



FOR LIFE OUT HERE™

2020 Task Force on Climate-Related Financial Disclosures (TCFD) Report

Introduction

In our over 80 years of business, Tractor Supply has achieved remarkable success—while never losing touch with our roots. We are driven by our commitment to our Company’s Mission and Values and continue to execute on our purpose-driven efforts by evaluating and implementing policies, programs and projects that benefit all stakeholders. We know that we must remain stewards of all our resources so that we can continue to do the right thing for our company, our customers, and our communities.

Tractor Supply shares the common belief with our customers that we must be good stewards of the land and our natural resources so that future generations can enjoy the same benefits from these resources that we enjoy today. This desire to protect our natural resources for our children and grandchildren is what drives our commitment to mitigating our contribution to climate change and reducing our carbon footprint.

In September 2021, we announced new, robust goals to further reduce our carbon footprint as part of the Company’s longstanding commitment to sustainability and stewardship. After exceeding initial carbon reduction goals set in 2018, we adopted new absolute carbon reduction goals to further reduce emissions from our operations by 20% by 2025 and by 50% by 2030 from a 2020 baseline. We also committed to achieving net zero emissions across all operations by 2040. These commitments to the climate and society reinforce Tractor Supply’s vision that a healthy environment, properly managed resources, and vibrant communities are keys to a secure and prosperous future.

In this next phase of our sustainability journey, Tractor Supply will increase efforts to procure renewable energy, continue investments in energy efficiency and cleaner technologies, avoid future emissions through better design of both stores and distribution centers, and enhance our Scope 3 focus with greater transparency and reduction efforts, including new vendor engagement to drive down value chain emissions. As sustainability becomes even more embedded in Tractor Supply’s operations and strategy, we look forward to establishing further commitments and reporting on [progress](#).

Forward-looking Information

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” to encourage companies to provide prospective information, so long as those informational statements are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those included in the forward-looking statements. The Company desires to take advantage of these provisions. This document contains cautionary statements identifying important factors that could cause actual results to differ materially from those projected herein and in any other statements made by company officials in communications with the financial community and contained in documents filed with the Securities and Exchange Commission (SEC). Forward-looking statements are not based on historical information and relate to future operations, strategies, financial results or other developments. Furthermore, forward-looking information is subject to numerous assumptions, risks and uncertainties. In particular, statements containing words such as “expect,” “anticipate,” “believe,” “goal,” “objective,” “may,” “should,” “estimate,” “intends,” “projects,” “will,” “assumes,” “potential,” “target,” “outlook” or similar words as well as specific projections of future results generally qualify as forward-looking. The Company undertakes no obligation to update such forward-looking statements. For a discussion of assumptions, risks, uncertainties and other important factors that could cause actual results to differ materially from those expressed in the forward-looking statements, see our most recent reports on Form 10-K and Form 10-Q filed with the SEC.

About Us

Tractor Supply Company (NASDAQ: TSCO), the largest rural lifestyle retailer in the United States, has been passionate about serving its unique niche, targeting the needs of recreational farmers, ranchers and all those who enjoy living the rural lifestyle, for more than 80 years.

Tractor Supply offers an extensive mix of products necessary to care for home, land, pets and animals with a focus on product localization, exclusive brands and legendary customer service for the Out Here lifestyle. With more than 42,000 Team Members, the Company's physical store assets, combined with its digital capabilities, offer customers the convenience of purchasing products they need anytime, anywhere and any way they choose at the everyday low prices they deserve. At December 26, 2020, the Company operated 1,923 Tractor Supply stores in 49 states and an e-commerce website at www.TractorSupply.com.

Tractor Supply Company also owns and operates Petsense, a small-box pet specialty supply retailer focused on meeting the needs of pet owners, primarily in small and mid-size communities, and offering a variety of pet products and services. At December 26, 2020, the Company operated 182 Petsense stores in 25 states. For more information on Petsense, visit www.Petsense.com.

About this Report

In this report, we discuss our approach to evaluating and managing climate change risks and opportunities and follow the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). This report includes financial and nonfinancial information about the Company's activities and metrics related to environmental sustainability for the fiscal year 2020, unless otherwise noted.

2020 Financial Performance Highlights

Net Sales

\$10.62B (+27.2%)

Comparable Store Sales

+23.1%

Adjusted EPS Growth*

+47.4%

New & Reengaged Customers

+17M

Neighbor's Club Members

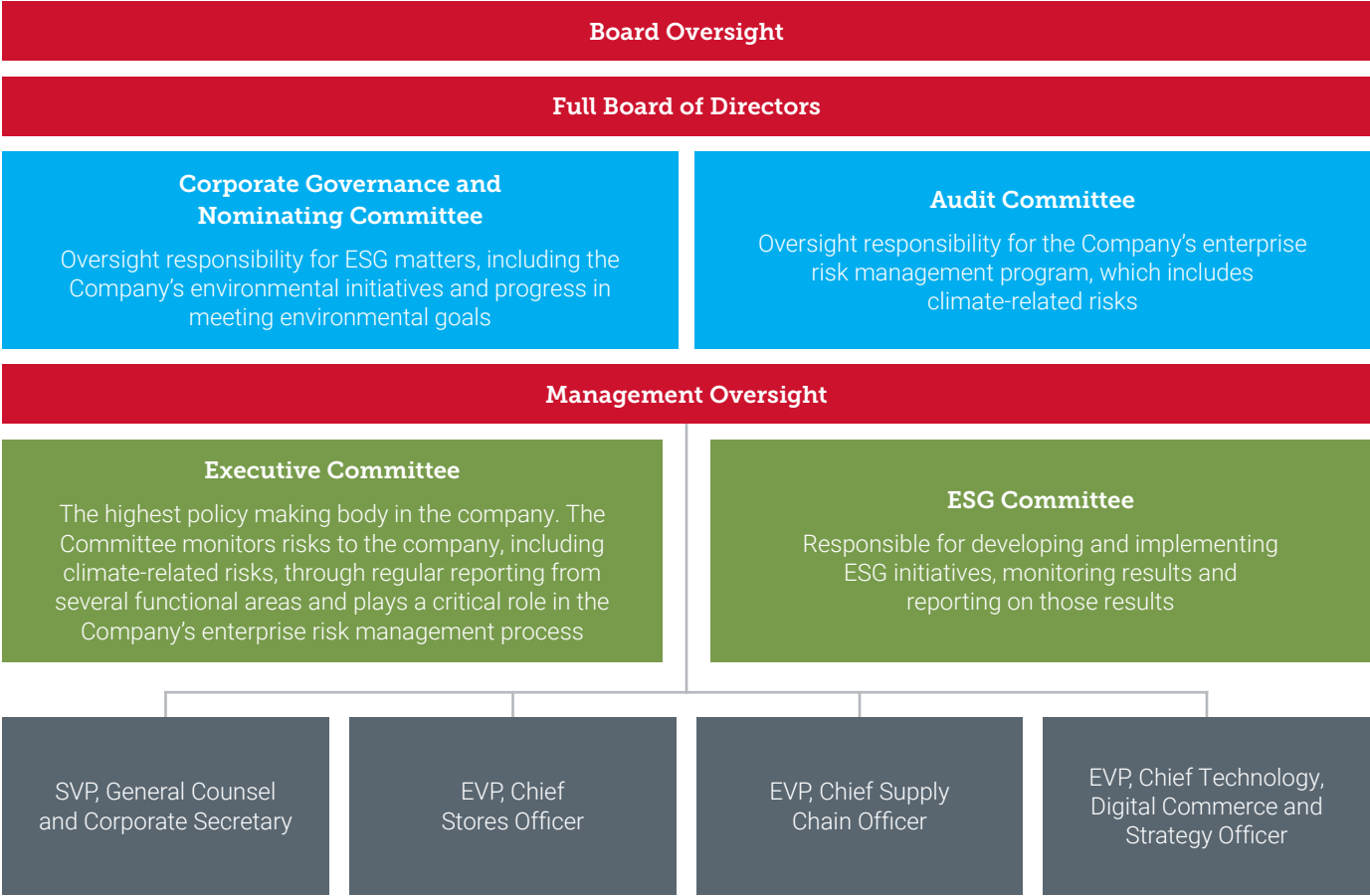
19M

New Team Members

10,000

*Adjusted to exclude non-cash impairment charge – see non-GAAP reconciliation at IR.TractorSupply.com.

Governance



Board Oversight

Board-level oversight of climate-related issues sits with members of the Corporate Governance and Nominating Committee (the Corporate Governance Committee) and the Audit Committee of the Board of Directors. In 2020, climate-related topics were discussed during certain board meetings. Starting in 2021, climate topics have been a key part of every board meeting agenda.

The Corporate Governance Committee has oversight responsibility for environmental, social and governance (ESG) matters. Our Senior Vice President, General Counsel and Corporate Secretary, who has overall responsibility for our environmental sustainability efforts, provides regular updates on the Company's environmental initiatives and its progress in meeting its environmental goals to the Corporate Governance Committee and the full Board of Directors.

The Audit Committee has direct responsibility for board-level oversight of climate-related issues within our organization and enterprise risk management. The Company's Senior Vice President, General Counsel and Corporate Secretary has overall responsibility for managing the Company's enterprise risk management program and provides reports to the Audit Committee as well as the full Board of Directors. A report on the Company's sustainability efforts is provided to the full Board of Directors on an annual basis.

The Board of Directors approves the Company's annual operating and capital budgets, which include operating expenses and capital investments related to climate change. In preparing our budgets, we make assumptions regarding the impact of weather on the business and then discuss with the Board on a quarterly basis the actual results compared with the budget. In recent years, the annual capital budget has included capital expenditures for projects designed to mitigate the impact of climate change on the business, such as our LED lighting conversion project for our stores, which significantly reduced energy consumption by the Company. The budget also includes expenses related to the impact of severe weather on our stores, including capital costs to repair stores damaged by severe weather events.

The Board of Directors and senior management consider the impacts of climate change in determining the strategy for the company and in determining Risk Management policies and budgets. See the [Strategy and Risk Management](#) section below for a description of how climate change impacts the Company's strategy and risk management policies.

Senior Management

The Executive Committee is the highest policy making body in the Company and includes the President and Chief Executive Officer; Executive Vice President and Chief Financial Officer; Executive Vice President, Chief Merchandising Officer; Senior Vice President, Marketing; Executive Vice President, Chief Technology, Digital Commerce and Strategy Officer; Executive Vice President, Chief Stores Officer; Executive Vice President, Chief Human Resources Officer; Senior Vice President and General Manager of Petsense; Senior Vice President, General Counsel and Corporate Secretary and Executive Vice President, Chief Supply Chain Officer.

The Executive Committee monitors risks to the Company, including climate-related risks, through regular reporting from several functional areas, including Information Technology (IT Security and Disaster Recovery), Store Operations, Distribution Center Operations, Real Estate, Legal and Risk Management. The Executive Committee also plays a critical role in the Company's enterprise risk management process, which is administered by the Senior Vice President, General Counsel and Corporate Secretary. As part of this process, Executive Committee members complete surveys and discuss risks to the Company. In addition, the Executive Committee is also informed of extreme weather events in real-time and manages the Company's response to such events. Climate-related issues are monitored through monthly reporting to the Executive Committee of energy usage and costs associated with energy usage and transportation-related costs. The Company also tracks and reports its progress toward achieving the greenhouse gas emission reduction goals on an annual basis, as well as its Scope 1 and 2 greenhouse gas emissions. In 2021, the Company has modeled Scope 3 emissions and is engaging suppliers to track emissions in 2022.

Several of the executives who serve on the Executive Committee also have individual responsibility for climate-related issues. The Senior Vice President, General Counsel and Corporate Secretary leads the Company's environmental sustainability program and is responsible for four functional areas that deal with climate-related issues: Sustainability, Risk Management, Compliance and Real Estate. The Executive Vice President, Chief Stores Officer, has responsibility for energy management and recycling programs in stores, and the Executive Vice President, Chief Supply Chain Officer, has responsibility for these areas in the distribution centers as well as disruptions in logistics and ensuring efficient distribution and transportation of goods. The Executive Vice President, Chief Technology, Digital Commerce and Strategy Officer has responsibility for business continuity and supply chain disruptions.

An ESG Committee has been created to monitor and lead the Company's ESG efforts, including climate-related initiatives. This cross-functional committee is co-chaired by the Senior Vice President, Investor Relations and Public Relations and the Senior Vice President, General Counsel and Corporate Secretary and supported by the newly hired Senior Director of Sustainability. The Committee is composed of representatives from several key areas, including Energy Management, Risk Management, Quality Assurance, Information Technology, Human Resources, Government Relations, Investor Relations, Internal Audit, Transportation, Supply Chain, Merchandising and Product Sourcing. The group is responsible for developing and implementing ESG initiatives, monitoring results and reporting on those results.

Strategy and Risk Management

Climate Change Impact On Business Strategy And Financial Planning

As a rural lifestyle retailer, climate change impacts our business in a number of ways, from our operations and supply chain to our product offerings. Operationally, we have invested significantly in making our facilities more energy efficient and environmentally friendly. We have also made substantial investments in sustainable products and sourcing. We are committed to helping our customers lead a more sustainable lifestyle and have expanded the number of products we offer that are more energy efficient and more environmentally friendly. In our supply chain, we continue to look for ways to drive efficiency and reduce impact on the environment, including striving towards more local and regional sourcing of products, adding new distribution centers and smaller mixing centers (mini-distribution centers for high velocity products), increasing use of rail transportation, participating in the EPA's Smart Way program and other steps to reduce our fuel consumption.

Climate Change Influence on Strategy



Products and Services

We have expanded the number of products that are energy efficient and environmentally friendly that help our customers lead a more sustainable lifestyle. This is influenced by increased sales of sustainable and energy-efficient products.



Supply Chain and Value Chain

We continue to drive the efficiency of our supply chain by decreasing the number of stem miles required for product delivery. Initiatives include more local and regional sourcing of products, the addition of new distribution centers and smaller mixing centers (mini-distribution centers for high velocity products), increased use of rail transportation, participation in the EPA's Smart Way program and other steps to reduce our fuel consumption. This is influenced by increased efficiencies and lower costs.



Investment in R&D

We have made substantial investments in sustainable products and sourcing. This is influenced by increased sales and lower costs.



Operations

We have invested significantly in making our facilities more energy efficient and environmentally friendly. These investments include three major facilities that are LEED® Silver Certified; a \$30 million investment in replacing lighting in all stores with more efficient, environmentally friendly LED lighting, energy management systems in all stores and proactive HVAC replacement programs. This is influenced by increased efficiencies and lower costs. In 2021, enhanced building designs are under consideration to incorporate daylight harvesting and solar power into new stores as the Company continues to retrofit existing stores to higher energy efficiency standards. The Company is also currently testing more climate-friendly technologies, including electric forklifts and EV charging stations at store locations across the country.

Process to Determine Climate-Related Risks and Opportunities

Tractor Supply evaluates and identifies climate-related risks and opportunities through our company-wide Enterprise Risk Management (ERM) process and through business unit or department level specific evaluations.

Our ERM process uses periodic surveys, external research, planning processes, analytics and other tools to identify and evaluate the operational, financial, environmental, reputational, strategic and other risks that could adversely affect our business. Our Senior Vice President, General Counsel and Corporate Secretary administers our risk management process, including the development of risk mitigation controls and procedures for the material risks we identify.

Business units also consider climate-risks and opportunities as part of their strategic planning. For example, our energy management team is actively pursuing opportunities to procure renewable energy, manage our energy and set energy goals for the Company. These considerations are taken into account during the design, construction, and maintenance of our distribution centers and stores. For example, the Company has 3 LEED® Silver Certified buildings, and we are currently constructing a new distribution center that is planned to be LEED® Gold Certified. Tractor Supply is also a member of the Environmental Protection Agency's SmartWay program. This program is focused on reducing our carbon footprint, improving freight efficiency in ways that reduce costs while benefiting the environment, and strengthening our nation's economy and energy security. During negotiations with carriers, the SmartWay relationship is discussed in depth and is a crucial factor when considering onboarding a carrier. We are proud to say that in reporting year 2020, 96% of Tractor Supply's carriers were SmartWay carriers, compared to an average of 90% among our peers. Using higher performing SmartWay carriers is one way that we reduce our total emissions. Going forward, we will require all contract carriers we work with to be SmartWay certified. In addition, our Merchandising team, led by our Executive Vice President, Chief Merchandising Officer, evaluates opportunities to add products to our assortment that support our customers' desire to live more sustainably.

Tractor Supply takes seriously the need to reduce sources of emissions within our value chain, and we aim to set either a programmatic milestone or a numerical reduction target for Scope 3 in the coming years. Tractor Supply has now modeled our Scope 3 footprint. The largest contributors to our Scope 3 emissions are the upstream emissions arising from the production of products that we sell and the downstream emissions from customer use of products purchased at Tractor Supply stores. Other Scope 3 emissions arise from product disposal and energy use by our supply chain partners and employees. We aim to be proactive in addressing this diverse set of emissions sources.

Tractor Supply's first steps to address our Scope 3 footprint includes working closely with our most strategic vendors and other key stakeholders. Tractor Supply intends to understand better how our vendors incorporate sustainability practices into their operations, their steps to reduce their emissions, and how they can partner with us to achieve further reductions. Tractor will begin to prioritize partners that commit to sustainability and demonstrate the impact of their sustainability commitments.

Finally, while focusing first and foremost on emissions reductions from our operations and value chain, Tractor Supply is evaluating how it can contribute to carbon reduction and carbon removal opportunities in our communities. Our farms, forests and landscapes all play vital roles in addressing climate change. Tractor Supply is committed to embedding more sustainable practices throughout our business that enhance the health and the sustainability of customers, farms, gardens and ranches. Critical to our mission in enriching Life Out Here is making sure we are a strong partner to our customers by providing more environmentally friendly products on our shelves and connecting our customers with tools and resources to improve their own sustainability and reduce greenhouse gas emissions. Through improved climate and sustainability commitments, Tractor Supply seeks to offer products and services that create a win-win for all.

Factors Considered in Climate Risk Assessments

In our climate-related risk assessments, we consider current and emerging regulation, technology, legal, market, reputation, acute and chronic physical risks, as discussed in the table below.

Current regulations	We believe environmental regulations relating to store and distribution center operations and products could increase our operating costs and the prices for the products we sell, which could result in lower demand for our products. These regulations include, but are not limited to, hazardous waste requirements, recycling requirements, product efficiency standards and product labeling requirements. These regulations also create potential opportunities for increased sales of higher efficiency and more sustainable products.
Emerging regulations	Emerging regulations directly or indirectly relating to climate change could also increase our operating costs and the prices for the products we sell, which could result in lower demand for the products we sell but also could create potential opportunities for increased sales of higher efficiency and more sustainable products. We also monitor regulations that may pose indirect impacts on our vendors, increased prices of fuel and various tax regulations. Many states are evaluating carbon tax schemes and we are monitoring and evaluating for potential impacts to our business.
Technology	We utilize technology from third-party providers to monitor and forecast weather trends, natural disasters and climate-related risks that can impact sales and store operations. We also utilize and evaluate technologies that can monitor and reduce energy consumption.
Legal	Legal risks related to climate change and environmental issues are considered and steps are taken to mitigate these risks, including the development of environmental compliance programs to ensure compliance with all relevant laws and regulations.
Market	We monitor market risks relating to climate change and have increased our offerings of products to help customers live more sustainably as well as products to assist our customers in preparing for and responding to extreme weather events, particularly in regions of the country that tend to experience certain natural disasters such as hurricanes, tornadoes, wildfires and drought. Further, continued increases in extreme weather events and changes in average temperatures may result in additional changes in buying patterns and the types of products we sell.
Reputation	Our reputation among customers and the people in the communities we serve is very important to the Company and is considered in all of our risk assessments and may impact other areas including regulation, legal and marketing. Driven by our focus on our Mission and Values and always "doing the right thing", we intend to be a leader in environmental sustainability/climate change and as a dependable supplier of sustainable products and products that assist our customers in responding to extreme weather events. This leadership will enhance our reputation, which is one of the reasons why we are developing even stronger policies and goals.
Acute Physical	Extreme and unpredictable weather events and patterns may increase operating costs, disrupt the supply chain, change buying patterns, result in store closures and impede access to our stores. We have developed risk mitigation and disaster recovery plans for our stores, supply chain, store support center and information technology infrastructure.
Chronic Physical	Changes in average temperatures may lead to higher operating costs for us. To monitor and mitigate these risks, we have installed energy management systems in all our stores, which enables us to monitor and adjust temperatures in our stores. These energy management systems also increase efficiency. We have also taken a number of actions to decrease the overall consumption of energy in our stores, including the installation of LED lighting in all of our stores and the replacement of older, lower efficiency HVAC systems with higher efficiency HVAC systems. All these proactive steps to improve energy efficiency and decrease energy consumption should decrease the cost impact of changes in average temperatures.

Scenario Analysis

Tractor Supply conducted an initial assessment and scenario analysis to understand the impacts of setting a science-based target to reduce the Company's carbon emissions. We considered IPCC reports and the United States' Nationally Determined Contributions (US NDCs), among other resources. As a result of this assessment, in 2021 we announced new Scope 1 and 2 goals, released our first Scope 3 inventory, and are working to develop additional targets that incorporate our Scope 3 emissions. In addition, we currently use climate-related scenario analysis in our risk assessment and disaster planning processes for critical infrastructure such as information technology, communications systems and supply chain.

Climate-Related Risks and Opportunities

Tractor Supply considers climate change risks across the following time horizons, which are consistent with our other business practices. We consider the next one to three years to be a short-term time horizon, the next three to five years to be medium term and the next five to ten years to be a long-term horizon.

Climate Risks

Increased severity and frequency of extreme weather events such as cyclones, hurricanes, tornadoes, fires, drought and floods, as well as changes in average temperatures (acute and chronic physical risk, unknown time horizon)

We identified acute and chronic physical events due to a changing climate to be our main climate-related risk. These risks include, but are not limited to, the potential for extreme weather events and trends to increase our operating costs, disrupt our supply chain and distribution centers, change buying patterns, result in store closures and impede access to our stores. Changes in average temperatures may result in increases in our operating costs and changes in buying patterns.

To mitigate the risks associated with physical climate-related risks, among other physical risks, we have developed risk mitigation and disaster recovery plans for our stores, supply chain, distribution centers, store support center and information technology infrastructure. Similarly, risks associated with increased operating costs due to changes in average temperature are mitigated through our Energy Management Program. For risks associated with customers changing their buying patterns, Tractor Supply is passionate about offering products and services that meet our customer's Life Out Here needs and will continue to do so as our customer evolves.

List of Tractor Supply Distribution Centers and Locations

The operation of our distribution centers is crucial to our business operations. If our distribution centers experience closures due to climate-related events, whether temporary or sustained, we could sustain significant adverse impacts related to the flow or availability of products to our stores and customers. Any of these circumstances could adversely affect our ability to deliver inventory in a timely manner, which could impair our ability to meet customer demand for products and result in lost sales, increased supply chain costs, or damage to our reputation.

In fiscal year 2020, our Tractor Supply stores received approximately 75% of merchandise through this network while the remaining merchandise shipped directly from our vendors to our stores or customers. We believe this flow facilitates the prompt and efficient distribution of merchandise that allows us to be a dependable supplier to our customers for their "Out Here" lifestyle solutions by enhancing in-stock inventory positions, while minimizing freight expense and improving the inventory turn rate. We have eight distribution centers located throughout the United States. As these distribution centers are critical for our business operations, we have put in place processes to mitigate operational disruptions, including those associated with changing climates and weather events.

Frankfort, New York

1938 Country Mile, Frankfort, NY 13340

Franklin, Kentucky

100 Raines Dr, Franklin, KY 42134

Pendleton, Indiana

320 Enterprise Dr, Pendleton, IN 46064

Macon, Georgia

151 Tractor Dr, Macon, GA 31216

Waco, Texas

2801 Corporation Pkwy, Waco, TX 76712

Casa Grande, Arizona

1337 W Peters Rd, Casa Grande, AZ 85193

Hagerstown, Maryland

11935 Hopewell Rd, Hagerstown, MD 21740

Waverly, Nebraska

12851 Dovers St, Waverly, NE 68462

Mandates on and regulation of existing products and services (transitional, short-term time horizon)

Product efficiency and product labeling regulations and standards could potentially increase the prices of the products Tractor Supply sells, which could lead to reduced demand for these products. New regulations for product labeling could increase the costs and potentially result in lower margins on the product. Further, the need to raise the retail prices to match the cost increase may lead to reduced demand for affected products. We serve a needs-based lifestyle so that our customers can care for their homes, land, animals and pets. Informing and educating our strategic suppliers is important to mitigate the financial exposure to emerging regulations. Further, our Merchandising and Government Relations teams monitor risks associated with current regulation that might change efficiency standards or costs for the products we sell, as well as opportunities that might create new business opportunities for sustainable product offerings.

Climate Opportunities

Building efficiency (transitional, long-term time horizon)

We have benefited from the adoption and integration of energy-efficient technology throughout our stores, which has resulted in cost reductions. Since converting all existing stores to LED lighting in 2017, we've saved \$12 million per year on energy costs. We also opened all new stores with LED lighting, which saves \$8,400 per year, per store versus fluorescent lamps in energy (kWh). We currently open about 75 to 80 new stores per year. The Company has reduced the load profile of its locations by more than 50MW per year.

For Tractor Supply stores, the Energy Management System (EMS) manages lighting and HVAC usage as well and actively pursues making that usage more efficient. For lighting, there are defined schedules for lighting during open hours, a reduced number of lights during the time periods without customers and when the store is vacant only egress required lights are on. These lighting controls match the need for lighting and energy usage and avoid excess usage. For HVAC needs, the EMS employs a 'Smart Start' program for scheduling, in that to meet the described set points for store hours, units will be brought online in a staged sequence to minimize utility expenses and reduce wear on the units. In addition, stores are set up with a rotational schedule to limit the number of units operating at any one time.

In 2021, the Company will deploy new HVAC systems with leading efficiency standards. Vending coolers have been replaced and vaccine coolers are being replaced with refrigerants with significantly lower Global Warming Potential (GWP) emissions as well as environmental responsible insulation materials.

Low-carbon products (transitional, unknown time horizon)

Potential regulations could create opportunities for increased sales of higher efficiency and more sustainable products, as customers adapt to climate and new regulations. This would also provide opportunities to provide customers with the products that they desire for a sustainable lifestyle.

In 2020, Tractor Supply listed over 450 products under the solar umbrella. These products range from solar-powered lights to solar-powered gate openers. In addition, the Company sells the Tuff Stuff brand products for stock tanks, feed pans and mixing tubs that are made from 100% recycled LDPE flexible plastic. The Company sells weather-stripping, pipe insulation and foam insulation to help our customers save and reduce energy usage. These products are available through our store footprint and online.

GHG Emissions Reduction Targets and Metrics

Our Sunset Goals

In 2018, we set a goal of a 25% reduction of our greenhouse gas emissions, for scope 1 and 2 emissions, on a per square foot intensity metric by the year 2025, with a 2015 baseline. One year later, Tractor set a goal to substitute existing electric consumption with verifiable, renewable electric power, setting the base year at 2019 with the goal to achieve this by 2022. This is for both states where there is an active electric deregulation market, as well as those where 'Green Tariffs' make for an appropriate selection. To achieve this, we plan to have 80,000,000 kWhs of annual energy usage under contract for 100% renewable energy by 2022.

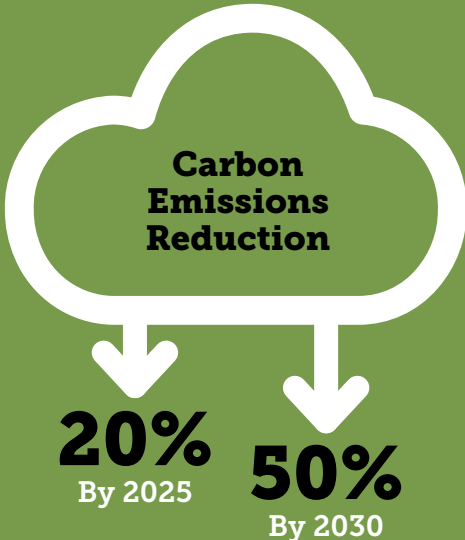
The 2018 GHG intensity metric goal was achieved in 2020, five years early, and the 2019 absolute renewable electricity consumption goals were achieved one year early in 2021.

Our Current Goals

As a result, we set new absolute carbon reduction goals in September 2021 to further reduce emissions from our operations by 20% by 2025 and by 50% by 2030 from a 2020 baseline. We will rely on a portfolio of solutions to achieve the needed reductions to meet these two goals. The largest portion of our Scope 1 emissions – natural gas and propane used to heat stores and distribution centers – will be reduced over time by transitioning to alternatives such as electric heat pumps and the use of clean energy sources while continuing to increase efficiency measures. We are also committed to reducing emissions from our owned-vehicles fleet by transitioning to electric, hybrid and alternative-fueled vehicles as they become more widely available on the market. Improving efficiency across our buildings and purchasing renewable energy will also support our reduction of Scope 2 emissions.

Additionally, we have set a goal of net zero emissions for Scope 1 and 2 across all operations by 2040. First and foremost, Tractor Supply will focus on reducing our carbon emissions over the next two decades, as outlined above. Additional reduction gains will be seen through our Scope 3 emissions reduction efforts, which are now getting underway. Tractor Supply is committed to tying our business resilience and growth to our sustainability efforts, and we look forward to helping drive the necessary change that is good for the environment, resources and communities.

Climate Targets



Net Zero Emissions Across All Operations by 2040



What's Next

Tractor Supply's total physical operations increased from 2,053 site locations in 2019 to 2,105 site locations in 2020. The square footage correspondingly increased in 2019 versus 2020, as well. Despite the number of locations and square footage increase, the intensity ratio dropped. In the future, Tractor Supply will be working with electricity suppliers and renewable developers across markets to procure renewable energy and evaluating options for Community Solar, Power Purchase Agreements (PPAs) and Virtual Power Purchase Agreements (VPPAs).

Climate Metrics

GHG Emissions	Unit	2020	2019	2018
Scope 1	Metric tons CO2e	63,622	67,375	66,686
Scope 2 (location-based)	Metric tons CO2e	171,927	176,338	183,663
Scope 2 (market-based)	Metric tons CO2e	185,409	189,108	189,486
Scope 1 + 2 (market-based, absolute)	Metric tons CO2e	249,031	256,483	256,172
Scope 1 + 2 (market-based, intensity)	Metric tons CO2e per 1,000 square foot	4.66	5.00	5.13
Scope 1 + 2 (intensity)	Metric tons CO2e per million USD revenue	23.45	30.71	32.39
Scope 3 Business travel	Metric tons CO2e	2,046	-	-
Scope 3 Capital goods	Metric tons CO2e	59,549	-	-
Scope 3 Downstream transportation and distribution	Metric tons CO2e	36,601	-	-
Scope 3 Employee commuting	Metric tons CO2e	47,563	-	-
Scope 3 End of life treatment of sold products	Metric tons CO2e	675,961	-	-
Scope 3 Fuel-and-energy-related activities	Metric tons CO2e	46,894	-	-
Scope 3 Purchased goods & services	Metric tons CO2e	2,526,830	-	-
Scope 3 Upstream transportation and distribution	Metric tons CO2e	236,293	-	-
Scope 3 Use of sold products	Metric tons CO2e	7,462,011	-	-
Scope 3 Waste generated in operations	Metric tons CO2e	59,815	-	-
Energy	Unit	2020	2019	2018
Total energy use (absolute)	MWh	742,676	739,733*	719,951*
Total energy use (intensity)	MWh per 1,000 square foot	13.9	14.43	14.43
Percentage of total energy consumed supplied from grid electricity* (%)	Percent	58.1%	55.2%	54.5%
Renewable Energy**	Percent	1.1%	0.5%	0.0%
Sustainable Buildings	Unit	2020	2019	2018
LEED® certified (absolute)	Number	3	3	2
LEED® certified (intensity)	Percent of square footage	3%	5%	3%

*The 2019 TCFD report reported grid electricity sourced as a percentage of total electricity consumed. The 2020 TCFD report reflects a metric of grid electricity sourced as a percentage of total energy consumed.

**The 2019 TCFD report reported renewable electricity sourced as a percentage of electricity consumed. The 2020 TCFD report reflects a metric of renewable electricity sourced as a percentage of total energy consumed.



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