



2025 SUSTAINABILITY REPORT

# Essential for Today, Building for Tomorrow



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## About This Report

We are pleased to share our latest progress in The North West Company Inc. (“The North West Company”, “North West”, “NWC”, “Company”, “we”, “us” or “our”) Sustainability Report 2025 with our partners.<sup>1</sup> Throughout this report, we provide important details related to our strategies, initiatives and actions to address environmental, social and governance (ESG)<sup>2</sup> topics deemed material to North West. This report covers our fiscal year 2025, from February 1, 2025, to January 31, 2026. The information in this report relates to our corporate operations, which include our retail stores, distribution centres, subsidiaries and offices. Unless otherwise noted, all financial amounts in this report are presented in Canadian dollars.

This report is provided solely as an update on the Company’s ESG initiatives and is not intended to promote any specific product or service of the Company or any of our suppliers.

<sup>1</sup> At North West, we refer to our employees, customers, suppliers, shareholders and rights-holders as “partners,” out of respect to their individual identities. Throughout this report, we refrain from using the term “stakeholders” as advised by the Indigenous Peoples we work with and do business with.  
<sup>2</sup> At North West, we define ESG as a framework to identify, assess and manage environmental, social and governance risks and opportunities that are important to our business and our partners.

# Message from Our CEO

**At The North West Company, our purpose is to help make a positive difference in every community we serve. We operate in remote and underserved regions across Canada, Alaska, the Caribbean and the South Pacific, and we value the essential role we play in delivering affordable, quality products and services where they are needed most.**

Our purpose is central to advancing our sustainability<sup>1</sup> journey. It strengthens our business resilience, engages our employees and deepens our connection with the communities we serve. In 2025, we made progress<sup>2</sup> on our three strategic pillars: **People, Planet** and **Partnerships**, focusing on priorities that matter to our customers, employees and community partners, while adapting to evolving regulatory expectations.

**People:** We continued to provide access to nutritious food and essential services in the regions we serve and to contribute to local economic vitality through job creation and strong supplier partnerships. In 2025, we created business relationships with Indigenous and local suppliers, progressed initiatives to advance Indigenous representation within our operating regions, and supported community health, nutrition and education programs through our Healthy Horizons Foundation (HHF). We also responded to natural disaster events affecting the communities we serve, providing relief and support when and where needed.

**Planet:** In 2025 we advanced operational efficiency and resource management across our business. We strengthened our greenhouse gas (GHG) inventory and data-collection processes in anticipation of emerging standards. We also implemented enhanced monitoring and tracking of food waste in store operations. While we have made progress, we recognize that this pillar is at an early stage of development.

**Partnerships:** We remain committed to doing business with integrity, exercising strong governance, and protecting human rights across our operations and value chain, while responsibly using data and technology.

Looking ahead, we will continue advancing our sustainability journey, staying accountable to the people and places we serve, and creating shared value that helps build thriving, resilient communities. We are grateful to our employees, customers and partners for their trust, and we look forward to a future grounded in shared purpose and positive impact.

<sup>1</sup> At North West, sustainability refers to the process of increasing business value by implementing strategic and operational actions that consider environmental, social and economic factors.

<sup>2</sup> For more information about progress, please refer to the [Performance Data](#) section.

**"We are determined to continue growing so we can serve more people and strengthen communities together."**



**Dan McConnell**  
Chief Executive Officer

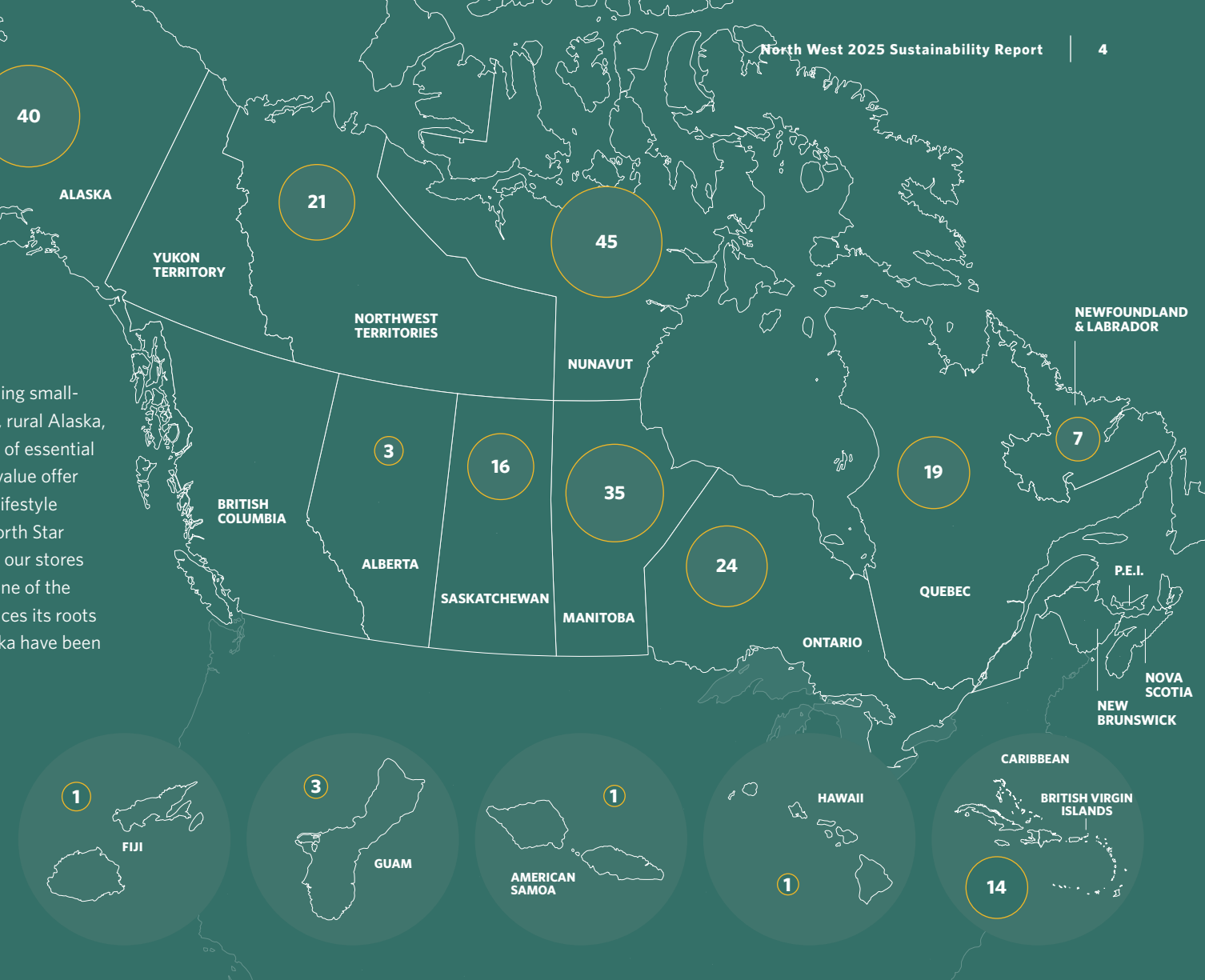


# About The North West Company

## OUR PURPOSE

To help make a positive difference within each community we serve.

The North West Company is a leading retailer for rural and developing small-population communities in the following regions: Northern Canada, rural Alaska, the South Pacific and the Caribbean. Our stores offer a broad range of essential products and services with an emphasis on food and a compelling value offer as a convenient local shopping choice for everyday household and lifestyle needs. Further, North West owns an airline, North Star Air Ltd. (“North Star Air” or “NSA”), which supports our logistics network and service to our stores in Northern Canada. North West has a rich enterprising legacy as one of the longest-continuing retail enterprises in the world. The Company traces its roots back to 1668, and many of our stores in Northern Canada and Alaska have been in operation for over 200 years.



**187**  
communities served

**230**  
stores

**7,001**  
colleagues

**100**  
pharmacists in  
19 locations

**19**  
aircraft<sup>1</sup>

NWC traces its  
roots back to  
**1668**



<sup>1</sup> North Star Air operates 19 aircraft which are either owned, leased or subcontracted.

# Our Value Chain

## We Buy

### SOURCING

We procure products and finished goods from manufacturers and distributors in our global supply chain (including Indigenous and local products).

## We Move

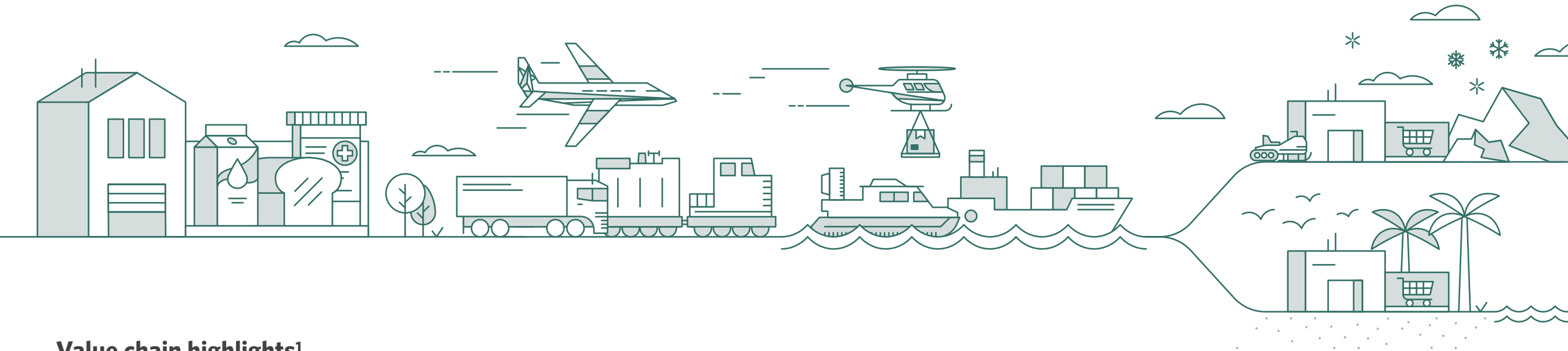
### DISTRIBUTION

We move and bring products and services to our customers through our complex transportation network of aircraft, ships, barges, trucks and trains.

## We Sell

### RETAIL

We sell a broad range of products and services across geographically remote and diverse markets, based on the needs and preferences of our customers.



## Value chain highlights<sup>1</sup>

More than  
**15K tons**  
of freight moved through railroads.

More than  
**133K tons**  
of freight moved through road transportation networks, including operations on seasonal ice roads.

More than  
**57K tons**  
of freight moved by aircraft.

More than  
**107K tons**  
of freight moved through water transportation, including ships and barges.

**137 stores**  
are inaccessible by all-weather road, requiring transportation via ice road, aircraft or sealift.

<sup>1</sup> Freight values are approximations based on internal system data.

# Our ESG Strategy

## Proudly serving with purpose

Our ESG Strategy is informed by our unique business model dedicated to supporting underserved communities in remote geographical locations. Through our shared-value approach, our framework helps us identify ESG risks and opportunities that are important to our business and partners. At its heart is our vision to enrich the experiences of both the communities we serve and our employees.

We aim to build trust with our community partners by delivering vital products and services that enhance health, nutrition and overall quality of life. Equally, we foster a diverse, equitable and inclusive workplace that empowers employees to develop their skills and advance their careers. North West's core principles are embedded in our framework which are comprised by personal balance, customer driven, passion, enterprise, accountability and trust. Our ambitions are anchored in three strategic pillars: People, Planet and Partnerships.



### People

Support employees and local communities to advance towards a healthier, inclusive and equitable future

#### TOPICS

- Community Impact and Engagement
- Customer Health and Nutrition
- Belonging and Culture
- Health and Safety

### Planet

Improve the management of waste, emissions and energy

#### TOPICS

- Emissions and Energy Management
- Food Waste
- Waste Management

### Partnerships

Maintain trust with our partners

#### TOPICS

- Responsible Business and Supply Chains
- Cybersecurity

# Highlights 2025

Integrating ESG into our operations, policies and strategy is important for driving business success and creating long-term value. The table below highlights key achievements from our ESG efforts during fiscal year 2025, organized according to our three strategic pillars.

## People

Over **\$3.6 million**



spent in community events and causes ranging from traditional and cultural celebrations to sports teams

More than **\$600,000**



disbursed by our Healthy Horizons Foundation to support children and youth programs in northern Canadian communities

**98%**

of all Senior Leaders, Directors and above completed the Cultural Awareness Training in Canada

Over **4,950**

employees in our stores have access to "Compass," an interactive tool that provides critical training and reinforces learning

Over **\$43 million**

spent on goods and services from Indigenous-owned businesses<sup>1</sup>

**98**

communities served by NWC health services

## Planet

Implemented **food waste efforts** which included training, communication and integration of new processes and tools in store operations to reduce shrinkage



Updated refrigeration and food warming systems in more than

**55 stores,**

contributing to our efforts to reduce food spoilage through current technology



Improved our GHG emissions and inventory management plan with **improved data collection**

## Partnerships

Continued to implement measures from the roadmap developed in 2024, to manage risks of forced labour and child labour in supply chain activities, which is outlined in our **2025 Modern Slavery Report**

Continued optimizing our **Cybersecurity Program** to improve the policies and processes that protect our systems and information



<sup>1</sup> North West defines Indigenous businesses as a business with 51% or greater ownership by: First Nation, Inuit or Métis (NCR), Alaska Native (ACC), BIPOC (CUL), Caymanian, Barbadian, Virgin Islanders, Crucian, St. Thomian, St. Maartener, Fijian, Samoan Americans, Chamorro, Native Hawaiians.

# Our Approach to Materiality

**Listening to and engaging with our partners is central to how we shape our ESG Strategy. In 2023, we conducted an internal assessment to understand which ESG risks and opportunities are the most important to our business and to those who are impacted by our company operations.**

We initiated this process by launching an ESG survey targeting a diverse group of internal and external partners, including customers, local community members, employees and non-governmental organizations (NGOs). This survey incorporated key topics drawn from the Sustainability Accounting Standards Board (SASB) Food Retailers & Distributors Standard, the United Nations Sustainable Development Goals (SDGs) and ESG topics relevant to our industry peers.

Following data collection, the ESG Steering Committee, comprised of senior executives, conducted an internal analysis of the feedback received to identify ESG objectives that are the most important to our business and our partners. This analysis guided us in prioritizing the topics that are most material to our business, providing a clear focus for the development of our ESG Strategy, which included the development of key initiatives under People, Planet and Partnerships.



# Our Promise to Indigenous Peoples

**Our Promise to Indigenous Peoples is a cornerstone of our ESG Strategy. At North West, we acknowledge the Company's longstanding relationship with Indigenous Peoples, our shared history and our responsibility in advancing reconciliation. Our Promise to Indigenous Peoples is a reaffirmed commitment to building more collaborative relationships to enhance the inclusion and social well-being of Indigenous Peoples of Canada. We strive to follow the spirit of reconciliation reflected in the Truth and Reconciliation Commission's Calls to Action and final report. The pillars of Our Promise are the following:**



**Well-being and Security:** North West commits to strengthen collaborations with Indigenous Peoples to advance health and well-being in the communities we serve.

**Stronger Community Bonds:** North West commits to strengthen community bonds by recognizing the past and committing to a better future.

**Inclusion and Economic Success:** North West commits to improve Indigenous inclusion in store and head office management while encouraging Indigenous economic development.

We are striving to advance Our Promise pillars through the following ESG topics:

- Indigenous employment rates, retention and promotion
- Local and Indigenous product penetration
- Food availability levels and healthy food penetration
- Community satisfaction levels

Further, we have established an Indigenous Advisory Committee to provide culturally grounded advice, reflections and feedback from an Indigenous perspective on the work of NWC as it advances its reconciliation efforts under Our Promise to Indigenous Peoples and our ESG Strategy. The committee meets regularly to discuss relevant Indigenous-related topics and offer guidance to NWC on an ongoing basis.



Tara Hawryliw (Wabasca, Alberta)

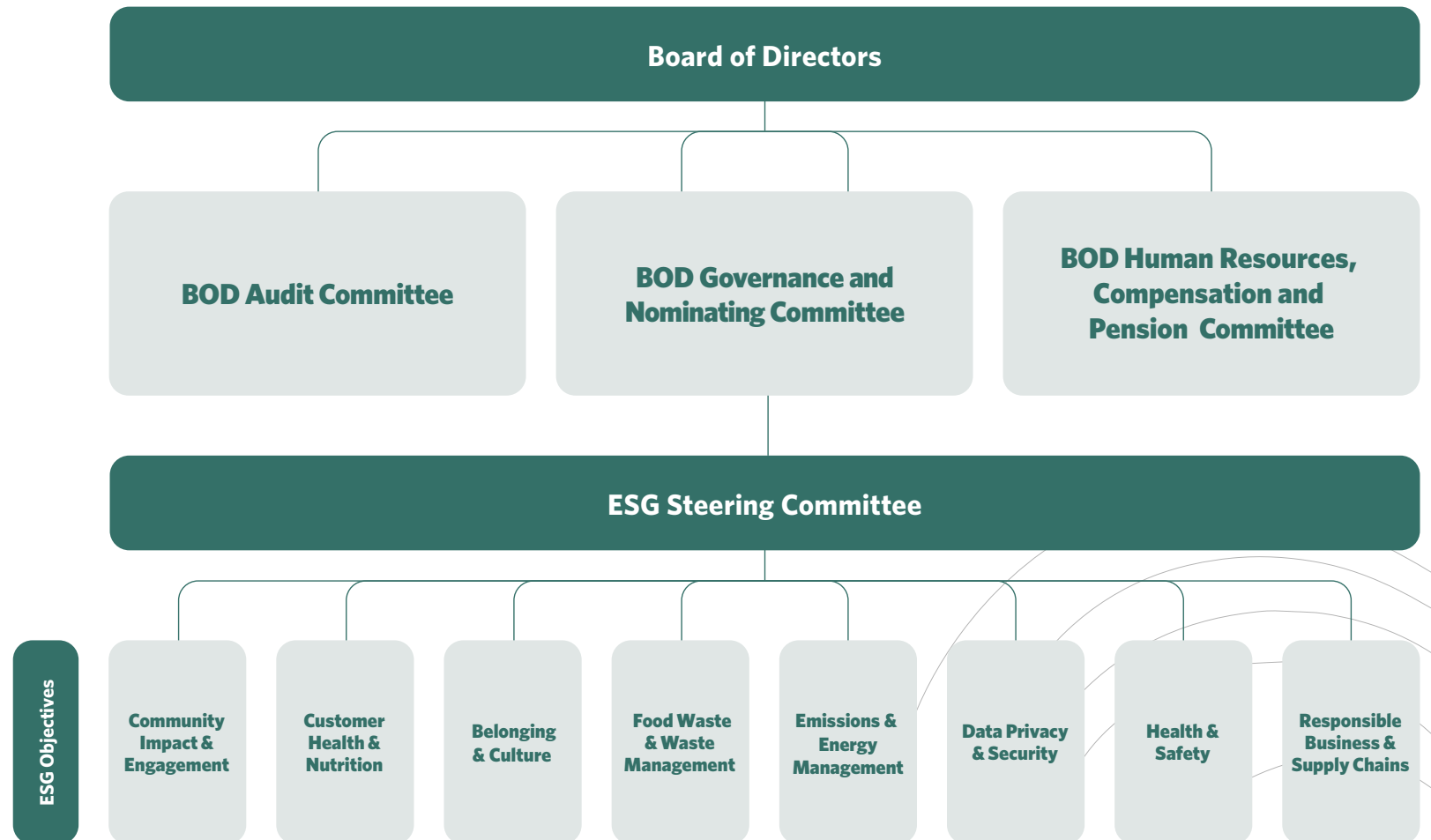
# Our Approach to ESG Governance

ESG matters have the potential to impact business operations, regulatory compliance, reputation and financial outcomes, and are therefore an important area of focus for North West's Board of Directors and its committees. At North West, we manage ESG topics in the context of our business strategy while also taking into consideration the feedback and interests of our partners. Starting in 2023, North West began including ESG as part of the criteria for the Company's short-term incentive program, linking sustainability-related activities to compensation beginning with executive and senior leadership.

**The Board:** The Board is responsible for North West's health and safety, environmental, and social initiatives, and has delegated responsibility for oversight to the Human Resources, Compensation and Pension Committee (HRCPP), the Governance and Nominating Committee (GNC) and the Audit Committee. The HRCPP oversees the ESG incentive plan goals in the organization. The GNC oversees the adequacy of ESG controls, ESG disclosure, alignment on policies and regulations, and progress against ESG goals. The Audit Committee is responsible for risk and compliance.

**ESG Steering Committee:** Composed of company executives, the ESG Steering Committee is responsible for supporting the adoption of ESG practices and programs. It provides guidance to North West on ESG programs and strategic direction on ESG activities, priorities and internal tracking. The committee supports the implementation of ESG action plans and monitors progress on defined ESG activities.

**Objective Lead Committee:** This committee is composed of ESG objective leaders who are responsible for developing, implementing and monitoring progress towards advancing specific ESG objectives. Each objective lead is responsible for coordinating and executing action plans, tracking and reporting KPIs, determining resources, and organizing with internal North West groups as needed.



# Engagement with Our Partners

Effective and meaningful engagement with our partner community is vital to our business success. At North West, our diverse partners include individuals and groups directly impacted by our operations and corporate strategy. We actively foster open dialogue and gather feedback to continuously improve our business practices and ESG initiatives. The table below outlines the primary engagement methods and communication channels we regularly use with our partners.

Partner					
 Customers, communities and community leaders	 Colleagues and employees	 Vendors and suppliers	 Shareholders and investors	 Charities and non-profit organizations	 Donors of North West's charity (Healthy Horizons Foundation)
Primary engagement methods					
<ul style="list-style-type: none"> <li>Community Leadership Engagement sessions</li> <li>Customer satisfaction survey</li> <li>Community events</li> <li>Consultation meetings</li> <li>Indigenous children and youth programs through our Healthy Horizons Foundation</li> <li>Advocacy initiatives in communities</li> <li>Social media and web-form interactions</li> </ul>	<ul style="list-style-type: none"> <li>Weekly information meetings</li> <li>Quarterly town halls</li> <li>Engagement surveys</li> <li>Wellness checks</li> <li>Training and capacity building</li> <li>Performance assessments</li> <li>Employee Assistance Program (EAP) for counselling and mental health services</li> <li>Employee Self Service System (ESS)</li> <li>Employee communication channels (e.g., "Ask us" and "Listen line")</li> </ul>	<ul style="list-style-type: none"> <li>Training workshops and capacity building</li> <li>Attendance at vendor showrooms and facilities</li> <li>Attendance at industry tradeshows</li> <li>Engagement with potential local and Indigenous vendors, through the NWC "Expand Your Market" events</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Quarterly earnings conference calls</li> <li>Investor conferences</li> <li>Individual investor meetings</li> </ul>	<ul style="list-style-type: none"> <li>Participation in Indigenous cultural non-profits' festivals and community celebrations</li> <li>Participation in Indigenous youth organizations' leadership and achievement awards events</li> <li>Participation in Indigenous advocacy groups' assemblies, forums and reconciliation initiatives</li> <li>Attendance at Indigenous rights organizations' workshops on equitable opportunities</li> <li>Fundraising activities with reconciliation organizations supporting youth empowerment programs</li> <li>Coordination with humanitarian relief organizations supporting wildfire-affected communities</li> </ul>	<ul style="list-style-type: none"> <li>Donor access and participation in NWC-sponsored community events</li> <li>Impact reporting (to highlight the outcomes of their contributions and to maintain engagement)</li> <li>Recognition and appreciation (e.g., acknowledgements in social media, public events, press releases, case studies)</li> <li>Education and advocacy (e.g., providing opportunities to engage with program beneficiaries through site visits or virtual updates)</li> </ul>

# People


To support employees and local communities to advance towards a healthier, inclusive and equitable future.

## IN THIS SECTION

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## RELATED SDGs



 Cost.U.Less (Dededo, Guam)

# Community Impact and Engagement

**As a key provider of goods and services in underserved and remote communities, our success depends on developing collaborative relationships with the people we serve. Our stores offer a selection of products and services informed by the unique needs and preferences of our customers.**

In 2025, we supported community events and causes, ranging from traditional and cultural celebrations to sports teams, with employee volunteer time and over **\$3.6 million** in monetary donations. In addition, through North Star Air, North West's airline, we have generated more than **\$12 million** in revenue-sharing payments through strategic partnership agreements with **12** Ontario First Nations communities since 2014. These funds are returned directly to partner communities, supporting local initiatives, economic development and community priorities.

In 2025, we advanced our approach to customer and community feedback by enhancing both our data collection and engagement processes. We improved our customer satisfaction survey process by introducing our first virtual dashboard, enabling real-time visualization and analysis of key survey metrics across all stores. This milestone represents a significant step in our ongoing commitment to understanding customer and community perspectives to drive operational improvements and improve our service levels. In 2025, we deployed our customer satisfaction survey and heard feedback from more than **16,000** customers across our banners. In parallel, we strengthened our community leadership engagement process by adopting improved data collection processes to better manage and centralize the information collected from community leadership meetings. These improvements have allowed us to better capture and respond to local feedback, reinforcing our dedication to serving the evolving needs of the communities we support.



## Healthy Horizons Foundation

The North West Company established the Healthy Horizons Foundation (HHF) in 2015 with the mission to empower youth to live healthier lifestyles in northern Indigenous communities. Over the years, North West has invested more than **\$2.1 million** in HHF to support programs that address critical needs in the communities it serves. In 2025 alone, HHF provided over **\$600,000** in funding to sustain and expand initiatives that promote physical and mental well-being, cultural education and food security. HHF plays a key role in North West's broader sustainability and ESG Strategy by focusing on youth programs that align with core sustainability objectives.

Our work reflects North West's commitment to empowering northern youth to build strong and healthy lifestyles through:

**Health and Well-being:** Providing holistic health support through gym and recreation equipment, sports programs and mental health education.

**Culture and Education:** Strengthening cultural knowledge and traditional learning through land-based education programs, language revitalization, and community celebrations such as powwows and sweat lodges.

**Nutrition:** Providing access to nutritious food, promoting local harvesting initiatives and providing educational programs on nutrition.



Nurrait Expeditions (Kuujuaq, Quebec)



Northy Club (St. Theresa Point, Manitoba)

**\$600,000**

in funding to sustain and expand initiatives in communities



## HHF key initiatives and achievements in 2025

**Northy Clubs:** In 2025, HHF continued Northy Clubs, a youth program focused on physical activity, education, nutrition and anti-bullying. By providing a safe, culturally inclusive space, the program fosters confidence, leadership and healthy habits. The first Northy Club launched in 2024 in St. Theresa Point, Manitoba, laying the groundwork for expansion. HHF plans to grow the program into more communities, maintaining relevant cultural elements and working towards long-term impact.

**Grant funding program:** HHF provides grants to community-led youth programs that foster physical health, mental wellness, cultural identity and life-long success. Throughout 2025, HHF worked closely with Indigenous communities, community leaders, educators and national organizations to enable a culturally relevant and community-led approach. By fostering deep partnerships and co-developing solutions, HHF reinforced its commitment to transparency and long-term impact. Key areas of focus included:

- **Listening to and incorporating community input** to shape programming that meets the unique needs of youth within their communities.
- **Supporting continuity and scalability** of programs to maximize long-term benefits.
- **Prioritizing accessibility and relevance of programs** to diverse Indigenous communities.

As HHF looks ahead, its intention is to grow programs and expand impact. Building on the success of 2025, HHF is dedicated to:

- **Expanding Northy Clubs** to engage more youth and strengthen program delivery in additional communities.
- **Broadening community partnerships** to develop scalable initiatives that address food security, education and health challenges.
- **Increasing grant funding and resources** to support long-term sustainability and support for youth-focused programs.

## Creating opportunities with local and Indigenous businesses<sup>1</sup>

At North West, we believe that supporting local businesses brings meaningful social, economic and environmental benefits. By sourcing locally,<sup>2</sup> we help create and sustain jobs in local communities and reduce the environmental impacts associated with long-distance transportation.

Supporting local producers also encourages community members to buy local and helps expand the variety of products available in our stores. Building strong business relationships with local and Indigenous partners reflects our commitment to strengthening local economies and aligns with Our Promise and the Truth and Reconciliation Commission’s Call to Action #92 on business and reconciliation.



1 North West defines Indigenous businesses as a business with 51% or greater ownership by: First Nation, Inuit or Métis (NCR), Alaska Native (ACC), BIPOC (CUL), Caymanian, Barbadian, Virgin Islanders, Crucian, St. Thomian, St. Maartener, Fijian, Samoan Americans, Chamorro, Native Hawaiians. A local business is defined as a privately owned business located in markets that we serve or have operations.  
 2 NWC defines sourcing locally as sourcing products and services from a privately owned business located in markets that we serve or have operations.

## Increasing local and Indigenous product reach

In 2025, our Food and General Merchandise teams received training on updated procurement processes designed to reduce barriers and support the development of economic partnerships with local and Indigenous suppliers. We also adapted our vendor onboarding process to include self-declaration options for local and Indigenous businesses and implemented a verification process to confirm eligibility based on the 51% or greater Indigenous ownership criteria. Further, North West hosted an **Expand Your Market** event, inviting Indigenous businesses to connect with key department personnel to explore potential business opportunities and partnerships. To further enhance engagement and outreach, North West became a member of the Indigenous Chamber of Commerce (ICC) and the Canadian Council for Indigenous Business (CCIB). These partnerships help us better connect with Indigenous entrepreneurs and amplify their presence within our supply chain. In addition, we developed an annual calendar of events to guide our participation in networking and Indigenous business development opportunities.

Through these combined efforts, North West spent over **\$43 million** with Indigenous businesses in the current fiscal year.



STORY

### Pin Me Pretty

Isla, a young entrepreneur from Cartwright, a small coastal community on the eastern shore of Labrador, launched her own business, Pin Me Pretty, offering a creative and colourful collection of handcrafted pins and magnets. Her unique designs quickly caught the attention of the local NWC store, which partnered with Isla to bring her products to a wider audience. The collaboration was a resounding success, with her vibrant creations becoming a popular item among customers and a proud representation of local talent.

“We made some pins for Pride Month, and they sold much better than I expected,” shared Isla. “The Pride buttons and Cartwright magnets have been the most popular items so far, as lots of tourists and visitors want something to take home as a souvenir from their trip.”



STORY

## Disaster relief during wildfire season in Canada

**In 2025, the Canadian wildfire season caused severe disruption across several remote communities served by North West, forcing the temporary relocation of families and limiting access to essential supplies such as food, water and clothing.**

In response, North West, with support from vendor partners, committed over **\$400,000** to provide critical assistance to communities including Pimicikamak Cree Nation (Cross Lake), Kinosao Sipi Cree Nation (Norway House), Pelican Narrows First Nation, Deer Lake First Nation and Tataskweyak First Nation. Careful planning and dedicated effort ensured that relief was effectively targeted to the areas of greatest need. Partnering with the Assembly of Manitoba Chiefs (AMC) and Manitoba Keewatinow Okimakanak (MKO), North West supported evacuation efforts and donated multiple pallets of essential items such as baby products (e.g., formula

and diapers), feminine hygiene supplies, clothing for all ages, emergency kits, fresh fruit, water and easy-to-prepare meals (ready to eat or microwavable). North West also acknowledges the invaluable contributions of its employees who volunteered their time and effort, as well as the resilience of the affected communities who united to support those most impacted. This collective response underscores North West's commitment to delivering timely, thoughtful disaster relief and strengthening partnerships to aid vulnerable populations during emergencies.

**Over \$400,000**

in resources committed with support from vendor partners to providing critical assistance to communities



NorthMart (Cross Lake, Manitoba)

STORY

## Community resilience in action: supporting Alaskans after Typhoon Halong

**In the wake of the destructive storms and regional evacuations caused by Typhoon Halong, Alaska Commercial Company (AC), a subsidiary of NWC, responded swiftly to support communities across the state. Guided by our commitment to community resilience and responsible operations, AC collaborated closely with key vendors, air-cargo partners and a humanitarian organization to ensure essential supplies reached the areas most affected by the storm.**

Through this coordinated effort, AC donated and transported **40** pallets of bottled water to rural communities and to evacuees in Anchorage, helping ensure safe and reliable access to drinking water during a critical period.

When Bethel Search and Rescue requested air mattresses for Elders displaced by the storm, AC immediately purchased, shipped and delivered the needed supplies, demonstrating our commitment to rapid and reliable community support.

AC also engaged customers through a Round-Up at the Register campaign, raising nearly **\$20,000** for storm-impacted residents. All funds were donated to the Western Alaska Disaster Relief Fund.

Together, these efforts reflect AC's enduring commitment to strengthening Alaska's communities, particularly in times of crisis. By leveraging strong local partnerships, a responsive supply network and the collective compassion of our customers, AC continues to play a vital role in supporting the health, safety and long-term resilience of the people we serve.



Alaska Commercial Company (Kotzebue, Alaska)

# Customer Health and Nutrition

At North West, we are dedicated to enhancing the quality of life in the communities we serve. Recognizing the critical importance of food accessibility, nutrition and health services, we actively address these social challenges in the remote areas where we operate. We support healthier lifestyles by offering thoughtfully selected food products and improving access to essential healthcare services through our pharmacy operations, telepharmacy platforms and optical centres.

## Promoting nutrition in rural communities

In 2025, North West made progress in supporting nutrition within rural communities through strategic improvements to our store operations. We prioritized expanding the availability of nutritious foods to empower customers to make healthier choices. A key initiative launched this year was the **Eat Well Program**, designed to provide more information to our customers about foods that support a healthy lifestyle by sharing delicious recipes that include nutritious ingredients. This initiative leveraged social media communications to engage community members, facilitating greater access to healthier foods and inspiring nutritious meal preparation.

Further, to enhance internal analysis and data-driven decision-making, we implemented robust tracking and monitoring systems focused on foods that promote a healthy lifestyle. For example, we have developed a virtual online dashboard to track and monitor consumption patterns by food category. These controls enable us to analyze trends, optimize product offerings and develop strategies aligned with community needs.

In Canada, North West continued to support Ontario's **Northern Fruit and Vegetable Program (NFVP)**, which educates students about healthy eating and lifestyles. For the 2024/2025 school year, we invested in and provided fruits and vegetables to **28** schools across **21** communities, benefiting over **5,500** students. Northern store managers support this program by processing produce orders, offering discounts on school supplies and coordinating weekly deliveries.

**Over 5,500**

students provided with fruits and vegetables through NFVP



Northern (Arviat, Nunavut)

STORY

## Alaska Commercial Company partners with local organizations to distribute food boxes throughout Alaska

Alaska Commercial Company (AC) is committed to giving back to rural Alaska and regularly partners with non-profits, along with local and state entities, to support the communities they serve. Through a recent collaboration with the Food Bank of Alaska, **48,000** pounds of shelf-stable food boxes were distributed across Prince of Wales Island, with shipments arriving in phases throughout the year. Team members also assisted with food distribution in Savoonga, working in partnership with the Native Village of Savoonga and the State of Alaska to ensure all **158** households received **100** pounds of food, including **70** pounds of dry groceries and **30** pounds of frozen meat.



## New hangar in Ontario

In 2025, North Star Air (NSA) marked a major milestone with the opening of its new **37,000**-square-foot hangar, headquarters and passenger terminal at the Thunder Bay International Airport. This modern facility enhances operational efficiency, strengthens reliability and supports our long-term commitment to serving remote northern and rural communities. The expanded space enables improved aircraft maintenance, streamlined logistics and increased capacity to transport essential goods, medical supplies and vital services year-round. By centralizing operations in a purpose-built facility, NSA supports safer and more efficient transportation solutions. This investment reflects The North West Company's ongoing dedication to resilient supply chains, regional partnerships and community well-being, ensuring that remote communities remain connected and supported.

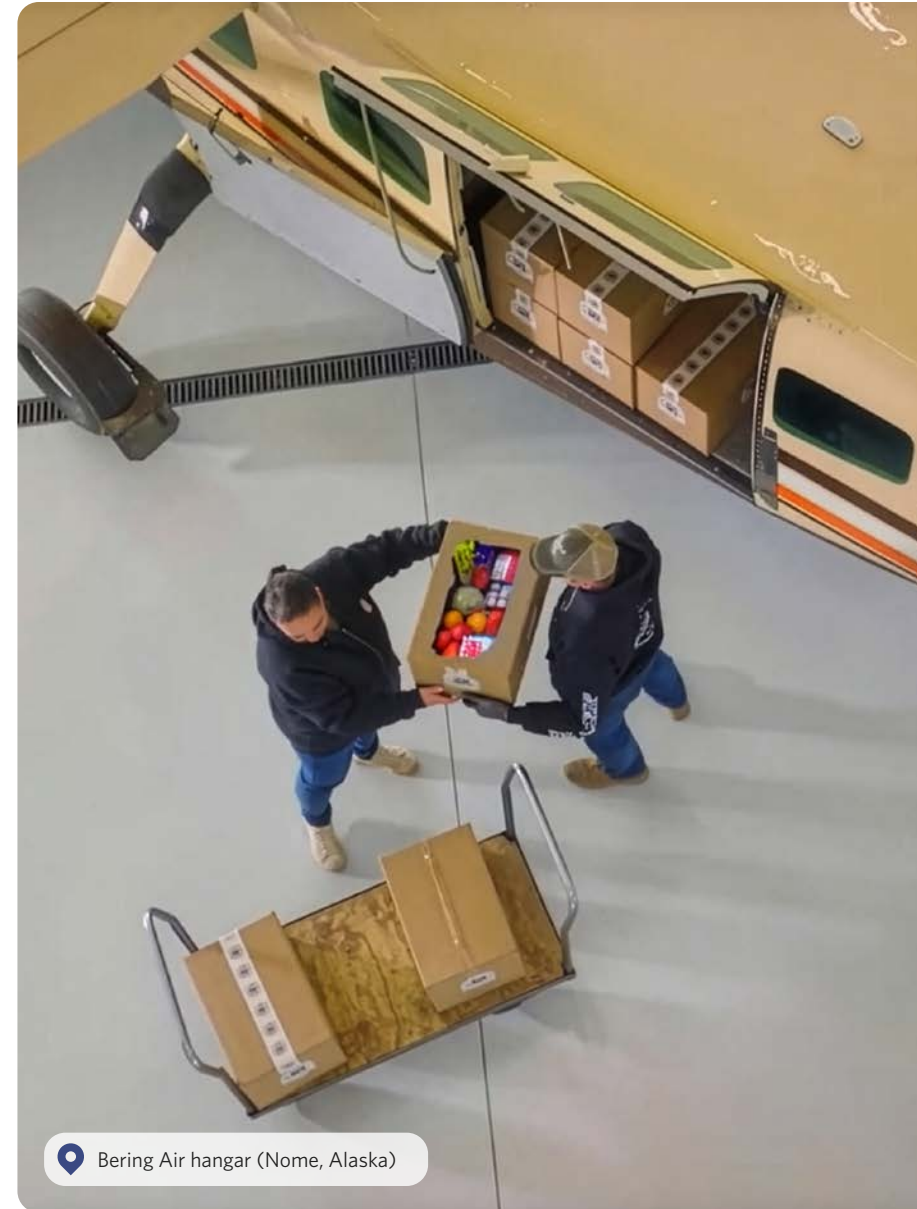


North Star Air (Thunder Bay, Ontario)

## Ecommerce platform in Alaska

We serve rural Alaska through the Alaska Commercial Co. ecommerce platform, which makes it easier for rural Alaskans to order fresh, healthy groceries and other essentials from AC stores. This is a significant breakthrough for Alaskan villages off the road system, making it easier for people to get fresh food into their communities. AC's online shopping platform allows residents to order groceries not only in the **34** communities with a main AC store, but also in villages that are one or two regional flights away from an AC store. Customers can order food online from their closest AC store using a credit or debit card, and have the food delivered to their community via bush plane. Furthermore, we continued to serve rural Alaska through Span Elite, another ecommerce platform, where we distribute healthy food to eWIC participants (women, infants and children).

Further, as of April 2025, customers in Alaska can use their Electronic Benefits Transfer (EBT)/Alaska Quest cards to pay for online grocery orders through the AC application or through the AC ecommerce website. This has been a four-year project for AC to participate in the SNAP Online Purchasing Pilot<sup>1</sup> administered by the USDA Food and Nutrition Service. The Alaska SNAP program is important in helping increase food security and reduce hunger in Alaska. All AC stores accept SNAP benefits through the Alaska Quest card, and as of April 2025, AC also accepts SNAP funds for online orders of qualifying food items.



Bering Air hangar (Nome, Alaska)

<sup>1</sup> The Supplemental Nutrition Assistance Program (SNAP) provides funds to eligible households to help them afford the nutritious food essential to health and well-being. Electronic Benefits Transfer (EBT) is the electronic system that allows SNAP participants to use those benefits to pay for qualifying food items. In Alaska, SNAP benefits are distributed to participants using the Alaska Quest card.

## Supporting Indigenous communities through pharmacy and health services

At North West, we are committed to advancing health equity by delivering high-quality, culturally responsive pharmacy and optical care to Indigenous communities across remote and underserved regions of Canada. Our approach is rooted in collaboration — we aim to ensure that services are not only accessible, but also respectful of cultural values and aligned with community priorities. Whether through our community-based pharmacies, mobile outreach or technology-enabled optical services, we strive to build trust, reduce barriers and support healthier futures in partnership with the communities we serve.



NorthMart health clinic (Iqaluit, Nunavut)



Inuulisautinut Niuvirvik (Iqaluit, Nunavut)

## Community-based pharmacy services

**Retail community pharmacies:** We operate **19** pharmacies strategically located across Northern Canada, many of which have served Indigenous communities for over **15** years. These pharmacies provide comprehensive services tailored to local health needs, with a strong emphasis on relationship-building and continuity of care.

**Serving remote Indigenous communities:** Our health services support **98** remote communities,<sup>1</sup> including fly-in First Nations in Northern Manitoba, coastal Inuit communities in Nunavut, and isolated settlements in the Northwest Territories. Many of these locations are accessible only by air or seasonal roads, requiring resilient logistics and deep local partnerships to maintain consistent care.

**Skilled and committed professionals:** Our team includes over **100** professionals — pharmacists, regulated pharmacy technicians, opticians, optical assistants, clerks and pharmacy assistants — many of whom have longstanding relationships with the communities they serve.

**Experienced oversight:** Our pharmacy operations are led by experienced pharmacist district managers who ensure safety, quality and regulatory compliance, while supporting local teams in delivering patient-centred care.

**Advancing optical access in the North:** North West's Optical Centre is committed to breaking down barriers to vision care in remote and Indigenous communities. Recognizing the limited availability of in-person optometry services, we have made strategic investments in technology to deliver high-quality, remote optical assessments and follow-up care.

<sup>1</sup> These services include pharmacy and telepharmacy services.

# Belonging and Culture

## Creating a safe and inclusive environment

At North West, we aim to foster an equitable, diverse and inclusive work environment that reflects the communities we serve. We strive to promote equal opportunities and cultivate a culture where all colleagues and partners feel valued and respected regardless of their background. Our ambition is to empower every employee to reach their full potential and make a meaningful impact. We are guided by our [Code of Business Conduct and Ethics](#), our [Respectful Workplace Policy](#), and our [Human Rights Policy](#), which together reinforce our commitment to providing a workplace and shopping environment free from discrimination and harassment for all employees, contractors, customers and vendors.

## Creating opportunities for our employees

By fostering a workplace culture grounded in respect and a strong sense of belonging, we strengthen our organization and empower our teams to succeed. Our ability to serve communities effectively depends on the dedication and expertise of our employees. We invest in our people by enhancing our engagement and providing the tools, resources and guidance they need to grow their careers and thrive as collaborators and leaders. In the following chapters, we highlight key actions and initiatives we implemented in 2025 to support these goals.

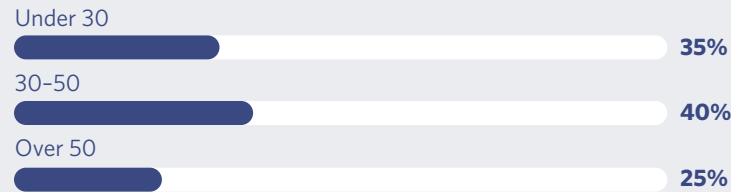
### RACIAL DIVERSITY<sup>1</sup>



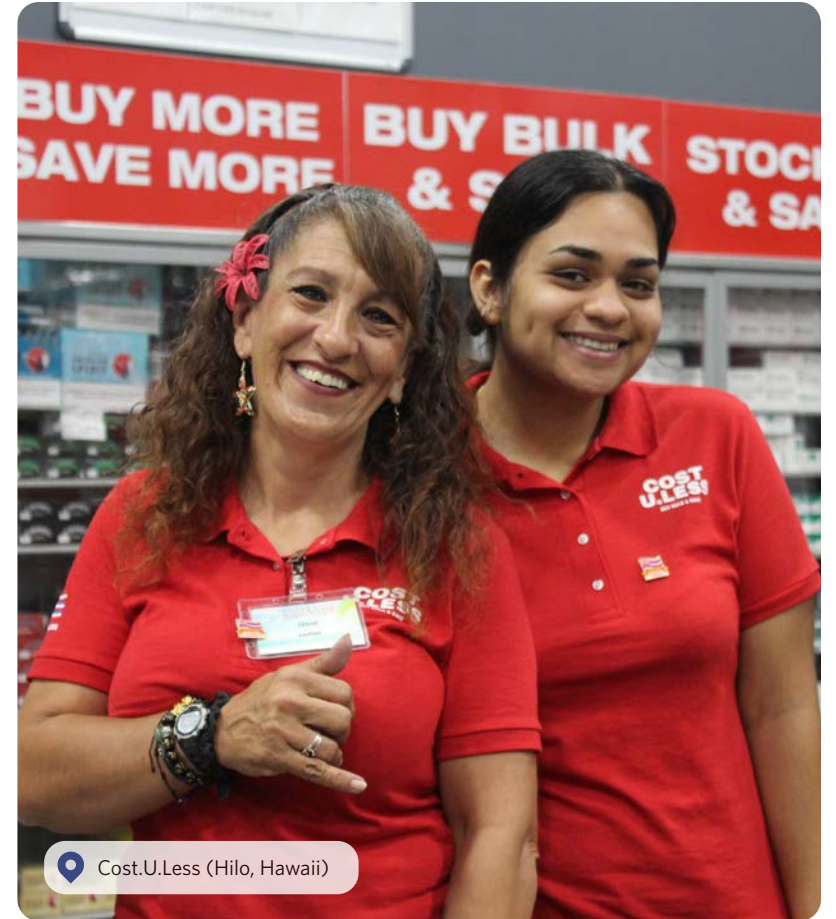
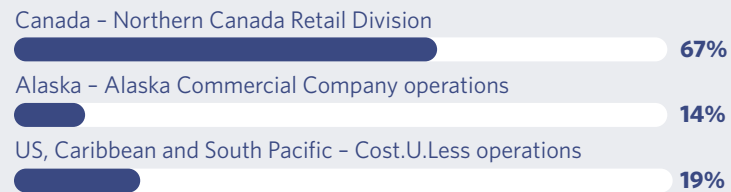
### GENDER DIVERSITY



### AGE DIVERSITY



### EMPLOYMENT PER LOCATION



1 Data is collected through our HR Information System throughout the year. As at fiscal year-end 2025, 71% of the global workforce voluntarily disclosed their race/ethnicity. Values exclude North Star Air and RiteWay.

2 Black, Indigenous and People of Colour (BIPOC): anyone other than White, Other or Undisclosed. Value excludes North Star Air and RiteWay operations.

3 Indigenous: American Indian/Alaskan Native, Native Hawaiian/Pacific Island, First Nation Status, First Nation Non-Status, Inuit, Métis. Value excludes Cost.U.Less, North Star Air and RiteWay operations.

4 Director+: anyone within a job family of Director or Executive.

5 Management: any Assistant Store Manager, Department Manager, Department Manager in Training, Manager, Manager in Training, Senior Manager or Store Manager.

## Increasing Indigenous employment rates, retention and promotion

As part of our commitment to equity, inclusion and Indigenous reconciliation in Canada, we are focused on increasing Indigenous representation across all levels of our organization. Particularly in northern and remote communities where we operate, our approach prioritizes hiring locally, retaining talent and supporting career progression into senior roles for Indigenous employees.

In 2025, we initiated the development of a company-wide roadmap to guide local recruitment strategies and internal employee development. This roadmap outlines a range of actions including targeted recruitment campaigns, employee training, and outreach to high schools and trade schools to raise awareness of career opportunities at North West.

To strengthen our data-driven approach, we relaunched our **Diversity Survey** across Canada, establishing a consistent definition and baseline for identifying Indigenous representation across our geographic footprint. In parallel, we strengthened employee education by introducing several new initiatives. We expanded required Cultural Awareness Training in Canada to include all corporate managers and above. Additionally, we launched Diversity, Equity and Inclusion (DEI) training modules for all frontline store staff through Compass, our new digital learning platform. These DEI modules cover a broad range of topics, including 'National Day for Truth & Reconciliation,' 'Gender Identity & Expression,' 'Generational Diversity,' 'Understanding Disabilities,' 'Micro-aggressions,' 'Diversity in the Workplace' and 'Unconscious Bias in the Workplace.'

In 2025, we continued prioritizing Indigenous representation in store management, building on the success of the 2024 **Indigenous Management Development Pathway (IMDP)**, a previous program that provided leadership opportunities for local Indigenous employees pursuing careers in retail management. This year, we created and hosted a cohort of 9 Indigenous employees in an **Internal Development Program** at the NWC Training Centre in Winnipeg. Over 10 intensive days, participants strengthened both operational and leadership skills, including store management, administrative operations, problem-solving, team-building, networking and adaptability. Participants were nominated by store managers and endorsed by district leadership, with individual skills assessments guiding tailored development plans.

By combining technical and interpersonal training, the program strengthens store staffing while supporting the long-term growth of promising employees. These initiatives align with our ESG ambitions and create meaningful employment pathways for Indigenous Peoples in the communities we serve. We look forward to expanding this program with new cohorts in 2026.



Northern (Wasagamack, Manitoba)

**Talent Attraction and Retention:** At North West, we look forward to attracting, developing and retaining top talent across our business units in Canada, the US, the Caribbean and the South Pacific. In 2025, we launched recruitment campaigns, leveraging career fairs, educational partnerships and co-op programs to provide hands-on experience. A key priority was hiring locally, aiming to increase BIPOC representation to be reflective of the communities we serve. Over the past year, we were able to successfully recruit over **400** new employees in Canada through our partnerships with key organizations and participation in events including career fairs, information sessions and NWC-branded hiring events. Our participation in these events also improved employer branding efforts and expanded awareness of career opportunities offered at North West. These initiatives contributed to strengthening our workforce and reinforcing our reputation as an employer of choice. In 2025, NWC had **225** new employees in corporate/warehouse support and **15** co-op/interns in Canada.

**Supporting Representation of Women in Leadership:** We aim to support gender equality in our workplace. Our current efforts include tracking gender representation across roles on a quarterly basis and hosting an annual

Women’s Leadership event that provides development and networking opportunities. We continue to review our practices and identify opportunities to strengthen gender equality across the organization.

**Learning and Development:** After the successful launch of the new training and communications platform, Compass, across all banners in 2024, we continued to invest in its broad reach throughout the company by releasing new content, compliance training, communications channels and even podcasts to keep employees aligned with business goals. At the same time, we launched a comprehensive feedback evaluation process for content, aggregating individual employee comments through a feedback function embedded in the Compass platform (any employee — from frontline to leadership — can “flag” and provide instant feedback within the flow of training, sharing their own experiences and identifying areas for improvement). Once validated by subject-matter experts, feedback is actioned quickly, enabling training content that is relevant, valuable and timely. This process enables our training to be truly customized, responsive to business needs and impactful to our employees at all levels and locations. In 2025, we offered **270** individual training courses, enabling over **6** hours of annual training per employee.

**Cultural Awareness Training:** We continue to advance our Indigenous Cultural Safety Training strategy and uphold Our Promise to Indigenous Peoples. In 2025, over **360** employees, including **98%** of Director+ roles, completed Indigenous cultural awareness training, deepening their understanding and commitment to cultural awareness and reconciliation. Additionally, an engaging two-hour Cultural Safety session was delivered at the company’s annual conference, providing more than **170** employees with meaningful insights and practical tools to foster inclusion and cultural understanding in their daily work. In 2025, we expanded our Indigenous Cultural Safety Training Workshops to include our international leadership teams, reinforcing our commitment to fostering understanding and respect across all levels of the organization. Looking ahead, our goal is to make Cultural Safety Training accessible to all roles by 2026 through a combination of workshops and customized online learning resources designed to deepen cultural awareness and support meaningful, organization-wide reconciliation efforts.



RiteWay (British Virgin Islands)



NWC Training Centre (Winnipeg, Manitoba)

# Health and Safety

**At North West, health and safety are a shared responsibility and an integral part of everything we do. We believe that managing personal health, safety and wellness is critical to our success. Our commitment to maintaining a safe and healthy work environment is reflected in consistent operating practices and the integration of health and safety considerations into our operations.**

Throughout 2025, we remained committed to strengthening our health, safety and wellness culture. This year, we saw continued improvement across several key health and safety metrics, including a **10%** reduction in injury claims within our operations compared to the previous year. In addition, we expanded our in-house First Aid Training Program and invested in Health and Safety Committee Training. These results reflect our focused efforts to reduce risk, enhance training and support employees both physically and mentally.

North West collaborates closely with well-being specialists, managers and physicians to assess employees' capabilities, align meaningful work with individual strengths, evaluate job demands and promote a safe work environment. As part of this process, in Canadian operations, we provide the attending physician with a Capabilities Form that outlines both physical and cognitive abilities. This physical and mental risk assessment helps to prepare and support employees for success in their role at North West, whether it be mentally or physically.

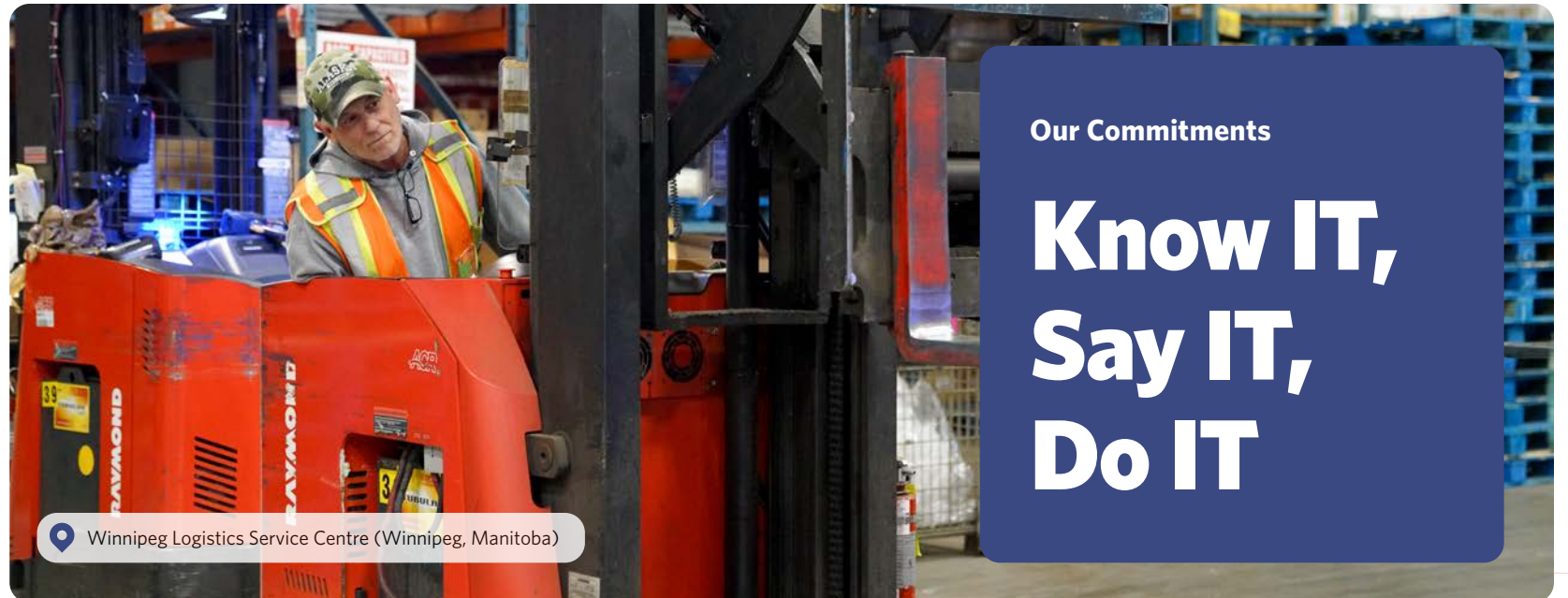
In 2025, we also implemented our First Aid Mental Health Awareness programs to support our aim to reduce hazards and prevent occupational incidents and injuries. We will continue to work together to ensure health, safety and well-being are everyone's accountability by engaging our employees to look for new ways to reduce risk in all areas of our business operations. In addition,

we advanced our health and safety reporting and analysis tools to improve the management of incidents across the organization. Further, through our [Code of Business Conduct and Ethics](#) and our [Supplier Code of Business Conduct and Ethics](#), North West strives to provide employees, suppliers and contractors with a safe and healthy work environment.

North West supports well-being of its employees through a comprehensive wellness portal, which provides a variety of resources to promote physical, mental and emotional wellness. Employees have access to fitness programs, including marathon training, print-out workouts and challenges, along with nutrition tips, recipes and personalized tracking sheets. Mental wellness is also a priority, with resources such as meditation, daily wellness tracking and access to the Employee Assistance Program (EAP) for additional support.



Winnipeg Logistics Service Centre (Winnipeg, Manitoba)



Winnipeg Logistics Service Centre (Winnipeg, Manitoba)

Our Commitments

**Know IT,  
Say IT,  
Do IT**

# Planet


To improve the management of waste, emissions and energy.

## IN THIS SECTION

- 25 Emissions and Energy Management >
- 27 Food Waste and Waste Management >

## RELATED SDGs



 The North West Company's retail operations span several geographical regions, including the Caribbean



# Emissions and Energy Management

Climate change has a harmful impact on the planet and presents one of the greatest challenges of our time. North West believes addressing climate change requires action from industry, government and consumers to reduce the impact the collective use of carbon is having on the planet. All partners must work together to balance the growing need for energy with the need to lower its environmental impact.

We aspire to reduce GHG emissions by focusing our efforts on areas of our business where we have direct control and select categories where we have indirect control. We also recognize that North West's operations provide essential services to remote communities and that our investments in business practices must be balanced against the significant cost of investing in new, more energy-efficient alternatives in remote markets. North West supports the adoption of the IFRS Sustainability Disclosure Standards and we are preparing to align with the standards once they are endorsed by the Canadian Securities Administrators.

## GHG inventory management

In 2023, we completed a GHG emissions inventory and inventory management plan for Scope 1 and 2 emissions in accordance with the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol: A Corporate Accounting and Reporting Standard across the breadth of North West's operations. This includes retail operations in seven countries, aviation and logistics, and a significant real estate portfolio.

Scope 1 (Direct)

76%

Scope 2 (Indirect)

24%



In 2025, we improved our GHG emissions and inventory management plan with improved data collection.

Cost.U.Less (Barbados)

To measure our progress and demonstrate our commitment to increase our energy efficiency we have engaged with an independent third party, and have standardized the processes for data collection and measurement of our direct GHG emissions (Scope 1) and indirect GHG emissions from purchased energy (Scope 2). This enables North West to track these emissions. In 2024 and 2025, we further reduced our modelled consumption estimates and have continued our partnership with an external independent advisor to move toward assurance readiness for our GHG emissions calculations.

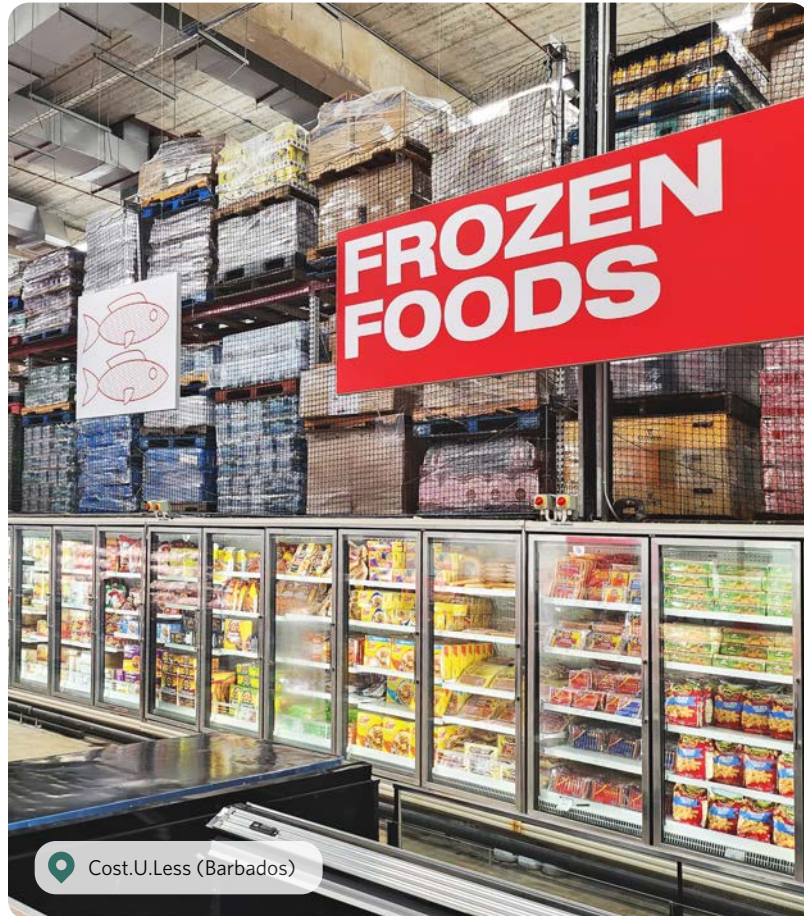
Scope 1 account for approximately **76%** of our direct carbon consumption. For North West, Scope 1 emissions include the fuel used to power aircraft operated by North Star Air, fuel to heat our facilities and fugitive refrigerant releases in our retail stores. Scope 2 emissions accounted for approximately **24%** of our electricity consumption, as approximately **33%** of our stores are located in regions where electricity is sourced from hydroelectricity, which is a low-carbon source of renewable energy.

## Risk mitigation

North West continues to implement energy efficiency measures within our operations, including:

- **Following municipal building codes** to ensure facilities are built and maintained to withstand environmental factors
- **Optimizing energy consumption** by incorporating energy saving specifications into stores, aircrafts, warehouses and distribution centres
- **Beginning the transition to refrigerant technologies** in our operations and converting our systems to use lower-impact refrigerants in our legacy systems
- **Investing in renewable energy sources**
- **Providing ongoing environmental management and training**

As a remote market retailer operating in a high-cost environment, North West is incentivized to optimize operations and be as efficient and cost-effective as possible. This includes reducing our GHG emissions by continuing to implement energy-efficiency measures within our operations and improving the efficiency of our logistics operations. We are also regularly evaluating risks that could have a potentially material impact on our business, supply chain and operations. Our Enterprise Risk Management process includes identifying and mitigating risks associated with climate change.



Cost.U.Less (Barbados)



Alaska Commercial Company (Sitka, Alaska)

# Food Waste and Waste Management

Globally, food waste has significant environmental, social and economic impacts. As a retailer, North West recognizes that food waste and waste management are important sustainability challenges and a shared responsibility, requiring coordinated action from industry, government and civil society.

## Food waste

**Canada:** In 2025, North West advanced its supply chain optimization initiative by focusing on transportation efficiency, product availability and inventory management, which are key areas in reducing food waste at the store level. Operational enhancements such as improved ordering and forecasting, product scanning, inventory control, and backroom organization have been central to this effort. Building on these improvements, we also began developing virtual data tracking and monitoring systems to analyze food waste across our store and logistics operations. Additionally, through internal standard operating procedures, we guide our employees to donate food nearing the end of shelf life, although the impact on food waste is still being evaluated.

**Caribbean and South Pacific:** Our Cost.U.Less stores continued to roll out comprehensive training, communication and operational process improvements to reduce food waste. A cornerstone of this effort was the Loss & Shrink Prevention Training, co-developed with store employees to strengthen practices in aisle maintenance, product dating and rotation, markdown procedures, activity tracking, space utilization, cold chain management and production planning. By embedding these standards, we improved our execution and root cause identification, and reinforced a culture of waste prevention across all store teams.

## Waste management

In Canada, we continued providing training for our employees, covering topics such as spill management, fuel handling and water quality sampling. Also, we are compliant with the Canadian Single-Use Plastics (SUP) regulation and have engaged in actions to eliminate the sale of SUPs, including replacing plastic shopping bags in our stores with reusable shopping bags.



Alaska Commercial Company (King Salmon, Alaska)



RiteWay (British Virgin Islands)

**Investment in equipment efficiency**  
We updated refrigeration and food warming systems in more than **55** stores, contributing to our efforts to reduce food spoilage through current technology.

STORY

## Boca Beach Cleanup

Each year, the Cost.U.Less corporate office, located in Boca Raton, Florida, organizes a special initiative to celebrate Earth Day. This initiative, known as the "Boca Beach Cleanup," typically takes place on April 22 or on a date close to it. On this day, more than **40** staff members dedicate their afternoon to cleaning Deerfield Beach, working together to responsibly collect and dispose of waste. In addition to the corporate office's efforts, the Beach Cleanup initiative is extended to all Cost.U.Less store locations, where employees across the region participate in similar cleanup activities, contributing to a collective effort to reduce waste pollution.



# Partnerships

To maintain trust with our partners.

## IN THIS SECTION

29 Responsible Business and Supply Chains >

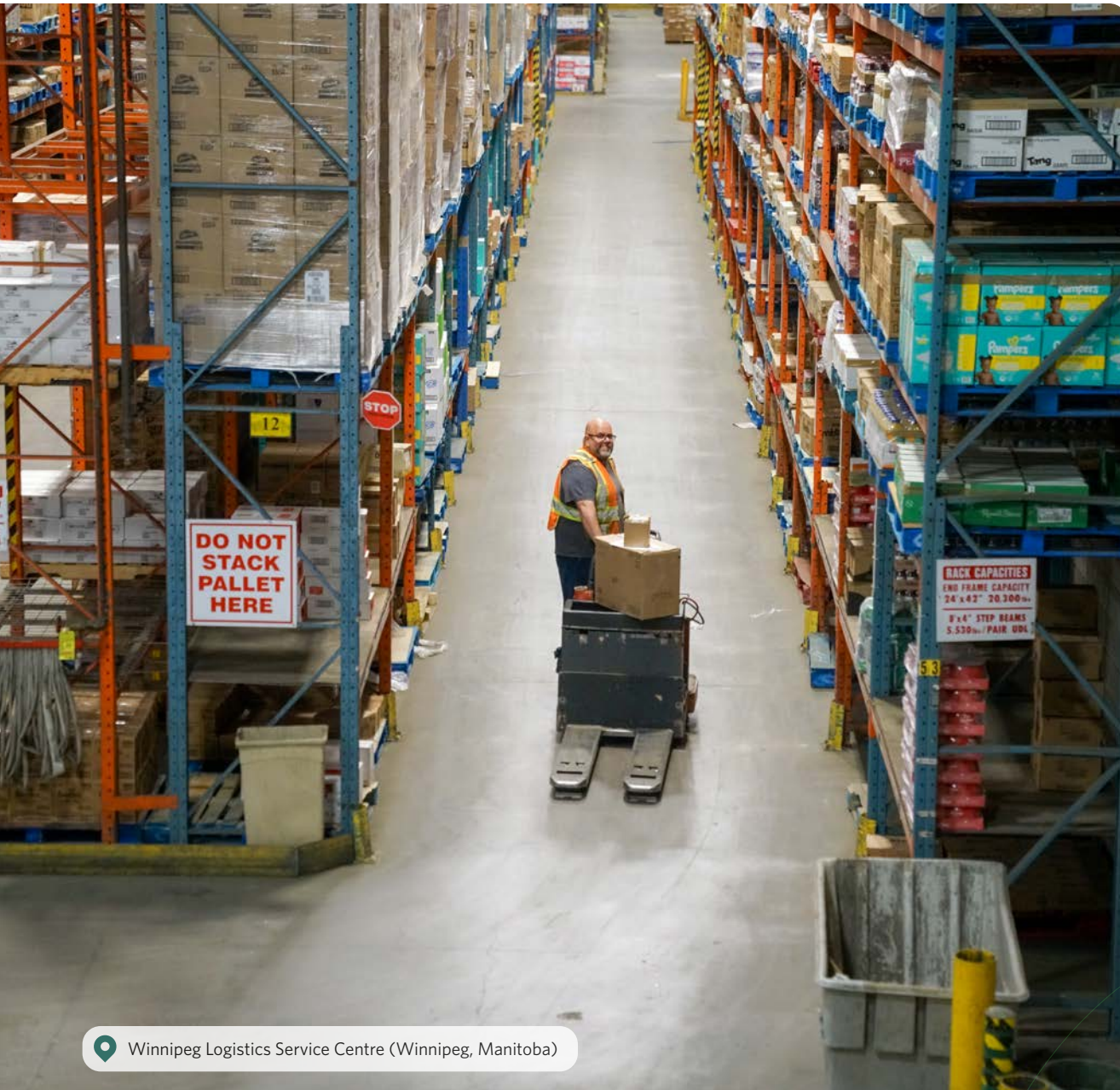
30 Cybersecurity >

## RELATED SDGs

8 16



Alaska Commercial Company, Food Box Program  
(Utqiagvik, Alaska)



Winnipeg Logistics Service Centre (Winnipeg, Manitoba)

# Responsible Business and Supply Chains

**Human rights and responsible business practices are central to North West's commitment to ethical operations. As a trusted retailer in diverse and remote communities, we recognize our responsibility to respect the rights of all individuals impacted by our activities. Upholding these principles strengthens community relationships, supports fair and inclusive workplaces and supports long-term responsible growth.**

## Human rights

We are committed to respecting and supporting the fundamental principles of human rights in our operations and supply chain. Through our [Code of Business Conduct and Ethics](#), North West sets expectations to foster a respectful work environment that adheres to the requirements of applicable human rights law and related workplace legislation.

## Supplier Code of Business Conduct and Ethics

Our [Supplier Code of Business Conduct and Ethics](#) provides our suppliers with a clear understanding of how we expect them to conduct business with, and on behalf of, North West. The expectations include that our suppliers demonstrate integrity, professionalism, accountability and employment standards that include no tolerance for forced labour or child labour in their operations.

## Legislation

In 2025, in compliance with the federal legislation of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, we filed our **2024 Modern Slavery Report** to the Ministry of Public Safety. The report outlines the steps that North West has taken to prevent and reduce the risks of forced labour or child labour within our business and supply chain operations. In 2025 North West continued to implement measures from the roadmap developed in 2024, to manage risks of forced labour and child labour in supply chain activities, including conducting supply chain mapping, which identified country of origin for all direct and select indirect vendors and, based on the supply chain mapping, screened applicable vendors for risk of forced labour or child labour.

## Additional policies

In addition, other important policies for enabling responsible business practices are our Young Worker Policy, our Whistleblower Policy and our Respectful Workplace Policy.

# Cybersecurity

**At North West, cybersecurity is essential to maintaining trust with our partners, protecting information and ensuring reliable service in the communities we serve. A strong cybersecurity foundation supports business continuity and promotes the responsible, secure use of information and technology across all operations.**

North West has built a robust Cybersecurity Program to improve the policies and processes that safeguard our systems and information. The program supports the integration of cybersecurity practices aligned with the information we collect and use (including technical, administrative and operational procedures) to prevent loss, misuse or alteration. Additionally, the program establishes contingency procedures to ensure employees respond appropriately and promptly in the event of a cybersecurity incident. Through our Cybersecurity Program and its associated initiatives, we look to protect our systems and information.

**Cybersecurity policy:** This policy provides a foundation of actions to protect the organization against cyber threats, protect the Company’s systems and promote compliance with applicable regulations.

**Annual Security Awareness Training:** This training provides education about best practices and behaviours to improve the security of our systems and information. It aims to minimize risk and create a “safety culture” among all employees.

**Quarterly Phishing Simulation Tests:** These exercises sensitize employees and equip them with the skills to identify and report phishing emails.

**Incident Response Plan:** Increases organizational preparedness and resilience towards managing incidents and actions for recovery.

**Network security:** Multiple layers of defence protect the confidentiality, integrity and availability of the information processed, stored or shared by employees in their work environments.

**Password protection:** Educating employees on secure authentication practices to enhance account security and minimize the risk of unauthorized access. One example is the use of two-factor authentication in our corporate office for sign-in verification.

The North West Company’s cybersecurity governance framework includes regular audits, executive oversight and alignment with international standards. We track key performance indicators such as phishing simulation click rates, incident response times and employee training completion rates to measure program effectiveness. Our Privacy Policy guides employees in adopting best practices to protect the information used in our operations, such as an individual’s name, address and date of birth. It is a statement of principles and guidelines regarding the minimum requirements for protecting personal information in all North West operations.



Gibraltar House (Winnipeg, Manitoba)



Cost.U.Less (Hilo, Hawaii)



RiteWay (British Virgin Islands)

# Performance Data

Topic	Unit	2025
<b>About Our Company</b>		
Stores (all banners)	Number	230
Communities served	Number	187
Colleagues	Number	7,001
Retail pharmacy locations	Number	19
Pharmacists	Number	100
North Star Air (NSA) aircrafts	Number	19
<b>Our Value Chain</b>		
Amount of stores that are inaccessible by all-weather road, requiring transportation via ice road, aircraft or sealift	Number	137
Annual tonnage of freight moved by road transportation networks, including operations on seasonal ice roads	Tons	133,415
Annual tonnage of freight moved by railroad	Tons	15,192
Annual tonnage of freight moved by aircraft	Tons	57,840
Annual tonnage of freight moved by ships and barges	Tons	107,690
<b>People<sup>1</sup></b>		
Female representation in global workforce	Percentage	47%
Female representation in leadership – Director+ positions <sup>2</sup>	Percentage	20%

Topic	Unit	2025
Female representation in management positions <sup>3</sup>	Percentage	43%
BIPOC <sup>4</sup> representation in global workforce	Percentage	52%
Indigenous <sup>5</sup> representation in global workforce	Percentage	43%
Total employees (Canada)	Percentage	67%
Total employees (Alaska)	Percentage	14%
Total employees (US, Caribbean & South Pacific)	Percentage	19%
Age diversity of global employees (under 30)	Percentage	35%
Age diversity of global employees (30-50)	Percentage	40%
Age diversity of global employees (over 50)	Percentage	25%
Customer satisfaction survey respondents	Number	16,578
Total North West donations to communities	CAD	\$3.6 million
Total Healthy Horizons Foundation (HHF) disbursements to support programs <sup>6</sup>	CAD	\$600,000
NSA strategic partnership agreements with Ontario First Nations communities	Number	12
NSA revenue-sharing payments through strategic partnership agreements with communities since 2014	CAD	\$12 million
Communities served by North West health services	Number	98
Ontario's Northern Fruit and Vegetable Program (NFVP) schools	Number	28

Topic	Unit	2025
Ontario's NFVP communities	Number	21
Ontario's NFVP students	Number	5,500
Online shopping platform communities – Alaska Commercial Company	Number	34
Employees completing the Cultural Awareness Training	Number	364
Director+ completing the Cultural Awareness Training	Percentage	98%
Total individual training assets	Number	270
Average annual hours of development training per employee	Hours	6.18
Number of employees having access to Compass training platform	Number	4,950
Internal Development Program courses	Number	23
Reduction of total injury claims in our operations, compared to previous year	Percentage	10%
Total spend on Indigenous-owned businesses	CAD	\$43.5 million
<b>Planet</b>		
Scope 1 (direct) GHG emissions	Percentage	76%
Scope 2 (indirect) GHG emissions	Percentage	24%
Number of stores that have updated refrigeration and food warming systems	Number	55

1 Data is collected through our HR Information System throughout the year. As at fiscal year end 2024, 72% of global workforce voluntarily disclosed their race/ethnicity. Values exclude NSA and RiteWay.  
 2 Director+: anyone within a job family of Director or Executive.  
 3 Management: any Assistant Store Manager, Department Manager, Department Manager In Training, Manager, Manager In Training, Senior Manager or Store Manager.  
 4 Black, Indigenous and People of Colour (BIPOC): anyone other than White, Other or Undisclosed. Value excludes NSA and RiteWay operations.  
 5 Indigenous: American Indian/Alaskan Native, Native Hawaiian/Pacific Island, First Nation Status, First Nation Non-Status, Inuit, Métis. Value excludes Cost.U.Less, NSA and RiteWay operations.  
 6 The value of the metric includes grant disbursements and Healthy Horizons programming expenses.

# Contributing to the United Nations Sustainable Development Goals (UN SDGs)

North West recognizes the importance of the United Nations (UN) 2030 Agenda for Sustainable Development, and the UN's ambition to provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. Our purpose and ESG-related efforts contribute to seven of the 17 SDGs.

The following table outlines the NWC actions that may align and support the listed UN SDGs.



People		
2	<b>2.1 End hunger and ensure access by all people, in particular the poor and people in vulnerable situations</b>	<ul style="list-style-type: none"> <li>We play an active role in addressing food security in remote underserved communities.</li> <li>North West continued supporting Ontario's Northern Fruit and Vegetable Program (NFVP) benefiting <b>28</b> schools across <b>21</b> communities and supporting over <b>5,500</b> students for the 2024/2025 school year.</li> </ul>
		<ul style="list-style-type: none"> <li>Alaska Commercial Company (AC) partnered with Food Banks Alaska to distribute <b>48,000</b> pounds of shelf-stable food boxes to Prince of Wales Island.</li> <li>We attend Alaskan villages off the road system by air, making it easier for people to get fresh foods into their communities. Customers can order food online from their closest AC store and have the food delivered to their community via bush plane.</li> </ul>
3	<b>3.4 Promote mental health and well-being</b>	<ul style="list-style-type: none"> <li>We serve <b>98</b> remote underserved communities in Canada, ensuring that residents receive essential pharmacy and optical services.</li> <li>We operate <b>19</b> retail pharmacies strategically located to meet the unique needs of these communities.</li> </ul>
		<ul style="list-style-type: none"> <li>North West provides a Wellness Portal accessible to all North West employees.</li> <li>We continue expanding Northy Clubs through our Healthy Horizons Foundation (HHF), a youth program focused on physical activity, education, nutrition and healthy habits.</li> </ul>
5	<b>5.1 End discrimination against all women and girls everywhere</b>	<ul style="list-style-type: none"> <li>Women represent <b>47%</b> of our global employees.</li> <li>Women represent <b>43%</b> of our management positions.</li> </ul>
8	<b>8.3 Promote development-oriented policies that support micro-, small- and medium-sized enterprises</b>	<ul style="list-style-type: none"> <li>We train our merchandising teams on internal procurement processes to reduce barriers and obstacles and allow the development of economic partnerships with local and Indigenous business and suppliers.</li> </ul>
		<ul style="list-style-type: none"> <li>We were able to achieve a total spend of over <b>\$43 million</b> with Indigenous-owned businesses in fiscal year.</li> </ul>
10	<b>10.2 Empower and promote the inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</b>	<ul style="list-style-type: none"> <li>BIPOC employees represent <b>52%</b> of our global workforce.</li> <li>Indigenous employees represent <b>43%</b> of our global workforce.</li> <li>Over <b>360</b> employees in associate, manager, director and executive roles completed a two-day Indigenous Cultural Safety workshop in 2025.</li> </ul>
	<b>10.4 Progressively achieve greater equality</b>	
Planet		
12	<b>12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses</b>	<ul style="list-style-type: none"> <li>We updated refrigeration and food warming systems in more than <b>55</b> stores, contributing to our efforts to reduce food spoilage through current technology.</li> <li>We continued a food waste reduction initiative across our Cost.U.Less stores, which includes training, communication and implementation of new processes in store operations.</li> </ul>
		<ul style="list-style-type: none"> <li>In Canada, we implemented operational enhancements that have positively supported reducing food waste in store operations. For example, we improved food product ordering and forecasting, product scanning, inventory control and backroom organization.</li> </ul>
13	<b>13.2 Integrate climate change measures into national policies, strategies and planning</b>	<ul style="list-style-type: none"> <li>We improved our GHG emissions and inventory management plan with improved data collection.</li> </ul>
Partnerships		
8	<b>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</b>	<ul style="list-style-type: none"> <li>We advanced our Modern Slavery Roadmap to prevent child labour and forced labour in supply chains and submitted our Modern Slavery Report in 2025.</li> </ul>

# Looking Forward

**As we continue to advance our ESG Strategy, we recognize that meaningful progress requires continuous learning, integration and collective action across the organization. Our priority is to demonstrate value to our partners by strengthening the development and execution of action plans that address our material ESG objectives, while proactively responding to the evolving regulatory landscape. At the same time, we look forward to enhancing our ESG-related policies, processes, governance frameworks and data management practices.**

## About forward-looking statements

This Sustainability Report contains forward-looking statements about The North West Company, including its business operations, strategy, and expected sustainability performance and conditions, pursuant to North West's environmental, social and governance (ESG) objectives and ambitions. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects," "anticipates," "plans," "believes," "estimates," "intends," "targets," "projects," "forecasts" or negative versions thereof and other similar expressions. Although North West believes that the expectations reflected in such forward-looking information are reasonable, assessing forward-looking ESG metrics and risks, particularly climate metrics and risks, is more complex and longer-term than traditional business metrics and risks. North West's ability to achieve its ESG objectives and ambitions is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond North West's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information and may require North West to adjust its ESG initiatives, activities or plans to reflect a changing landscape. Such risks and uncertainties include, but are not limited to, the accessibility and suitability of comprehensive and high-quality data; the need for active and continued participation of North West's stakeholders; the development of consistent, robust and comparable ESG metrics and methodologies, in particular in respect of climate change; the development of provincial, national and international laws,

policies and regulations in respect of ESG matters; and the factors discussed in North West's current Annual Information Form and most recent Management's Discussion & Analysis. Many forward-looking methodologies are new and evolving, and there is limited guidance from methodology providers on the calculation or comparability of these measures. North West regularly monitors the development of provincial, national and international ESG reporting regulations, standards and frameworks for their relevance and usability, as well as stakeholder expectations regarding these standards. North West expects its ESG disclosures to continue to evolve as reporting regulations, standards and frameworks mature. Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by North West due to changes in economic, political and market factors in North America and internationally. The forward-looking statements in this Sustainability Report are presented to assist investors and other stakeholders in understanding North West's ESG priorities, strategies and objectives, and may not be appropriate for other purposes. North West does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law. All forward-looking statements in this Sustainability Report are made as of the date hereof and are qualified by these cautionary statements.





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