20,000 by Circle K. In addition, personalised Christmas presents were purchased for all 24 children at the children's home.

The day after the Christmas party, we filled a car with Christmas presents and a cheque, which we handed over to the superintendent and staff of Løkkehus who were deeply touched and grateful. The money will be spent on meaningful and special activities for the children, including a summer holiday.



## Julemærkefonden

Now in its sixth year as a strategic partner, the INGO chain works with Julemærkefonden to fight for vulnerable children in Denmark. Every year, Julemærkefonden and their five Julemærkehjem (homes) help more than 1,000 children lead a better life free from bullying, loneliness, and general poor well-being.

INGO has donated a total of approx. DKK 500,000 to this amazing cause. The money comes from a fixed annual donation of DKK 250,000 as well as internal and customer-orientated fundraiser activities, all of which aim to raise awareness of the work done by Julemærkefonden and help fund the running of the homes.



## Social responsibility in our supply chain

Circle K impacts the communities in which we operate in many ways. The decisions we make in our procurement processes can help build more sustainable supply chains. Therefore, we apply a due diligence process to our cooperation with suppliers, assessing business integrity, quality, health and safety, employee conditions, human rights, environmental issues, and ethical practices. Our suppliers are required to complete our supplier declaration to confirm their commitment to observing our environmental, social, and management requirements. In addition, all our suppliers must meet requirements regarding sustainability and responsible production.

### Human rights

Circle K respects human rights in all our operations. We do not believe that we are exposed to a significant risk of human rights violations, as we operate in Denmark which is characterised by having very few human rights violations and which is based on democratic values and equality. In FY23, as in previous years, we did not record any incidents involving human rights violations.



In the coming year, Circle K will continue to ensure that all entered supplier agreements comply with human rights. This ensures that products sold in Circle K are produced under sustainable conditions, both when it comes to the impact on the environment, climate and human rights. Suppliers and business partners must guarantee that legislation within the product area is complied with and, as a minimum, complies with current legislation in Denmark and the EU.



# Compliance

## Anti-corruption and fraud

We have adopted an Ethics Code of Conduct (the 'code'). The code enhances and clarifies the Corporation's ethical expectations and covers important topics such as integrity, confidentiality, protection of our property and assets, conflicts of interest, fair treatment of clients, supplier, competitors and employees, insider information and insider trading. It is intended as a guide that helps us make the right decisions.

The code applies to everyone at Alimentation Couche-Tard and its subsidiaries including Circle K Danmark A/S.



We consider corruption and fraud in our supply chains to be low. We carry out supplier screenings on most of our suppliers to measure compliance with the code of conduct.

In 2022/23, we continued our previous work on integrating our code of conduct into our daily routines and work. The goal for 2022/23 was 100% completeness of the training for all employees at all our locations and in our service office. This goal was fulfilled. Our goal is to maintain this score.

In addition to the Code, the Corporation has also adopted a Whistleblower Policy and Procedures. This policy provides our employees and external stakeholder to raise concerns in confidence and anonymously if desired.

## Data Ethics

Circle K Danmark A/S recognises the importance of data ethics to ensure that all data is stored, processed, and secured in an ethical, responsible, and transparent way. This corresponds to our overall duty to Act with Integrity as expressed in our Ethics Code of Conduct.

## Our Data Ethics Policy

We have been working on the first Global Circle K Data Ethics Policy, setting out 11 central principles that underpin our approach towards good data ethics. These principles describe how data ethics is considered and integrated in the use of personal and business data, as well as in the evaluation, design, and implementation of technologies used for processing such data.

## OUR 11 PRINCIPLES ON DATA ETHICS CAN BE SUMMARISED INTO THREE OVERARCHING OBJECTIVES:

- 1. Embedding integrity and respect within data management**  
Regarding applicable legislation on human rights and privacy rights, we take measures to ensure that Circle K's collection and processing of personal data is conducted in a transparent manner and limited to fulfilling the purposes of the defined processing activity.
- 2. Ensuring safety and protection of data**  
Technologies must be leveraged with a focus on the ethical implications of data management, as to ensure sufficient security around the processing of personal data and to address potential future consequences for the disclosing parties.
- 3. Train and engage relevant parties**  
Circle K ensures that all relevant employees who are engaged in designing, purchasing, or implementing technologies for the processing of personal data, receive adequate training on data ethics and that compliance with such principles is documented and verifiable.

## How it is implemented in practice

Regarding our employees, it is important for us to ensure that they have a safe workplace. This means for example that we use surveillance at our mobility locations to protect employees and customers from possible threats, but that we collect and manage the data only for this purpose, and that we always seek to treat it in a legal as well as ethical way.

The various elements of the policy are being integrated in our business procedures and practices to ensure that data ethics is taken into consideration in our ways of working. The robustness of the Data Ethics Policy is supported by an active engagement of expert advisers on ethical, legal, and technical data considerations when needed. To raise awareness and support compliance in our organisation, yearly mandatory trainings for all relevant employees are being developed. Furthermore, compliance will be followed up through various methods, including but not limited to, business tool reports, internal and external audits, and engagement with the CISO and Legal department.

At Circle K, we have always taken the privacy and protection of all personal data related to customers, employees, and suppliers very seriously to ensure

that no data is shared, leaked, or sold to unauthorised parties. Beyond our Data Ethics Policy, Circle K adheres to existing frameworks, principles, and relevant legislation around proper data management. In our Data Privacy & GDPR Policy, we set out the principles governing the collection, processing, and storage of personal data to ensure that data concerning employees, customers, and suppliers is always treated with integrity and in compliance with applicable legislation.

Employees with access to personal data are required to complete yearly in-depth training on proper protection and secure processing of personal data. Our DPO (Data Protection Officer), whom all employees know, must be notified in case of detection or suspicion of any data breach. Additionally, all employees are required to comply with and be annually trained on Circle K's Code of Conduct (Light of Day Policy), which contains a set of common rules designed to help employees exercise good judgment and always act with respect and integrity.

**WE ENSURE THAT EVERYONE ADHERES TO THE CODE BY:**

- Giving new employees a copy of the code when they are hired, requiring their signature.
- Hosting management information sessions
- Providing annual training in the code
- Investigating any incident or complaint in an objective and timely manner
- Introducing timely corrective measures when required.







# Thank you

**CIRCLE K**®

