Notice of 2010 annual general meeting of shareholders and management proxy circular

Our Annual General Meeting of Shareholders will be held at 11:00 a.m. (Montréal time) on Tuesday, January 26, 2010 at the Centre Mont-Royal, 2200 Mansfield Street, Montréal, Quebec.

As a shareholder of METRO INC., you have the right to vote your shares, either by proxy or in person at the meeting.

Your vote is important.

This document tells you who can vote, what you will be voting on and how to exercise your right to vote your shares. Please read it carefully.

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Notice of annual general meeting of shareholders

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of METRO INC. (the “Company”) will be held at the Centre Mont-Royal, 2200 Mansfield Street, Montréal, Quebec, on January 26, 2010 at 11:00 a.m. (Montréal time), for the purposes of:

1. Receiving the consolidated financial statements of the Company for the financial year ended September 26, 2009 and the report of the auditors thereon;

2. electing directors;

3. appointing auditors;

4. transacting such other business as may properly be brought before the meeting.

The holders of Class A Subordinate Shares and the holders of Class B Shares of record at the close of business on December 4, 2009 are entitled to receive notice of, to attend and to vote at this meeting.

DATED at Montréal, this 9th day of December 2009.

By order of the Board of Directors

Simon Rivet
Secretary

Note: The holders of Class A Subordinate Shares and the holders of Class B Shares who are unable to attend this meeting in person are requested to proceed according to the instructions provided in this Management Proxy Circular and to return the form of proxy at their earliest convenience, but before 5:00 p.m. (Montréal time), on January 25, 2010.

Management proxy circular

This Management Proxy Circular is furnished in connection with the solicitation of proxies for use at the Annual General Meeting of Shareholders of Metro Inc. (the "Company") to be held on Tuesday, January 26, 2010 at the place and time and for the purposes set forth in the accompanying notice of said meeting, and all adjournments thereof.

SOLICITATION OF PROXIES

The enclosed proxy is being solicited by the management of the Company. The solicitation will be made primarily by mail, but the directors, officers and regular employees of the Company may also solicit proxies by telephone, by fax, through the Internet, through advertisements or in person. The Company will also hire the services of third parties to solicit proxies, namely, Georgeson Shareholder Communications Canada Inc. The solicitation costs will be assumed by the Company, including any costs in connection with the services provided by the latter firm, which costs are estimated at approximately $31,500.

In addition, the Company, upon request, will reimburse brokers and other persons holding shares as nominees for their reasonable expenses in forwarding proxies and accompanying material to beneficial owners of Class A Subordinate Shares and beneficial owners of Class B Shares of the Company.

INFORMATION REGARDING THE VOTING OF SHARES

REGISTERED SHAREHOLDERS

A registered shareholder is a shareholder whose shares are registered directly in his name in the Company's register of shareholders. Holders of shares of record as of the close of business in Montréal, Quebec, on December 4, 2009 (the "Record Date") will be entitled to attend the meeting and any adjournments thereof and exercise the voting rights attached to their shares at the meeting. Shareholders entitled to vote their shares in person may appoint another person to attend the meeting (a "proxy") and exercise their voting rights.

VOTING OF SHARES BY PROXY The persons named in the enclosed proxy will vote the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them. **Unless otherwise indicated, the voting rights attached to such shares will be voted "FOR" in respect of all matters described herein.**

The enclosed proxy confers discretionary authority upon the persons named therein with respect to all amendments to matters identified in the Notice of Annual General Meeting of Shareholders and any other matter which may properly come before the meeting. As of the date of this Circular, the management of the Company knows of no such amendments, variations or other matters to be brought before the meeting.

APPOINTMENT OF PROXIES A shareholder has the right to appoint a proxy to represent him at the meeting other than the persons whose names are printed as proxies in the accompanying form of proxy, by inserting the name of the shareholder's chosen proxy in the blank space provided for that purpose in the form of proxy. The person so named as proxy need not be a shareholder of the Company. If the shareholder is a corporation, the form of proxy must be executed by a duly authorized officer or attorney thereof.

You may indicate how you wish your shares to be voted by following the instructions set out on the front and back of the form of proxy.

REVOCATION OF PROXIES A shareholder who executes and returns the accompanying form of proxy has the power to revoke it in any manner permitted by law, including by an instrument in writing executed by him or by his attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited with the transfer agent of the Company, Computershare Trust Company of Canada, before it is acted upon at the meeting at which the proxy is to be used or any adjournment thereof.

If you have any questions with respect to the foregoing or wish to receive an additional copy of the Management Proxy Circular or need help to vote, we invite you to contact Georgeson Shareholder Communications Canada Inc. at 1-888-982-0747.

NON-REGISTERED SHAREHOLDERS

A non-registered shareholder is a shareholder whose shares are registered in the name of a representative such as a securities dealer or other intermediary rather than in the shareholder's name.

Applicable securities laws and regulations require representatives of non-registered shareholders to seek the latters' voting instructions in advance of the meeting. Non-registered shareholders will receive from their representative a request for voting instructions for the number of shares held on their behalf. The representative's request for voting instructions will contain instructions relating to the signature and return of the document and these instructions should be carefully read and followed by non-registered shareholders to ensure that their shares are voted accordingly at the meeting.

Non-registered shareholders who cannot attend the meeting but who would like their shares to be voted on their behalf by a proxyholder must therefore follow the voting instructions provided by their representative.

Non-registered shareholders who wish to vote their shares in person at the meeting must insert their own name in the space provided on the request for voting instructions in order to appoint themselves as proxyholders, and follow the signature and return instructions provided by their representative.

If you have any questions with respect to the foregoing or you wish to receive an additional copy of the Management Proxy Circular or you need help to vote, we invite you to contact Georgeson Shareholder Communications Canada Inc. at 1-888-982-0747.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Class A Subordinate Shares and the Class B Shares of the Company are restricted shares (within the meaning of the applicable Canadian securities regulations) in that they do not carry the same voting rights. Each Class A Subordinate Share entitles its holder to one vote and each Class B Share entitles its holder to 16 votes. Subject to the restrictions hereinafter provided, if a take-over bid for the Class B Shares is made to the holders of Class B Shares without being made simultaneously and on the same terms and conditions to the holders of Class A Subordinate Shares, each Class A Subordinate Share becomes convertible into one Class B Share at the holder's option in order to entitle the holder to accept the take-over bid, from the date the take-over bid is made. However, such right of conversion is deemed not to have become effective if the holders of Class B Shares who hold, directly or indirectly, more than 50% of the Class B Shares outstanding on the date of the take-over bid have refused the bid prior to its expiry. In addition, such right of conversion is deemed not to have become effective if the take-over bid is not completed by the offeror. The Articles of the Company contain a definition of a take-over bid which triggers such right of conversion, provide for certain procedures to be followed in order to exercise such right of conversion and stipulate that, upon the making of any such take-over bid, the Company or the transfer agent will communicate in writing with the holders of the Class A Subordinate Shares in order to provide them with the particulars of the manner in which they may exercise their right of conversion.

Each holder of Class A Subordinate Shares is entitled, at the meeting or any adjournment thereof, to one vote for each Class A Subordinate Share registered in his name as of the close of business on the Record Date and each holder of Class B Shares is entitled, at the meeting or any adjournment thereof, to 16 votes for each Class B Share registered in his name as of the close of business on the Record Date.

As of November 27, 2009, there were 107,215,951 Class A Subordinate Shares and 642,240 Class B Shares of the Company issued and outstanding. As of November 27, 2009, the Class A Subordinate Shares issued and outstanding represented in the aggregate 91.25% of the votes attached to all shares of the Company and the Class B Shares issued and outstanding represented in the aggregate 8.75% of the votes attached to all shares of the Company.

To the knowledge of the directors and officers of the Company, the only persons who, as of November 27, 2009, exercised or claimed to exercise beneficial ownership, control or direction over more than 10% of the shares of any class of outstanding voting securities of the Company were:

Name	Approximate number of Class A Subordinate Shares	Approximate percentage of Class A Subordinate Shares	Approximate number of Class B Shares	Approximate percentage of Class B Shares
Jarislowsky, Fraser Limited[1]	21,919,017	20.44%	—	—
Fidelity Management & Research Company[1]	12,140,445	11.32%	—	—

[1] *On the basis of the information available on SEDAR (www.sedar.com).*

FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the financial year ended September 26, 2009 and the report of the auditors thereon will be submitted at the Annual General Meeting of Shareholders. These consolidated financial statements are reproduced in the Company's 2009 Annual Report which was sent to shareholders who requested it with this Notice of Annual General Meeting of Shareholders and Management Proxy Circular. The Company's 2009 Annual Report is available on SEDAR (www.sedar.com) as well as on the Company's website (www.metro.ca).

ELECTION OF DIRECTORS

The Articles of the Company provide for a minimum of 11 and a maximum of 19 directors, the number of directors to be determined from time to time by resolution of the Board of Directors. As it did for the year 2009, the Board of Directors of the Company has set the number of directors at 14 for the next year. The general by-laws of the Company provide that each director is elected for a one-year term starting on the date of the annual meeting of shareholders at which he is elected and ending at the next annual meeting of shareholders or when his successor is elected, unless he resigns or his office becomes vacant as a result of his death or removal or for any other reason. According to a policy of the Company, any nominee for the position of director must be under 70 years of age at the time of the election. Having reached the age of 70, Mr. Pierre Brunet is no longer eligible to stand reelection.

NOMINEES Nominees for the position of director are currently directors, with the exception of Mr. Christian M. Paupe.

The persons named in the accompanying form of proxy intend to vote FOR the election, as directors of the Company, of the 14 nominees whose names are set forth below.

Management of the Company does not expect that any of such nominees will be unable or, for any reason, will become unwilling to serve as a director, but if that should occur for any reason prior to the election, the persons named in the accompanying form of proxy reserve the right to vote for another nominee at their discretion.

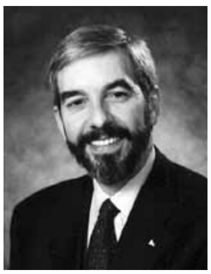
The following table describes the nominees for the position of director of the Company. Each nominee for the position of director of the Company has held the principal occupation indicated opposite his name or a management function within the same company or an affiliated company for at least 5 years except for Messrs. Michel Labonté, Réal Raymond and Michael T. Rosicki whose other functions are described opposite their name. The nominees' experience is described in a brief summary. The other boards of public companies on which nominees currently serve are also mentioned. The nominees do not serve together on the board of any other public corporation.

Marc DeSerres
Montréal, Quebec
Age 56

Director since 2002
Independent

President of Omer DeSerres Inc. (Canadian chain of art supply stores).

Mr. DeSerres holds a Bachelor's degree in Administration from Concordia University.



Claude Dussault
Toronto, Ontario
Age 55

Director since 2005
Independent

Chairman of the Board of Directors of INTACT Financial Corporation (financial services company).

Mr. Dussault is an actuary and has held various management positions within the ING Group for more than twenty years, including the position of President and Chief Executive Officer of ING Canada Inc. (now INTACT Financial Corporation), a position he held until January 1, 2008, date upon which he became Chairman of the Board of Directors of ING Canada Inc. Mr. Dussault is a Fellow of the Canadian Institute of Actuaries and of the Casualty Actuarial Society. He holds a Bachelor's degree in Actuarial Science from Université Laval and has also participated in the Advanced Executive Education Program at the Wharton School of Business.

Serge Ferland
Québec, Quebec
Age 54

Director since 1997
Non-independent

President of Alimentation Serro Inc. and of Supermarché Claka Inc. (food stores).

Mr. Ferland has over 20 years' experience in the management of food stores. He holds a Bachelor of Administration and a degree in Accounting from Université Laval.

Paule Gauthier, P.C., O.C., O.Q., Q.C.
Québec, Quebec
Age 66

Director since 2001
Independent

Partner of Stein Monast LLP (law firm).

Ms. Gauthier is a lawyer. She holds a Master of Laws in commercial law from Université Laval. As a director of public companies, she has served and currently serves on many committees, including audit committees and corporate governance committees. She is currently a director of TransCanada Corporation, Royal Bank of Canada and Cossette Inc.

Paul Gobeil, F.C.A.
Ottawa, Ontario
Age 67

Director since 1990
Non-independent

Vice-Chairman of the Board of the Company.

Mr. Gobeil is a Chartered Accountant and has held management positions in various companies in the food sector as well as within the Government of Quebec where he was inter alia Minister for Administration, Chair of the Treasury Board and Minister of International Affairs. He holds a Master of Commerce degree and a Master's degree in Accounting from Université de Sherbrooke and completed the Advanced Management Program at Harvard Business School. He is a director of DiagnoCure Inc., National Bank of Canada and MDN Inc. and one of the trustees of Yellow Pages Income Fund.

Christian W.E. Haub
Greenwich, Connecticut
United States of America
Age 45

Director since 2006
Independent

Executive Chairman and Chief Executive Officer of The Great Atlantic & Pacific Tea Company, Inc.

Mr. Haub joined The Great Atlantic & Pacific Tea Company, Inc. ("A&P US") in 1991, where he has held various executive positions. He holds a Master's degree in Social and Economic Science from the Austrian University of Economics and Business Administration. He is also a partner and Co-Chief Executive Officer of The Tengelmann Group, a large German company involved in the retail food business, which is the leading shareholder of A&P US.

Michel Labonté
Montréal, Quebec
Age 64

Director since 2006
Independent

Corporate Director.

Throughout his career, Mr. Labonté has held the following positions at National Bank of Canada: from 1993 to 2002, Senior Vice-President, Finance and Control, from 2002 to 2003, Senior Vice-President, Finance and Technology, from 2003 to 2005, Senior Vice-President, Finance, Technology and Corporate Affairs and from 2005 to October 2006, Executive Advisor. Before joining National Bank of Canada, Mr. Labonté was Executive Vice-President, Finance and Administration at Hydro-Québec. Mr. Labonté has a Bachelor's degree in Architecture from the Faculty of Engineering of McGill University and a Master's degree in Urban Planning from the Université de Montréal. He is also a director of the Laurentian Bank of Canada and director and Chair of the audit committee of Manac Inc.

Eric R. La Flèche
Town of Mount Royal, Quebec
Age 47

Director since 2008
Non-independent

President and Chief Executive Officer of the Company.

Mr. La Flèche joined the Company in 1991. Prior to his appointment as President and Chief Executive Officer, he held various positions within the Company, including Vice-President, Real Estate and Legal Affairs, then Senior Vice-President and General Manager of Super C, to which was added the position of President of Loeb Canada Inc., and, from 2005 to 2008, the position of Executive Vice-President and Chief Operating Officer. He was appointed President and Chief Executive Officer of the Company and director on April 15, 2008. Mr. La Flèche holds an MBA from Harvard Business School and a degree in Civil Law from the University of Ottawa.

Pierre H. Lessard, F.C.A.
Westmount, Quebec
Age 67

Director since 1990
Non-independent

Executive Chairman of the Board of the Company.

Mr. Lessard is a Chartered Accountant and was President and Chief Executive Officer of the Company from 1990 until April 15, 2008. Mr. Lessard holds a Master's degree in commercial sciences from Université Laval as well as an MBA from Harvard Business School. He is also a director of TD Bank Financial Group and SNC-Lavalin Group Inc.

Marie-José Nadeau
Montréal, Quebec
Age 56

Director since 2000
Independent

Executive Vice-President – Corporate Affairs and Secretary General of Hydro-Québec.

Ms. Nadeau is a lawyer. Before joining Hydro-Québec, she held various key positions within the Environment and Natural Resources Departments of the Quebec government. She holds a Master of Laws in public law from the University of Ottawa. She is a member of the World Energy Council of which she chairs its Communications Committee and she is Vice Chair of the Energy Council of Canada.

Christian M. Paupe
Montréal, Quebec
Age 51

New Nominee
Independent

Executive Vice-President – Corporate Services and Chief Financial Officer of Yellow Pages Group.

Mr. Paupe has held this position since 2003. Before joining the Company, he was Executive Vice-President, Chief Administrative Officer and Chief Financial Officer of Quebecor World Inc. from 1999 to 2003. Mr. Paupe has also held senior executive positions at a number of other major Canadian corporations involved in the securities industry, publishing and telecommunications. Mr. Paupe earned an MBA from Harvard Business School and a Bachelor of Administration degree from the Royal Military College in St. Jean, Quebec.

Réal Raymond
Montréal, Quebec
Age 59

Director since 2008
Independent

Corporate Director.

Throughout his career, Mr. Raymond has held various positions at National Bank of Canada including, from March 2002 to May 2007, President and Chief Executive Officer. Mr. Raymond graduated from Université Laval in administration. Mr. Raymond holds a Master of Business Administration from the Université du Québec à Montréal and a diploma from the Institute of Canadian Bankers. He is on the Board of Directors of the Caisse de dépôt et placement du Quebec.

Michael T. Rosicki
Orillia, Ontario
Age 66

Director since 2009
Independent

President and Managing Director, Wexford Group Inc.

Mr. Rosicki has been, since 2004, President and Managing Director of Wexford Group Inc., an advisory firm. Mr. Rosicki was, from 1999 to 2004, Chairman and Chief Executive Officer of Parmalat North America. He has held management positions in various other companies doing business in the food sector. He is one of the trustees and Chairman of the Board of Second Cup Royalty Income Fund.

Bernard A. Roy, Q.C.
Montréal, Quebec
Age 69

Director since 1990
Independent

Counsel, Ogilvy Renault LLP (law firm).

Mr. Roy is a lawyer. He was Principal Secretary to the Prime Minister of Canada from 1984 to 1988. He has acted as an arbitrator and advisor in international arbitration matters as well as before domestic arbitration tribunals. He has acted as counsel to many commissions of inquiry. He is President and Chief Executive Officer of World Point Terminals Inc. of which he is also a director.

TABLE OF EQUITY HOLDINGS BY DIRECTORS The following table sets forth the number of Class A Subordinate Shares, Class B Shares (individually a "Share" and collectively the "Shares") and Deferred Share Units (individually a "DSU" and collectively the "DSUs") held by candidates for the position of director as of November 27, 2009 and November 28, 2008 and the total value of their Shares and DSUs as of November 27, 2009.

	As of November 27, 2009		As of November 28, 2008		
Director	**Shares**	**DSUs**	**Shares**	**DSUs**	**Total value as at November 27, 2009 *($)***
Marc DeSerres	4,809	6,699	4,809	5,282	414,577
Claude Dussault	4,000	7,670	4,000	5,645	420,436
Serge Ferland(1)	52,683	9,268	51,956	7,222	2,231,097
Paule Gauthier	5,004	5,650	5,004	4,346	383,797
Paul Gobeil	105,400	3,667	210,700	3,095	3,927,598
Christian W.E. Haub	4,500	5,627	4,500	3,298	364,820
Michel Labonté	—	3,948	—	2,443	142,270
Eric R. La Flèche	59,363	—	51,200	—	2,137,662
Pierre H. Lessard	350,000	5,489	350,000	1,875	12,801,302
Marie-José Nadeau	4,887	2,656	4,887	1,958	271,692
Christian M. Paupe	—	—	—	—	—
Réal Raymond	6,000	2,556	2,000	1,072	308,168
Michael T. Rosicki	—	1,077	—	—	38,811
Bernard A. Roy	7,370	—	6,923	—	265,394

(1) *In addition to Class A Subordinate Shares, Mr. Ferland also holds 10,800 Class B Shares (included in the number shown in the table above). He is the only director who holds Class B shares. As at November 27, 2009, all the directors currently on the Board of Directors for more than three years hold a number of Shares or DSUs at least equal to the minimum required shareholding level described under "Compensation of Directors" on page 29 of this Circular.*

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS The following tables set forth the number of meetings of the Board and its standing committees held during the financial year ended on September 26, 2009 and the attendance of directors at these meetings. They also set forth the committees of which each director is a member and any special position held on such committee.

BOARD AND COMMITTEE MEETINGS

Board	6
Audit Committee	5
Human Resources Committee	4
Corporate Governance and Nominating Committee	6
Executive Committee[(1)]	—

Director	Participation in Board meetings	Committees	Participation in committee meetings
BRUNET Pierre	4/6	Executive	—
		Human Resources (Chair)	4/4
DeSERRES Marc	6/6	Corporate Governance and Nominating	6/6
		Audit	5/5
DUSSAULT Claude	6/6	Audit	5/5
		Corporate Governance and Nominating (Chair)	6/6
FERLAND Serge	6/6	Executive	—
GAUTHIER Paule	6/6	Human Resources	4/4
		Audit	5/5
GOBEIL Paul	6/6	Executive	—
HAUB Christian W.E.	6/6	Executive	—
		Corporate Governance and Nominating	6/6
LABONTÉ Michel	6/6	Audit (Chair)	5/5
LA FLÈCHE,Eric R.	6/6	Executive	—
LESSARD Pierre H.	6/6	Executive (Chair)	—
NADEAU Marie-José	6/6	Corporate Governance and Nominating	6/6
		Audit	5/5
RAYMOND, Réal	6/6	Human Resources	4/4
ROSICKI, Michael T.[(2)]	3/3	Corporate Governance and Nominating	3/3
ROY Bernard A.	5/6	Executive	—
		Human Resources	4/4
Total participation rate	**96.3%**		**100%**

(1) The Executive Committee dit not hold any meeting during the financial year ended on September 26, 2009.
(2) Mr. Michael T. Rosicki was appointed to the Board of Directors as well as the Corporate Governance and Nominating Committee on January 27, 2009.

Additional information on the nominees for the position of director who have held or hold positions at other companies can be found on pages 11 to 14 inclusively of the Annual Information Form under the heading “Directors and Officers”. The Company’s 2009 Annual Information Form is available on SEDAR (www.sedar.com) as well as on the Company’s website (www.metro.ca).

APPOINTMENT OF AUDITORS

Ernst & Young LLP, Chartered Accountants, were first appointed as auditors of the Company on January 27, 1998, and have been acting in that capacity ever since. **The persons named in the enclosed form of proxy intend to vote FOR their re-appointment at the Annual General Meeting.**

AUDITORS' INDEPENDENCE

For the 2009 financial year, the Company's Audit Committee obtained written confirmation from Ernst & Young LLP regarding the auditors' independence and objectivity with regard to the Company, pursuant to the Code of Ethics of the Quebec Order of Chartered Accountants.

INFORMATION ON THE AUDIT COMMITTEE

MANDATE OF THE AUDIT COMMITTEE The mandate of the Audit Committee, approved by the Board of Directors, is set out in Exhibit B to this Circular.

COMPOSITION OF THE AUDIT COMMITTEE, TRAINING AND EXPERIENCE OF ITS MEMBERS The Audit Committee is comprised of the following independent directors: Mesdames Paule Gauthier and Marie-José Nadeau and Messrs. Marc DeSerres, Claude Dussault and Michel Labonté (Chair).

Each of the members has training and experience which is relevant to the performance of his duties. Mr. Labonté has served as Vice-President, Finance, first at Hydro-Québec and then at National Bank of Canada, for more than 23 years. Mr. Labonté is also Chair of the Audit Committee of Manac Inc. Ms. Gauthier acquired her experience by serving on other audit committees and has practised commercial law for over 20 years. Ms. Nadeau acquired her experience by serving for more than 10 years as Secretary of the Audit and Finance Committee of Hydro-Québec and is currently a member of the Audit Committee of Churchill Falls and Labrador Hydro. Mr. Dussault acquired his experience by serving as President and Chief Executive Officer of ING Canada Inc. (now Intact Financial Corporation). Mr. DeSerres acquired his experience as President of Omer DeSerres Inc. since 1980.

PRE-APPROVAL POLICIES AND PROCEDURES The Audit Committee approved the "Policy concerning the pre-approval of audit services and non-audit services" whose main components are described below.

The external auditors are appointed to audit the annual consolidated financial statements of the Company. The external auditors may also be engaged for audit-related services, tax services and non-audit services, as long as these services do not interfere with their independence.

The Audit Committee, which is responsible, inter alia, for overseeing the work of the external auditors, must pre-approve all services that the external auditors of the Company may render to the Company and its subsidiaries. On an annual basis, the Committee examines and pre-approves the particulars of the services which may be provided by the external auditors and the associated fee levels. Any type of service which has not already been approved by the Committee must be specifically pre-approved by the Committee if it is to be provided by the external auditors. The same applies if the service offered exceeds the pre-approved fee level. The Committee has delegated to its Chairman the authority to specifically pre-approve services that have not already been approved. However, he must communicate all such decisions at the next committee meeting.

On a quarterly basis, the Committee examines the pre-approval status of any service other than audit services that the external auditors were asked to provide or could be asked to provide during the next quarter.

POLICY CONCERNING COMPLAINTS WITH RESPECT TO ACCOUNTING, CONTROLS OR AUDITING MATTERS The Audit Committee approved a policy allowing anyone, including the employees of the Company, to make a complaint by anonymous submission regarding accounting, accounting controls or auditing matters of the Company. All complaints received will be sent directly to the director of the Internal Audit Department who will be responsible for analysing the complaint and, if necessary, making due inquiry. The Committee will be informed at every meeting of complaints received, the results of the inquiry and, if applicable, any corrective measures to be implemented or of the fact that no complaints have been filed.

The full text of the Company's complaint policy can be found on the Company's website at www.metro.ca.

POLICY CONCERNING THE HIRING OF PARTNERS OR EMPLOYEES OF THE EXTERNAL AUDITORS The Audit Committee approved a policy with respect to the Company's hiring of certain candidates for key positions. This policy applies to any partner, employee or former partner or employee of the current or former external auditors of the Company who is applying for a position in which the candidate could exercise decision-making authority or significantly influence decision-making with respect to the presentation of financial information or auditing matters. Specifically, the candidate must not have been involved in the auditing of the Company's financial statements within the 12 months preceding the hiring date and, moreover, the eventual hiring of the candidate must not compromise the independence of the external auditors.

FEES FOR THE SERVICES OF THE EXTERNAL AUDITORS For each of the financial years ended September 26, 2009 and September 27, 2008, the following fees were billed by the external auditors for audit services, audit-related services, tax services and the other services provided by the external auditors.

	2009	**2008**
Audit fees	$ 1,564,104	$ 1,570,795
Audit-related fees	$ 402,818	$ 472,388
Fees for tax services	$ 585,969	$ 814,727
All other fees	$ 0	$ 0

Audit-related fees consist primarily of fees billed for consultations concerning financial accounting or the presentation of financial information which are not categorized as "audit services", fees billed for pension plan audits and fees billed for the work required to implement certain Regulations of the Canadian Securities Administrators. The 2009 and 2008 fees include amounts of $8,363 and $87,528 respectively, for work in connection with A&P US' financial disclosure obligations. These amounts of $8,363 and $87,528 have been repaid to the Company by A&P US.

Fees for tax services consist primarily of fees billed for assistance with regulatory tax matters concerning federal and provincial income tax returns and sales tax and excise tax reporting, fees billed for consultations concerning the income tax, customs duty or sales tax impact of certain transactions, as well as fees billed for assistance with federal and provincial government audits involving income tax, sales tax, customs duties or deductions at source. The 2009 and 2008 fees include amounts of $116,354 and $32,601 respectively, in connection with tax services which are assumed by A&P US. These amounts of $116,354 and $32,601 have been repaid to the Company by A&P US.

EXECUTIVE COMPENSATION

This section is intended to give shareholders of the Company a description of the policies, programs and decisions regarding compensation of the named executive officers (collectively referred to as the "NEOs") for the Company's financial year ended September 26, 2009. The NEOs are the President and Chief Executive Officer, the Senior Vice-President, Chief Financial Officer and Treasurer and the Company's three most highly paid executive officers, namely the Executive Vice-President and Chief Operating Officer, the Senior Vice-President, Ontario Division, and the Senior Vice-President, Quebec Division. Although this section essentially describes the compensation policies and programs for NEOs, these programs also apply to the Company's other management staff. The information disclosed in this section is as of September 26, 2009, unless otherwise indicated.

COMPENSATION DISCUSSION AND ANALYSIS

ROLE AND COMPOSITION OF THE HUMAN RESOURCES COMMITTEE The Board of Directors has given the Human Resources Committee the mandate to, among other things, review and recommend executive compensation components and policies, ensuring that they are consistent with best practices and take into account new compensation trends. A detailed description of the Human Resources Committee's mandate is found under the heading "Corporate Governance" on page 31 of this Circular.

The Human Resources Committee is comprised of the following four independent directors: Pierre Brunet, Committee Chairman, Paule Gauthier, Réal Raymond and Bernard A. Roy. None of the members of the Human Resources Committee is or has been indebted to the Company or any of its subsidiaries or has or has had an interest in a material transaction involving the Company. None of the members of the Human Resources Committee is or has been an officer, employee or executive of the Company. The Human Resources Committee held 4 meetings during the 2009 financial year.

COMPENSATION OBJECTIVES AND COMPONENTS The Company's main objective with respect to compensation is to offer total compensation that is competitive with prevailing market conditions in order to recruit, retain and motivate qualified senior executives who are devoted to improving the Company's performance and creating value for its shareholders. The compensation programs are designed to adequately compensate the Company's officers for services rendered and encourage them to implement strategies to improve the Company's performance, thereby increasing its long-term economic value. Accordingly, a significant portion of executives' compensation is focussed on performance as it is directly related to the Company's results.

The NEOs' compensation is made up of the following:

Base salary;
Annual incentive plan ("AIP");
Long-term incentive plan ("LTIP");
Pension plan; and
Benefits.

DECISION-MAKING PROCESS Each year, the President and Chief Executive Officer submits to the Human Resources Committee his recommendations about all the compensation components for each of the executive officers other than himself, and in particular the targets to be reached in connection with the AIP and the LTIP. The Executive Chairman of the Board of Directors submits his recommendations regarding compensation and the targets of the President and Chief Executive Officer in connection with the AIP and the LTIP to the Human Resources Committee. The Human Resources Committee reviews and approves the targets under the AIP and the LTIP as well as the compensation components of the NEOs. The Committee evaluates the performance of the President and Chief Executive Officer and recommends his compensation to the Board. The Board of Directors of the Company also approves all grants of stock options and performance share units under the LTIP upon the recommendation of the Human Resources Committee.

INFORMATION SOURCES The Human Resources Committee has retained the services of PCI-Perrault Conseil inc. ("PCI"), an outside compensation advisor, to obtain information and independent advice about NEO compensation programs. PCI was hired directly by the Human Resources Committee and does not receive other mandates from the Company unless the Committee gives its prior consent. PCI reviews the recommendations of the Company and its consultants with respect to executive compensation trends, the companies which are part of the reference group, information relating to those companies and, generally, with respect to the compensation of the NEOs.

The Human Resources Committee also considers compensation data publicly disclosed by various specialized organizations as well as by Canadian public companies forming part of the reference group described below. The Company regularly commissions compensation surveys from other consulting firms which are tabled before the Human Resources Committee.

REFERENCE GROUP The reference group the Company uses to determine all aspects of NEO compensation and to review its policies in this regard is comprised of Canadian companies operating in the food distribution or retail sectors which have sales comparable to those of the Company. The reference group is comprised of the following companies:

Loblaw Companies Limited;
Empire Company Limited;
Alimentation Couche-Tard Inc.;
Maple Leaf Foods Inc.;
Saputo Inc.;
Shoppers Drug Mart Inc.;
Canadian Tire Corporation, Limited;
Sears Canada Inc.;
RONA Inc.; and
The Jean Coutu Group (PJC) Inc.

PERFORMANCE-BASED COMPENSATION The compensation policies for executives are intended to adequately compensate their services while establishing a correlation between their compensation and the Company's financial performance. The base salary of the NEOs is fixed whereas the portion of the compensation relating to the AIP and the LTIP varies depending on the performance of the Company and the results obtained. A significant part of the NEOs' compensation is therefore based on performance and includes a share of the risks as indicated on the following table. It should also be noted that the risk compensation amount increases as the level of responsibility associated with the position increases.

	Percentage of Target Total Direct Compensation for Financial Year 2009 (1)			
Name and principal occupation	**Salary**	**AIP**	**LTIP (2)**	**Compensation at Risk (3)**
Eric R. La Flèche President and Chief Executive Officer	25%	23%	52%	75%
Richard Dufresne Senior Vice-President, Chief Financial Officer and Treasurer	45%	20%	35%	55%
Robert Sawyer Executive Vice-President and Chief Operating Officer	35%	25%	40%	65%
Johanne Choinière Senior Vice-President, Ontario Division	45%	20%	35%	55%
Christian Bourbonnière Senior Vice-President, Quebec Division	45%	20%	35%	55%

(1) *Total direct compensation includes salary and short-term and long-term compensation but excludes benefits and pension plans.*
(2) *The LTIP includes the Stock Option Plan and the Performance Share Unit Plan.*
(3) *Risk compensation represents the sum of the AIP and the LTIP.*

DESCRIPTION OF NEO COMPENSATION COMPONENTS

BASE SALARY Competitive salaries allow the Company to hire and retain competent individuals who will help it improve its performance and create value for its shareholders.

The base salary of each NEO is based on the median for the reference group as determined by compensation surveys conducted by consulting firms, adjusted up or down to take into account particular circumstances such as the individual's level of responsibility and experience.

The salary is reviewed annually based on the individual's performance, the Company's performance and market data for the reference group.

ANNUAL INCENTIVE PLAN ("AIP") The AIP is intended to compensate for achieving and exceeding performance objectives for a given financial year. The AIP consists of a cash bonus payable annually based on a percentage of the Company's executives base salary in consideration for the individual and the Company reaching or surpassing certain annual goals, which are twofold: (i) corporate goals related to adjusted net earnings achieved compared to budget; (ii) division and sector-based goals relating to the achievement of various financial or business goals of one or more of the Company's divisions and the specific sector for which the executive officer is responsible, where applicable.

The bonus can be up to 120% of the base salary for the President and Chief Executive Officer, 100% for the Executive Vice-President and Chief Operating Officer and 75% for the other NEOs.

The Company will not provide further details about these targets as it believes that the disclosure of this information could seriously prejudice its interests as it constitutes strategic confidential information. As the Company does not publicly disclose its budgetary targets and does not wish to give forward-looking information, it believes that it is not desirable to disclose such information. Furthermore, the division and sector-based targets are aligned with the division's main priorities and consist of financial targets and specific ongoing projects which are highly strategic, and whose disclosure could greatly jeopardize their completion. Lastly, it is the Company's policy not to disclose information on an unconsolidated basis.

LONG-TERM INCENTIVE PLAN ("LTIP") The main goal of the LTIP is to motivate the Company's executives to create long-term economic value for the Company and its shareholders by linking a significant portion of their compensation to this creation of value. The LTIP is a factor which helps retain senior executives.

The LTIP is made up of the Stock Option Plan and the Performance Share Unit Plan (hereinafter collectively referred to from time to time as the "Plans"). The Stock Option Plan is more fully described under the heading "Stock Option Plan" on page 25 of this Circular. The Performance Share Unit Plan is more fully described under the heading "Performance Share Unit Plan" on page 26 of this Circular.

The stock option and performance share unit ("PSU") grant policy for executives provides for annual grants. Any holder of options awarded under the Stock Option Plan must wait for two years from the grant, after which time the options are exercisable in cumulative increments of 20% each year. The stock options granted to date have a total term of seven years. The PSUs granted so far vest, in general, three years after the date they were granted.

Other than the annual grants for the President and Chief Executive Officer, annual grants under the Plans are determined according to the officer's salary scale. These grants may represent from 90% to 140% of the base salary. Grants to the President and Chief Executive Officer are set out in his employment contract and are described under the heading "Employment Contract" on page 18 of this Circular.

Prior grants are not taken into account in determining the number of shares covered by any stock option to be granted, except in the case of special grants described below. The Board of Directors may at its discretion grant additional stock options and PSUs to executives under specific circumstances, such as appointments, promotions or change of duties.

PSUs entitle their holder to receive Class A Subordinate Shares of the Company or, at the discretion of the Company, the cash equivalent, in whole or in part, on the vesting date. Each grant includes three levels of PSUs, according to the attainment of certain financial performance objectives determined from time to time by the Company's Human Resources Committee and approved by the Board of Directors.

So far, the performance objectives have been based on the Company's return on shareholders' equity ("ROE") and its earnings per share growth ("EPSG") compared to its two main competitors. The ROE and the EPSG are determined in accordance with generally accepted accounting principles ("GAAP"). Prior to 2009, the PSU level reached was determined at the end of each financial year. Beginning with the 2009 grant, the PSU level reached will be determined three years after they are granted based on five performance criteria per year (i.e. out of a total of fifteen (15) performance criteria for the three years of their term), calculated as follows at the end of the third year:

Level 2 = achievement of at least seven (7) of the fifteen (15) performance criteria; and

Level 3 = achievement of at least twelve (12) of the fifteen (15) performance criteria.

If Level 2 is not reached, the holder will be entitled to the number of PSUs for Level 1.

PENSION PLANS The Company's pension plans are designed to offer executives a reasonable pension and compensate them for their years of service.

The NEOs' pension benefits are provided under a basic plan and a supplemental plan, both of the non-contributory defined benefit type. The two plans combined provide a pension equal to 2% of the final average salary multiplied by the number of years of credited service, the final average salary being defined as the annual average base salary received by the participant during the 36 consecutive months that were most highly compensated. The pension benefits are paid in addition to government pension plans, and the normal form of pension is a lifetime pension with a guarantee of 120 monthly payments. Senior executives may elect early retirement from age 55, subject to a reduction of 0.5% for each month between the date of retirement and age 60. Plan members who enrolled prior to September 1, 1991 benefit from indexation of the basic plan pension (in accordance with the Consumer Price Index, between a minimum of 0% and a maximum of 4.5%) from January 1 immediately following the later of the pension start date or the attainment of age 60. Robert Sawyer enjoys this benefit.

The following table illustrates, as an example, the annual benefits payable at the normal age of retirement (age 65) under both plans combined, according to the final average salary and years of credited service under these plans.

Final average salary *($)*	**Years of credited service**						
	5	**10**	**15**	**20**	**25**	**30**	**35**
300,000	30,000	60,000	90,000	120,000	150,000	180,000	210,000
400,000	40,000	80,000	120,000	160,000	200,000	240,000	280,000
500,000	50,000	100,000	150,000	200,000	250,000	300,000	350,000
600,000	60,000	120,000	180,000	240,000	300,000	360,000	420,000
700,000	70,000	140,000	210,000	280,000	350,000	420,000	490,000
800,000	80,000	160,000	240,000	320,000	400,000	480,000	560,000
900,000	90,000	180,000	270,000	360,000	450,000	540,000	630,000
1,000,000	100,000	200,000	300,000	400,000	500,000	600,000	700,000

BENEFITS AND PERQUISITES The NEOs also enjoy benefits comparable to what is offered to officers of a similar level including health care and dental coverage, short and long-term disability and life insurance. The costs of these benefits are shared by the Company and the participant. NEOs are provided with a company automobile at the Company's costs.

EMPLOYMENT CONTRACT The President and Chief Executive Officer, Mr. Eric R. La Flèche, is the only person who has an employment contract with the Company. That contract, which came into effect on April 15, 2008, has an indefinite term and sets out the parameters of his compensation as President and Chief Executive Officer.

Mr. La Flèche's initial base salary was determined based on the same criteria as those applicable to the salary of the other NEOs. The initial base salary is set forth in the employment contract and will be effective until January 1, 2010. Thereafter, it will be adjusted annually by the Board of Directors upon the recommendation of the Company's Human Resources Committee in the same manner and according to the same criteria as those used for the other NEOs. The annual incentive plan for Mr. La Flèche is made up of a maximum cash bonus of up to 120% of his base salary. The President and Chief Executive Officer also benefits from greater participation in the Company's Stock Option Plan and Performance Share Unit Plan. Pursuant to Mr. La Flèche's employment contract, and subject to any required authorizations, the Company agreed to grant him, for the first year, an option to purchase 200,000 Class A Subordinate Shares and, for each of the following four years, an option to purchase 75,000 Class A Subordinate Shares. The Company also agreed to grant Mr. La Flèche, for each of the first five years of his employment contract, PSUs of which the value on the grant date will range from 60% to 100% of his base salary, depending on the extent to which the objectives set under the Performance Share Unit Plan, which are identical to those of the other NEOs, have been met. The conditions of exercise of Mr. La Flèche's options and PSUs are substantially similar to those of options and PSUs granted pursuant to the Plans. For the specific conditions applicable to Mr. La Flèche, see "Termination and change of control benefits" on page 27 of this Circular.

MINIMUM HOLDING OF SHARES AND PSUs BY NEOs The NEOs and other executives are required to hold a certain number of Shares and PSUs of the Company. The President and Chief Executive Officer is required to hold Shares and PSUs with a value equal to at least three times his annual base salary. The Executive Vice-President and Chief Operating Officer is required to hold Shares and PSUs with a value equal to at least twice his annual base salary. The other NEOs are required to hold Shares and PSUs with a value equal to at least one and one-half times their annual base salary and the other executives are required to hold Shares and PSUs with a value equal to at least their annual base salary. The minimum must be held within five years following the date on which each of them may exercise options under the Stock Option Plan for the first time or within three years of the appointment of the NEO if he previously held a management position with the Company. Any PSU holder must keep a percentage of the Shares he receives on the vesting date if he has not yet met the minimum holding requirement.

The following table indicates for each NEO the value of the Shares and PSUs held as well as confirmation of compliance with the holding requirement. In accordance with its policy, the Company considers the following two elements in determining compliance with this requirement: (i) Shares held by each NEO; and (ii) half of the PSUs granted but not yet vested according to the level corresponding to the objectives achieved when such determination is made.

Name	Minimum holding requirement	Value of securities held at the end of the financial year[1] ($)	Compliance with requirement at the end of the financial year
Eric R. La Flèche	3 × base salary	2,655,456	Yes
Richard Dufresne	1.5 × base salary	352,444	No[2]
Robert Sawyer	2 × base salary	1,337,348	Yes
Johanne Choinière	1.5 × base salary	689,460	Yes
Christian Bourbonnière	1.5 × base salary	441,384	No[2]

(1) *Value calculated using the closing price on September 25, 2009: $34.73.*
(2) *Given their recent appointment to the position they currently hold, the time given to Messrs. Dufresne and Bourbonnière to meet the minimum shareholding requirement expires on January 31, 2013 for Mr. Dufresne and September 29, 2011 for Mr. Bourbonnière.*

COMPENSATION DECISIONS FOR THE 2009 FINANCIAL YEAR

HIGHLIGHTS OF THE 2009 FINANCIAL YEAR The Company's financial performance reached record levels during the 2009 financial year. Sales increased by 4.4% over 2008 to reach $11,2 billions, whereas adjusted earnings reached $359 millions, or $3.23 per share, a 27.8% increase over the previous year.

BASE SALARY FOR THE 2009 FINANCIAL YEAR For the 2009 financial year, the base salary of each of the NEOs, except for the President and Chief Executive Officer base salary which is set out in his employment contract and is described under the heading "Employment Contract" on page 18 of this Circular, was determined according to the factors referred to in the section "Base Salary" on page 16 of this Circular. The Human Resources Committee is satisfied that the base salary is appropriate.

ANNUAL INCENTIVE PLAN FOR THE 2009 FINANCIAL YEAR For the 2009 financial year, the Company achieved record earnings which greatly exceeded budget and met the great majority of its other targets, which meant that a high level of the AIP targets were reached, the AIP targets are described in the section "Annual Incentive Plan" on page 17 of this Circular. The following table shows the target bonus, maximum bonus and bonus earned for each NEO.

	Annual Incentive Plan – 2009 Financial Year			
Name	**Target bonus as a % of salary**	**Maximum bonus as a % of salary**	**Bonus earned as a % of salary**	**Bonus earned in $[(1)]**
Eric R. La Flèche	90%	120%	120%	840,000
Richard Dufresne	50%	75%	73%	277,400
Robert Sawyer	75%	100%	97%	432,800
Johanne Choinière	50%	75%	72%	245,600
Christian Bourbonnière	50%	75%	75%	225,000

(1) The bonus is calculated based on the base salary in effect on January 1, 2009 except for Mrs Choinière's and Mr. Sawyer's bonuses which were calculated on the basis of the evolution of their base salary throughout 2009 given their appointment to new positions.

LONG-TERM INCENTIVE PLAN FOR THE 2009 FINANCIAL YEAR The stock options and PSUs granted during the 2009 financial year were determined according to the factors described under the section "Long-Term Incentive Plan" on page 17 of this Circular. The following table shows, for each NEO, the percentage of the maximum of the salary scale which was used to determine the number of PSUs granted per level for the 2009 financial year as well as their number and value.

Performance Share Unit Plan

	Performance Share Unit Plan – 2009 Grants								
	LEVEL 1			LEVEL 2			LEVEL 3		
Name	**% of maximum of salary scale**	**Number of PSUs[(1)]**	**Value[(2)] ($)**	**% of maximum of salary scale**	**Number of PSUs[(1)]**	**Value[(2)] ($)**	**% of maximum of salary scale**	**Number of PSUs[(1)]**	**Value[(2)] ($)**
Eric R. La Flèche	60%	10,938	420,000	80%	14,583	560,000	100%	18,229	700,000
Richard Dufresne	30%	2,734	105,000	45%	4,101	157,500	52.5%	4,785	183,800
Robert Sawyer	37.5%	4,500	172,800	56.3%	6,750	259,200	84.4%	10,129	389,000
Johanne Choinière	30%	1,582	60,800	45%	1,978	76,000	52.5%	2,373	91,100
Christian Bourbonnière	30%	1,846	70,900	45%	2,769	106,300	52.5%	3,231	124,100

(1) The number of PSUs is calculated based on a percentage of the maximum for the salary scale to which the NEO belongs except for the President and Chief Executive Officer, for whom the percentages are set out in his employment contract and are based on his salary. The number of PSUs indicated per level is not cumulative.
(2) Value calculated using the closing price of the stock on the day preceding the vesting date ($38.40).

The five performance criteria for the PSUs granted in 2009 were all met.

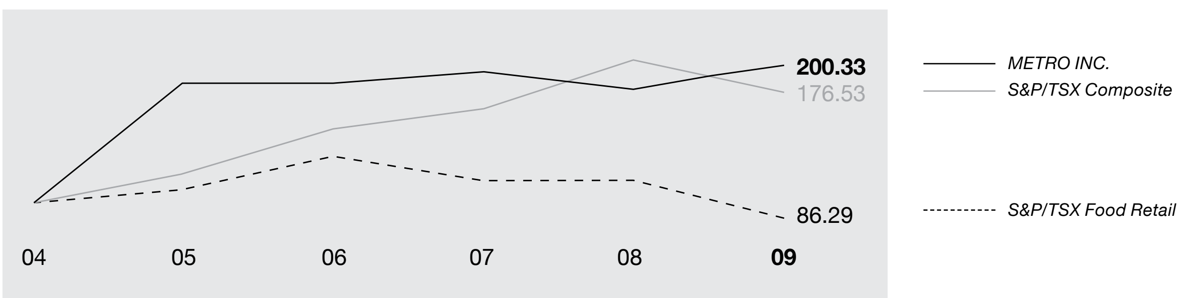
The following table gives details of the stock options granted to each NEO for the 2009 financial year.

Stock Option Plan

	Stock Option Plan – 2009 Grants			
Name	**Award date**	**Underlying securities**	**Expiry date**	**Value of options[5] ($)**
Eric R. La Flèche	04-27-09	75,000[1]	04-26-16	843,750
Richard Dufresne	11-21-08	10,000[2]	11-20-15	100,800
	04-27-09	11,700[3]	04-26-16	131,625
Robert Sawyer	04-27-09	40,000[4]	04-26-16	450,000
Johanne Choinière	04-27-09	11,700[3]	04-26-16	131,625
Christian Bourbonnière	04-27-09	11,700[3]	04-26-16	131,625

(1) This grant is provided for in Mr. La Flèche's employment contract. For further details, see the heading "Employment Contract" on page 18 of this Circular.
(2) This is a special grant to Mr. Dufresne.
(3) This is the annual grant under the Stock Option Plan.
(4) This is the annual grant as described in footnote (3) herein above plus a special grant due to his appointment in April 2009 as Executive Vice-President and Chief Operating Officer.
(5) Value obtained by multiplying the number of underlying securities by the Black-Scholes factor of 30% and by the closing price on the day preceding the grant ($37.50 except for the grant to Mr. Dufresne on November 21, 2008, for which the closing price was $33.60).

STOCK PERFORMANCE GRAPH The following graph illustrates the cumulative total shareholder return on $100 invested in Class A Subordinate Shares of the Company as compared with an investment in the S&P/TSX Composite Index and in the S&P/TSX Food Stores Index for the period from September 25, 2004 to September 26, 2009.



	2004	2005	2006	2007	2008	2009
METRO INC.	100.00	186.28	185.18	195.30	180.44	200.33
S&P/TSX Composite	100.00	118.85	153.72	167.92	206.22	176.53
S&P/TSX Food Retail	100.00	108.28	133.10	113.28	114.25	86.29

Over the past five fiscal years and in accordance with the Company's compensation policies, the long-term executive compensation has been largely dependent on the price of the Company's stock as it was made up entirely of stock options and PSUs. As a result, the trend observed regarding the total cumulative performance of the Company's shares is generally similar to the trend for changes in executive compensation during such period.

During the 2009 financial year, the Human Resources Committee, with the help of PCI, reviewed all the compensation for the NEOs and came to the conclusion that it was appropriate, competitive and in keeping with the Company's performance.

COMPENSATION FOR THE 2009 FINANCIAL YEAR

SUMMARY COMPENSATION TABLE The following table sets forth the compensation of the NEOs for the financial year ended September 26, 2009. For the compensation paid in prior years, see the Company's proxy circulars filed with the Canadian Securities Administrators on www.sedar.com.

Name and Principal Position	Financial year	Salary ($)	Share-based awards(1) ($)	Option-based awards(2) ($)	Non-equity incentive plan compen-sation /Annual incentive plans ($)	Pension Value(3) ($)	All Other compen-sation(4) ($)	Total compen-sation ($)
Eric R. La Flèche President and Chief Executive Officer	2009	700,000	420,000	843,750	840,000	611,000	3,354	3,418,104
Richard Dufresne Senior Vice-President, Chief Financial Officer and Treasurer	2009	375,962	105,000	232,425	277,400	58,000	1,843	1,050,630
Robert Sawyer Executive Vice-President and Chief Operating Officer	2009	438,462	172,800	450,000	432,800	137,000	1,949	1,633,011
Johanne Choinière Senior Vice-President, Ontario Division	2009	336,741	60,800	131,625	245,600	96,000	1,444	872,210
Christian Bourbonnière Senior Vice-President, Quebec Division	2009	300,038	70,900	131,625	225,000	250,000	1,453	979,016

(1) *The table was prepared using the Level 1 PSUs. The number of PSUs may increase if certain financial objectives are reached (see the table under the heading "Performance Share Unit Plan" on page 20 of this Circular). This amount does not constitute a cash amount received by the NEO. It is a risk value. See the headings "Long-Term incentive plan", "Employment Contract" and "Long-term incentive plan for the 2009 financial year" on pages 17, 18 and 20 of this Circular for a description of the grant and evaluation conditions. The accounting value of the PSUs (granted during the 2009 financial year) reflected in the consolidated financial statements of the Company for the financial year ended September 26, 2009 is different from the value on the grant date indicated in the table above. The difference can be explained by the fact that in the financial statements, the Company considers the maximum number of PSUs provided for in Level 3. The accounting value of the PSUs (granted during the 2009 financial year) reflected in the financial statements as well as the difference between the value on the grant date and the accounting value are the following:*

	Accounting Value ($)	*Difference between the Value on the Grant Date and the Accounting Value ($)*
Eric R. La Flèche	*700,000*	*(280,000)*
Richard Dufresne	*183,800*	*(78,800)*
Robert Sawyer	*389,000*	*(216,200)*
Johanne Choinière	*91,100*	*(30,300)*
Christian Bourbonnière	*124,100*	*(53,200)*

(2) *The compensation value indicated in this component represents an estimated value calculated according to a single Black-Scholes' factor of 30%. It does not constitute a cash amount received by the NEO. It is a risk value that could even be worth nothing in certain instances. See the headings "Long-Term incentive plan", "Employment Contract" and "Long-Term Incentive Plan for the 2009 Financial year" on pages 17, 18 and 20 of this Circular for a description of the grant and evaluation conditions. The accounting value of the stock options (granted during the 2009 financial year) reflected in the consolidated financial statements of the Company for the financial year ended September 26, 2009 is different from the value on the grant date indicated in the table above. The Company uses the Black-Scholes model to determine the accounting value shown in the financial statements as well as to determine the value on the grant date indicated in the table above. However, there is a difference between these values because in the financial statements, the Company calculates the accounting value for each grant as opposed to using a single Black-Scholes factor to calculate the value on the grant date. The accounting value of the stock options (granted during the 2009 financial year) as well as the difference between the accounting value and the value on the grant date are the following:*

	Accounting Value ($)	*Difference between the Value on the Grant Date and the Accounting Value ($)*
Eric R. La Flèche	*591,750*	*252,000*
Richard Dufresne	*168,100*	*64,325*
Robert Sawyer	*315,600*	*134,400*
Johanne Choinière	*92,300*	*39,325*
Christian Bourbonnière	*92,300*	*39,325*

(3) *The variations attributable to compensation components represent the value of the projected pension benefits earned during the period from October 1, 2008 to September 30, 2009, taking into account any gain or loss relating to salary variation. The amounts indicated are consistent with the information presented in note 19 to the 2009 consolidated financial statements. The value of the pension plan for Messrs. La Flèche and Bourbonnière is exceptionally higher this year as their salary increased more significantly due to their promotion to more senior positions in 2008.*

(4) *The amounts represent life insurance premiums paid by the Company for the NEOs. The value of perquisites for any of the NEOs does not exceed $50,000 or 10% of the total annual base salary for each NEO.*

INCENTIVE PLAN AWARDS

OUTSTANDING SHARE-BASED AND OPTION-BASED AWARDS The following table shows, with respect to each NEO, as at September 26, 2009, the option-based awards which have not been exercised and the share-based awards (under the Performance Share Unit Plan) which have not yet vested.

	Option-based awards							Share-based awards		
	Number of Securities underlying unexercised options		Option Exercise price	Option Expiration date	Value of unexercised in-the-money options at financial year-end[1] ($)			Number of Shares or share units not yet vested[2]	Market or payout value of Share-based awards that have not vested[3] ($)	Vesting date
Name	Vested	Not vested	($)	date	Vested	Not vested	Total			
Eric R. La Flèche	8,000	—	17.23	April 14, 2010	140,000	—	140,000	7,198	249,987	Jan. 26, 2010
	37,360	9,340	21.20	April 6, 2011	505,481	126,370	631,851	8,526	296,108	Feb. 1, 2011
	22,200	14,800	23.34	Dec. 13, 2011	252,858	168,572	421,430	7,533	261,621	April 18, 2011
	15,840	10,560	27.25	April 12, 2012	118,483	78,989	197,472	10,938	379,877	Jan. 30, 2012
	6,560	9,840	30.16	April 10, 2013	29,979	44,969	74,948			
	2,620	10,480	37.77	April 19, 2014	—	—	—			
	—	200,000	24.73	April 17, 2015	—	2,000,000	2,000,000			
	—	75,000	37.50	April 26, 2016	—	—	—			
	92,580	330,020			1,046,801	2,418,900	3,465,701	34,195	1,187,593	
Richard Dufresne	6,000	9,000	30.02	Jan. 31, 2013	28,260	42,390	70,650	4,839	168,058	Jan. 26, 2010
	5,800	8,700	30.16	April 10, 2013	26,506	39,759	66,265	6,632	230,329	Feb. 1, 2011
	2,320	9,280	37.77	April 19, 2014	—	—	—	2,734	94,952	Jan. 30, 2012
	—	17,700	24.73	April 17, 2015	—	177,000	177,000			
	—	10,000	33.60	Nov. 20, 2015	—	11,300	11,300			
	—	11,700	37.50	April 26, 2016	—	—	—			
	14,120	66,380			54,766	270,449	325,215	14,205	493,339	
Robert Sawyer	15,600	3,900	21.20	April 6, 2011	211,068	52,767	263,835	4,839	168,058	Jan. 26, 2010
	9,900	6,600	27.25	April 12, 2012	74,052	49,368	123,420	6,632	230,329	Feb. 1, 2011
	3,840	5,760	30.16	April 10, 2013	17,549	26,323	43,872	2,734	94,952	Jan. 30, 2012
	2,320	9,280	37.77	April 19, 2014	—	—	—	1,766	61,333	Jan. 30, 2012
	—	50,000	28.06	Dec. 10, 2014	—	333,500	333,500			
	—	17,700	24.73	April 17, 2015	—	177,000	177,000			
	—	40,000	37.50	April 26, 2016	—	—	—			
	31,660	133,240			302,669	638,958	941,627	15,971	554,672	
Johanne Choinière	5,800	—	17.23	April 14, 2010	101,500	—	101,500	2,400	83,352	Jan. 26, 2010
	3,760	940	21.20	April 6, 2011	50,873	12,718	63,591	3,198	111,067	Feb. 1, 2011
	6,420	4,280	23.34	Dec. 13, 2011	73,124	48,749	121,873	1,582	54,943	Jan. 30, 2012
	21,780	14,520	27.25	April 12, 2012	162,914	108,610	271,524			
	3,000	4,500	30.16	April 10, 2013	13,710	20,565	34,275			
	1,320	5,280	37.77	April 19, 2014	—	—	—			
	—	10,000	24.73	April 17, 2015	—	100,000	100,000			
	—	25,000	29.63	Sep. 22, 2015	—	127,500	127,500			
	—	11,700	37.50	April 26, 2016	—	—	—			
	42,080	76,220			402,121	418,142	820,263	7,180	249,362	
Christian Bourbonnière	880	—	17.23	April 14, 2010	15,400	—	15,400	1,067	37,057	Jan. 26, 2010
	22,480	5,620	21.20	April 6, 2011	304,154	76,039	380,193	1,421	49,351	Feb. 1, 2011
	3,840	2,560	27.25	April 12, 2012	28,723	19,149	47,872	1,846	64,112	Jan. 30, 2012
	1,440	2,160	30.16	April 10, 2013	6,581	9,871	16,452			
	580	2,320	37.77	April 19, 2014	—	—	—			
	—	4,400	24.73	April 17, 2015	—	44,000	44,000			
	—	25,000	29.63	Sep. 22, 2015	—	127,500	127,500			
	—	11,700	37.50	April 26, 2016	—	—	—			
	29,220	53,760			354,858	276,559	631,417	4,334	150,520	

(1) *Based on the closing price on September 25, 2009: $34.73.*
(2) *Number of PSUs which the NEOs may obtain based on the financial return objectives reached as of the end of the 2009 financial year;*
(3) *Value determined using the number of PSUs which the NEOs could obtain based on the financial return objectives reached as of the end of the 2009 financial year and based on the closing price on September 25, 2009 ($34.73). See the headings "Long-Term Incentive Plan" and "Employment Contract" on pages 17 and 18 of this Circular.*

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE FINANCIAL YEAR The following table shows with respect to each NEO for the financial year ended September 26, 2009, the value of the stock options which vested but were not necessarily exercised and the PSUs which vested during the year as well as the value of the compensation under the AIP earned during that financial year.

Name	Option-based awards – Value vested during the financial year[(1)] *($)*	Share-based awards – Value vested during the financial year[(2)] *($)*	Non-equity incentive plan compensation – Value earned during the financial year[(3)] *($)*
Eric R. La Flèche	355,307	347,566	840,000
Richard Dufresne	51,291	233,590	277,400
Robert Sawyer	179,285	157,618	432,800
Johanne Choinière	156,006	106,191	245,600
Christian Bourbonnière	129,135	51,466	225,000

(1) *This amount represents the amount which would have been earned in 2009 if the stock options which vested during the 2009 financial year had been exercised on their vesting date. For further details, see the table entitled "Stock Options" below.*
(2) *This amount represents the value of the PSUs granted in 2006 which vested in 2009, based on the closing price on April 9, 2009 ($38.35).*
(3) *This amount represents the amount earned in 2009 under the AIP.*

See "Long-Term Incentive Plan" and "Employment Contract" on pages 17 and 18 of this Circular for a description of the conditions for granting stock options and PSUs. The stock option values shown in the above table were calculated using the information below.

STOCK OPTIONS

Name	Grant Date	Number of options vested during the financial year	Closing price[(1)] *($)*	Exercise price *($)*
Eric R. La Flèche	April 15, 2003	1,600	37.03	17.23
	April 7, 2004	9,340	37.50	21.20
	Dec. 14, 2004	7,400	34.95	23.34
	April 13, 2005	5,280	38.35	27.25
	April 11, 2006	3,280	38.35	30.16
	April 20, 2007	2,620	37.51	37.77
Richard Dufresne	Feb. 1, 2006	3,000	39.20	30.02
	April 11, 2006	2,900	38.35	30.16
	April 20, 2007	2,320	37.51	37.77
Robert Sawyer	April 15, 2003	3,200	37.03	17.23
	April 7, 2004	3,900	37.50	21.20
	April 13, 2005	3,300	38.35	27.25
	April 11, 2006	1,920	38.35	30.16
	April 20, 2007	2,320	37.51	37.77
Johanne Choinière	April 15, 2003	1,160	37.03	17.23
	April 7, 2004	940	37.50	21.20
	Dec. 14, 2004	2,140	34.95	23.34
	April 13, 2005	7,260	38.35	27.25
	April 11, 2006	1,500	38.35	30.16
	April 20, 2007	1,320	37.51	37.77
Christian Bourbonnière	April 15, 2003	880	37.03	17.23
	April 7, 2004	5,620	37.50	21.20
	April 13, 2005	1,280	38.35	27.25
	April 11, 2006	720	38.35	30.16
	April 20, 2007	580	37.51	37.77

(1) *Closing price the day preceding the vesting date.*

EQUITY COMPENSATION PLAN INFORMATION The following table summarizes as of September 26, 2009 the equity compensation plans pursuant to which equity securities of the Company may be issued.

Plan category	Number of securities to be issued upon exercise of options (a)	Weighted-average exercise price of options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,864,420	$ 28.53	2,292,292
Total	1,864,420	$ 28.53	2,292,292

STOCK OPTION PLAN ("OPTION PLAN") The Option Plan established for the executive officers, senior managers and key employees of the Company, or any of its subsidiaries, provides for the granting of non-transferable and non-assignable options to purchase a maximum of 10,000,000 Class A Subordinate Shares. The number of shares that can be issued, at any time, when options granted under the Option Plan or in accordance with any other compensation plan of the Company are exercised may not exceed 10% of the number of outstanding shares of all classes of the Company. The Option Plan also provides that the number of shares that can be issued within a period of one year, when options are exercised under the Option Plan or in accordance with any other compensation plan of the Company, may not exceed 10% of the number of outstanding Class A subordinate shares and Class B shares. No employee may hold options on more than 5% of the outstanding shares. The purchase price of each Class A Subordinate Share covered by an option granted pursuant to the Option Plan may under no circumstances be less than the market price of the shares on the day preceding the date of the grant and is payable in full when the option is exercised. The expression "market price" means the closing price of a round lot of shares traded on the Toronto Stock Exchange on the trading day prior to the grant of the option. The Board of Directors determines the other conditions attached to any options granted, including the vesting date of any option. Generally, no option may be exercised after the expiry of the fifth year following the date on which such option may be first exercised, in whole or in part, or following a maximum of ten years from the date of the grant.

An optionee must subscribe for the shares in respect of which an option is being exercised.

The exercise period for options that ends during a trading prohibition period as determined in the Information Policy of the Company is extended by seven (7) business days following the expiry of such trading prohibition period.

Unless the Board decides otherwise, the options granted under the Option Plan expire on their expiry date or before if one of the following situations occurs:

- 30 days after the resignation of the optionee or on the date the Company ends the optionee's employment without just and sufficient cause;
- on the date the Company or one of its subsidiaries ends the optionee's employment for just cause;
- two years after the date of retirement, authorized leave or death of the optionee, but in the latter case, only for options granted before April 11, 2006. Although rights in any option cannot continue to vest, the optionee or, as the case may be, his estate is allowed to exercise his rights for a period of 364 days after that two-year period; and
- one year after the optionee's death, for options granted on or after April 11, 2006.

In case of a change of control of the Company, all options granted under the Option Plan may be exercised, at the discretion of the optionees.

The Option Plan provides that the following amendments to the Option Plan must be submitted for shareholder approval: (i) any amendment to the number of securities issuable under the Option Plan (except for any amendment resulting from a split, a consolidation or any other similar operation); (ii) any change which would allow non-employee directors to participate under the Option Plan on a discretionary basis; (iii) any amendment which would permit any option granted under the Option Plan to be transferable or assignable other than by will or under succession laws (estate settlement); (iv) the addition of a cashless exercise feature, payable in cash or securities which does not provide for a full deduction of the number of underlying securities from the Option Plan reserve; (v) the addition of a deferred or restricted share unit or any other provision which results in employees receiving securities while no cash consideration is received by the Company; (vi) any reduction in the purchase price (subscription price or exercise price) of any underlying shares after the option has been granted or any cancellation of an option and the substitution of that option with a new option with a reduced exercise price, except for any amendment resulting from a split, a consolidation or any other similar operation; (vii) any extension to the term of an option beyond the original expiry date (subject to the initial term being extended by 7 business days when an option exercise period ends during a trading prohibition period); (viii) any amendment to the method of determining the purchase price (subscription price or exercise price) of each share covered by an option granted pursuant to the Option Plan; and (ix) the addition of any form of financial assistance and any amendment to a financial assistance provision which is more favourable to employees.

The Board of Directors may, subject to the receipt of the required approvals of the regulatory authorities, and at its sole discretion, make any other amendments to the Option Plan that are not mentioned above. Without limiting the generality of the foregoing, the Board of Directors may, inter alia: (i) make any amendment of a “housekeeping” or clerical nature or to clarify the Option Plan’s provisions; (ii) make any amendment regarding any vesting period; (iii) make any amendment to the provisions regarding the termination of an option or the Option Plan as long as it does not entail an extension beyond the original expiry date; (iv) make any amendment resulting from a split, a consolidation, a reclassification, a share dividend declaration or any other amendment pertaining to the shares; (v) discontinue the Option Plan; and (vi) grant an option having an initial term exceeding 5 years from the date it can be exercised for the first time as long as the term does not exceed 10 years from the date the option was granted.

As at December 9, 2009, 1,762,980 Class A Subordinate Shares of the Company may be issued on account of stock option grants already made pursuant to the Option Plan representing 1.64% of the issued and outstanding share capital of the Company. On that date, 4,055,272 Class A subordinate Shares are reserved for outstanding and new stock options representing 3.78% of the issued and outstanding share capital of the Company.

PERFORMANCE SHARE UNIT PLAN (THE “PSU PLAN”) The Board of Directors approves the number of PSUs granted. The Human Resources Committee administers the plan and may make changes to it. The Human Resources Committee also designates the performance objectives to be achieved, which are confirmed by the Board of Directors of the Company.

The vesting date of the PSUs is determined on the grant date and is not later than three years thereafter. On the vesting date, each PSU entitles its holder to one Class A Subordinate Share of the Company or, at the discretion of the Company, to a cash equivalent, or a combination of the two. The PSU Plan is not dilutive with respect to the issued and outstanding shares of the Company, in that PSUs are settled in Class A Subordinate Shares of the Company purchased on the secondary market and/or in cash. Furthermore, PSUs are not transferable or assignable.

Unless the Human Resources Committee decides otherwise, the PSUs granted expire upon the termination of employment of their holder for any reason other than death or retirement.

If the holder of PSUs retires before the vesting date, he is entitled, on such vesting date, to a number of PSUs equal to the proportion represented by the number of days between the grant date and his retirement date out of the total number of days between the grant date and the vesting date of the PSUs.

If the holder dies prior to the vesting date, the Company will pay his estate, within sixty (60) days of his death, a number of PSUs calculated in the same manner as if the holder had retired, without taking account of the performance objectives.

In case of a change of control of the Company, all PSUs will vest and will have to be paid within one hundred twenty (120) days of the change of control, and the Human Resources Committee will have to determine whether the performance objectives have been achieved as of the vesting date and in what manner.

PENSION PLAN BENEFITS

DEFINED BENEFIT PLANS TABLE The following table illustrates the annual benefits payable at the normal age of retirement (age 65) under both plans combined, according to the final average salary and years of credited service under these plans.

Name	Number of years of credited service[(1)]	Annual benefits payable *($)* At year-end	Annual benefits payable *($)* At age 65	Accrued obligation at start of year *($)*	Compensatory change *($)*[(4)]	Non-Compensatory change *($)*[(5)]	Accrued obligation at year-end *($)*
Eric R. La Flèche	18.1[(2)]	198,600	481,100	1,426,000	611,000	205,000	2,242,000
Richard Dufresne	3.7	26,100	189,400	152,000	58,000	34,000	244,000
Robert Sawyer	29.8[(3)]	188,000	303,100	2,185,000	137,000	237,000	2,559,000
Johanne Choinière	9.8	57,400	215,400	433,000	96,000	61,000	590,000
Christian Bourbonnière	12	56,600	145,500	478,000	250,000	65,000	793,000

(1) As of September 30, 2009, Eric R. La Flèche, Richard Dufresne, Robert Sawyer, Johanne Choinière and Christian Bourbonnière had 18.7, 3.7, 29.9, 10.3 and 12.5 years of service with the Company respectively. However, there is no increase in benefits as a result of the difference between the number of years of service and the number of years credited.
(2) Including 1.3 years under the management and professional plan.
(3) Including 21.7 under the supplemental plan.
(4) The variations attributable to compensatory elements represent the value of the proposed retirement benefits earned during the period from October 1, 2008 to September 30, 2009, taking into account any gain or loss related to salary variation. The amounts indicated are consistent with the information presented in note 19 to the 2009 consolidated financial statements. The value of the pension plan for Messrs. La Flèche and Bourbonnière is exceptionally higher this year as their salary incrased more significantly due to their promotion to more senior positions in 2008.
(5) The variations attributable to non-compensatory elements include interests earned on bonds at the beginning of the financial year, other gains earned and losses suffered as well as changes to actuarial assumptions.

There is no defined contribution pension plan.

TERMINATION AND CHANGE OF CONTROL BENEFITS Mr. La Flèche is the only NEO who has an employment contract providing for payments or specific benefits in the case of a change of control or termination of employment.

Under his employment contract with the Company, Mr. La Flèche will be entitled to a termination allowance equal to twice his annual compensation (salary and AIP) if the Company terminates or is deemed to have terminated his employment for any reason other than his death or just cause. The compensation which would have been payable to Mr. La Flèche if the Company had terminated his employment on September 26, 2009 would have been $3,080,000. If the Company terminates or substantially modifies his employment duties within 24 months following a change of control of the Company, Mr. La Flèche will be entitled to a termination allowance equal to twice his annual compensation (salary and AIP). The compensation which would have been payable to Mr. La Flèche if the Company had terminated or substantially modified his employment duties as of September 26, 2009 would also have been $3,080,000.

Furthermore, under his employment contract, if Mr. La Flèche's employment is terminated without just cause, he will have eighteen (18) months following that event to exercise his stock options which have already vested. During that period, Mr. La Flèche may also continue to accumulate rights with respect to previously granted options, although this provision does not have the effect of extending the term of an option beyond its initial term.

If Mr. La Flèche's employment is terminated without just cause, the PSUs which have been granted to him will be dealt with under the PSU Plan as if he had retired. If Mr. La Flèche was presumed to have retired at the end of the 2009 financial year, the value of the PSUs which would have vested, based on the closing price on September 25, 2009, would have been $690,968. It should be noted that, in such a case, the said PSUs would only have been given to him as of the original vesting date, in accordance with the PSU plan.

If Mr. La Flèche's employment is terminated or his duties are substantially modified within twenty-four (24) months of a change of control, the PSUs will be paid within thirty (30) days thereof and the performance objectives will have to be estimated by the Company.

The rules applicable to the stock options and PSUs of the other NEOs in the case of the termination of duties or change of control are described under the heading "Stock Option Plan" found on page 25 of this Circular and under the heading "Performance Share Unit Plan" found on page 26 of this Circular.

The following table sets forth the value of the stock options which would have vested earlier and which could have been exercised and the PSUs which would have vested earlier if a change of control of the Company had taken place on September 26, 2009.

Name	**Stock Options** *($)*	**PSU** *($)*
Eric R. La Flèche	2,418,900	1,187,593
Richard Dufresne	270,449	493,339
Robert Sawyer	638,958	554,672
Johanne Choinière	418,142	249,362
Christian Bourbonnière	276,559	150,520

DIRECTOR COMPENSATION

Only directors who are not employees of the Company receive compensation for acting as members of the Board of Directors and of any committee of the Board.

The compensation of directors consists of the following elements:

- the base annual retainer for directors is $47,500;
- the attendance fees for the Board of Directors and its committees are $1,750 when the meeting is held in person and half that amount when the meeting is held by telephone;
- the annual retainer of committee chairmen is $5,000, except for the Chair of the Audit Committee, whose retainer is $10,000;
- committee members receive $2,500 as an annual retainer, except for members of the Audit Committee, who receive $5,000;
- as of September 27, 2009, the members of the Executive Committee no longer receive an annual retainer and their attendance fee is $2,000 when the meeting is held in person and half that amount when the meeting is held by telephone.

As Executive Chairman of the Board, Mr. Pierre H. Lessard receives an annual retainer of $450,000.

As Lead Director, Mr. Pierre Brunet receives an additional annual retainer of $20,000.

The base annual retainer of directors is paid in the following manner: all in deferred share units ("DSU") or, optionally, 50% in the form of Class A Subordinate Shares of the Company and the rest in cash until each director holds 3 times his base annual retainer in DSUs and/or Shares, which constitutes the minimum required shareholding level for directors. Each director has 3 years to comply with the minimum shareholding level requirement. Subsequently, each director will continue to receive at least 25% of his total compensation in shares or, at his option, in DSUs.

The principal terms of the Deferred Share Units Plan (the "DSU Plan") are as follows:

- the DSU Plan of the Company came into force on February 1, 2004;
- each director who chooses to participate in the DSU Plan has an account in his name to which the DSUs are credited and held until he ceases to be a director of the Company. The number of DSUs credited to his account is calculated by dividing the amount of the eligible compensation by the average closing price of Class A Subordinate Shares of the Company on the TSX for the 5 trading days preceding the date of the credit;
- DSU holders are credited additional DSUs in an amount equal to the dividends paid on Class A Subordinate Shares of the Company;
- when a DSU Plan participant ceases to be a director for any reason whatsoever, the Company pays him a lump sum in cash equal to the number of DSUs credited to his account on the termination date multiplied by the value of the DSUs on the termination date less tax withholdings. The value of each DSU on the termination date is equal to the average closing price of Class A Subordinate Shares of the Company on the TSX for the 5 trading days preceding the termination date;
- under no circumstances are DSUs considered Shares of the Company and, in that regard, they do not entitle their holder to the rights normally conferred on shareholders of the Company.

DIRECTOR COMPENSATION TABLE The following table shows all components of the compensation paid to the directors during the last financial year of the Company.

		All other compensation		
Name	**Fees (1) *($)***	**Dividends DSU *($)***	**Other *($)***	**Total *($)***
Pierre Brunet	87,275	—	—	87,275
Marc DeSerres	83,025	3,099	—	86,124
Claude Dussault	84,650	3,520	—	88,170
Serge Ferland	58,775	4,256	1,110 (2)	64,141
Paule Gauthier	76,025	2,639	—	78,664
Paul Gobeil	57,900	1,778	9,528 (3)	69,206
Christian W.E. Haub	70,900	2,158	—	73,058
Michel Labonté	75,025	1,563	—	76,588
Pierre H. Lessard	450,000	1,609	44,873 (4)	496,482
Marie-José Nadeau	83,025	1,177	—	84,202
Réal Raymond	64,900	816	—	65,716
Michael T. Rosicki	43,250	94	—	43,344
Bernard A. Roy	64,775	—	778 (2)	65,553

(1) The fees are paid in cash, Shares or DSUs as elected by the director. For further details, see the following table.

(2) The amounts represent life insurance premiums paid by the Company for directors who were in office before October 1, 1999. The Company no longer pays any premium for any individual who became a director after that date.

(3) The other compensation components for Mr. Paul Gobeil consist of an amount of $778 as life insurance premium paid by the Company since Mr. Gobeil was a director prior to October 1, 1999 as well as an amount of $8,750 paid by the Company to Mr. Gobeil as he sits on various pension committees as the pensioners' representative.

(4) The other compensation components for Mr. Pierre H. Lessard were granted to Mr. Lessard in his capacity of Executive Chairman of the Board and consist of car rental fees in an amount of $20,154, financial consultants' fees in an amount of $19,455 and insurance (life and health) premiums paid by the Company in an amount of $5,264.

DIRECTOR COMPENSATION PAYMENT TABLE The following table shows how the fees earned by the directors during the 2009 financial year have been paid.

Name	Payment in cash *($)*	Payment in shares[1] *($)*	Payment in DSUs *($)*	Fees *($)*
Pierre Brunet	43,725	43,550	—	87,275
Marc DeSerres	41,513	—	41,512	83,025
Claude Dussault	16,481	—	68,169	84,650
Serge Ferland	—	—	58,775	58,775
Paule Gauthier	38,013	—	38,012	76,025
Paul Gobeil	43,425	—	14,475	57,900
Christian W.E. Haub	—	—	70,900	70,900
Michel Labonté	29,250	—	45,775	75,025
Pierre H. Lessard	337,500	—	112,500	450,000
Marie-José Nadeau	62,269	—	20,756	83,025
Réal Raymond	19,125	—	45,775	64,900
Michael T. Rosicki	11,850	—	31,400	43,250
Bernard A. Roy	48,638	16,137	—	64,775

(1) *The shares are purchased on the market.*

INCENTIVE PLAN AWARDS

OUTSTANDING SHARE-BASED AWARDS The following table shows, with respect to each director, as at September 26, 2009, the share-based awards under the DSU Plan, which have not yet vested.

	Share-based awards	
	Number of shares or share units not yet vested [1]	Market or payout value of Share-based awards that have not yet vested [2] *($)*
Name	DSUs	
Pierre Brunet	—	—
Marc DeSerres	6,497	225,641
Claude Dussault	7,566	262,767
Serge Ferland	8,984	312,014
Paule Gauthier	5,448	189,209
Paul Gobeil	3,608	125,306
Christian W.E. Haub	5,283	183,479
Michel Labonté	3,724	129,335
Pierre H. Lessard	4,959	172,226
Marie-José Nadeau	2,555	88,735
Réal Raymond	2,332	80,990
Michael T. Rosicki	853	29,625
Bernard A. Roy	—	—

(1) *These awards have been granted solely as payment for the fees earned by the directors. The DSU awards include, however, additional DSU granted to cover dividends paid on Class A Subordinate Shares of the Company.*
(2) *Based on the closing price on September 25, 2009: $34.73.*

There are no option-based awards.

CORPORATE GOVERNANCE

The Board of Directors believes that good corporate governance is essential and the Company subjects its directors, senior executives and employees to a rigorous code of ethics.

The Company intends to comply as much as possible with the guidelines adopted by the Canadian Securities Administrators and with the standards of other regulatory bodies. The statement of the Company's corporate governance practices is set out in Exhibit A to this Circular. Additional information on the Board of Directors and its committees is set out in the following sections.

DESCRIPTION OF BOARD COMMITTEES AND THEIR MANDATES The Board currently has 4 standing committees.

The Executive Committee has the same powers as the Board of Directors, save for certain exceptions provided for in the legislation or the Company's by-laws. It consists of 7 members: 4 non-independent directors (including the Committee Chairman) and 3 independent directors. Unless specifically instructed otherwise by the Board, the Executive Committee has decision-making authority. The Executive Committee did not meet during the 2009 financial year.

The Human Resources Committee has the mandate to approve or, as the case may be, recommend to the Board corporate policies respecting the management of human resources, compensation and ethics. It makes recommendations to the Board as to the appointment of the President and Chief Executive Officer and senior executives and evaluates their performance. It also makes recommendations to the Board regarding the compensation of the President and Chief Executive Officer, all stock option and PSU grants and approves the compensation of senior officers. It examines and approves the objectives of the Company relevant to the compensation of the President and Chief Executive Officer. Each year, the Committee reviews the plan for the succession of the President and Chief Executive Officer, the senior officers and other executives. It also ensures the follow-up of the action plans and makes appropriate recommendations to the Board.

The Committee ensures that the policies and procedures regarding ethical standards governing various transactions conducted by senior executives and managers in general are being applied. The Committee receives and examines the reports regarding pension funds from Management and the Company's pension committees and, in turn, reports on a yearly basis to the Board of Directors on such matters. It reviews executive compensation disclosure before it is made public in annual disclosure documents. In the performance of its mandate, the Committee may engage and compensate any outside advisor that it determines to be necessary. This Committee has 4 members, all of whom are independent directors. The Committee met 4 times during the 2009 financial year.

The mandate of the Audit Committee can be found in Exhibit B to this Circular. That mandate was changed during the 2009 financial year to update it and make it conform to best practices overall. The composition of the Committee is described in the section entitled "Information on the Audit Committee" of this Circular. The Committee met 5 times during the 2009 financial year.

The Corporate Governance and Nominating Committee's mandate is to develop and monitor the Company's approach to corporate governance and to prepare the annual disclosure required in this regard. The Committee is responsible for evaluating the efficiency of the Board of Directors, its committees and individual directors. As part of its activities, each year the Committee examines the size and composition of the Board of Directors and makes the necessary recommendations to the Board. The Committee also examines and makes recommendations to the Board with respect to the compensation received by the directors. In so doing, the Committee considers the involvement of the directors, their responsibilities, the risks that they assume and best practices in Canada. The Committee also oversees the application of the rules of ethics to the directors. The Committee is responsible for developing and providing an orientation and education program for new directors as well as a continuing education program for all directors. The Committee receives and rules on requests from directors seeking to engage outside advisors at the Company's expense. The Committee is also responsible for recommending nominees to the Board. In so doing, the Committee must look for nominees with the knowledge, experience, integrity and availability required to perform the duties of director, while ensuring that nominees also meet the selection criteria established from time to time by the Board. The Committee also takes into consideration the competencies and skills the Board, as a whole, should possess and the competencies and skills each existing director possesses. In the performance of its mandate, the Committee may engage and compensate any outside advisor that it deems necessary. The 5 members of the Corporate Governance and Nominating Committee are all independent directors. The Committee met 6 times during the 2009 financial year.

OTHER MATTERS

Management of the Company knows of no other matters to come before the meeting other than those referred to in the Notice of meeting. However, if any other matters which are not known to management should properly come before the meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

ADDITIONAL INFORMATION

Financial information about the Company can be found in the consolidated financial statements and Management's Discussion and Analysis for the most recent financial year of the Company (the "Annual Report"). This Circular as well as the Annual Information Form and the Annual Report are available on SEDAR (www.sedar.com) as well as on the Company's website (www.metro.ca) and the Company will promptly provide a copy of any such document free of charge to shareholders of the Company who send a request in writing to the following address: 11011 Maurice-Duplessis Blvd, Montréal, Quebec, H1C 1V6, to the attention of the Finance Department.

APPROVAL BY THE DIRECTORS

The content and sending of this Management Proxy Circular have been approved by the directors of the Company.

Simon Rivet
Secretary

Montréal, December 9, 2009.

EXHIBIT A

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Canadian Securities Administrators Corporate Governance Guidelines	Observations
BOARD OF DIRECTORS	
1. The board should have a majority of independent directors.	1. The Board of Directors currently consists of a majority of independent directors given that, of the 14 directors currently serving on the Board of Directors, 10 are considered independent directors. In order to determine whether or not a director is independent, the Board analyses information provided by the directors or the nominees by way of a questionnaire. The independent directors are Mesdames Marie-José Nadeau and Paule Gauthier and Messrs. Pierre Brunet, Marc DeSerres, Claude Dussault, Christian W.E. Haub, Michel Labonté, Réal Raymond, Michael T. Rosicki and Bernard A. Roy. Messrs. Pierre H. Lessard, Eric R. La Flèche and Paul Gobeil cannot be considered independent because they were or are senior executives of the Company. Mr. Serge Ferland cannot be considered independent since he is the owner of food stores operating under the Metro banner and therefore has business dealings with the Company. On January 26, 2010, after the annual meeting, if the nominees proposed by the Company are elected, the Board will continue to consist of a majority of independent directors, since 10 of the 14 nominees proposed, that is the above-mentioned directors and Mr. Christian M. Paupe, are considered to be independent directors. A record of the attendance of each director at Board and Committee meetings held since the beginning of the Company's most recently completed financial year is included on page 12 of this Circular.
2. If a director is presently a director of any other reporting issuer, identify both the director and the other issuer.	2. The information concerning the directors sitting on the board of another reporting issuer can be found on pages 7 to 10 of this Circular.
3. The chair of the board should be an independent director.	3. The Executive Chairman of the Board is not an independent director, having held the position of President and Chief Executive Officer of the Company from 1990 to April 2008. In order to ensure that the Board functions in accordance with the best corporate governance practices, the directors have chosen from among themselves Mr. Brunet as an independent Lead Director. The role and responsibilities of the Executive Chairman of the Board as well as those of the Lead Director are described in Exhibit B to this Circular.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
4. The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.	4. At the end of each Board meeting, a meeting with directors who are not members of the management takes place and occasionally, depending on the issues discussed, a meeting of independent directors only also takes place.
BOARD MANDATE 5. The board should adopt a written mandate in which it explicitly acknowledges responsibility for the stewardship of the issuer.	5. The Board of Directors has adopted a mandate in which it acknowledges its stewardship responsibility. The Board's mandate can be found in Exhibit B to this Circular.
POSITION DESCRIPTIONS 6. The board should develop clear position descriptions for the chair of the board and the chair of each board committee. In addition, the board should develop a clear position description for the president and CEO. The board should also develop or approve the goals and objectives that the president and CEO must meet.	6. The Board has adopted a written mandate regarding the duties of the Executive Chairman of the Board, the Lead Director and the Chair of each Board committee. The text of these mandates is attached to this Circular as Exhibit B. The mandate of the President and Chief Executive Officer is described in the Company's general by-laws. Reporting to the Board of Directors, the President and Chief Executive Officer assumes responsibilities that include: directing all the Company's business subject to the powers vested exclusively in the Board of Directors or its committees; without limiting the scope of the foregoing, establishing the objectives, action plans, policies and strategies of the Company and its subsidiaries and, with the approval of the Board of Directors, implementing them; and performing all other duties which may be assigned to him from time to time by the Board of Directors of the Company. At the beginning of every year, the Human Resources Committee approves the objectives for each executive officer, and ensures that these objectives are met.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
ORIENTATION AND CONTINUING EDUCATION	
7. The board should ensure that all new directors receive a comprehensive orientation. All new directors should understand the nature and operation of the issuer's business. The board should provide continuing education opportunities for all directors.	7. There is an education program for new members of the Board of Directors. Pursuant to this program, the new directors are provided with reports on the Company's business operations and internal affairs. The new directors meet with the Executive Chairman of the Board and the President and Chief Executive Officer to discuss the Company's internal workings and its expectations of directors. The Executive Chairman of the Board also informs new directors about the Company's corporate governance practices and, in particular, the role of the Board, its committees and each director. Under this program, the new directors can visit the Company's principal facilities and meet the executive officers. Recognizing that good performance of the Board of Directors depends on its directors being well informed, the Board has had a handbook prepared for all directors which contains relevant documents and information about the Company, including the Information policy and the Code of Ethics of Directors. At every meeting of the Board of Directors, directors have an opportunity to hear presentations by executive officers on various topics regarding the Company's operations. Visits of the Company's facilities and food stores are also organized from time to time for members of the Board of Directors. This year, one information session took place during which specialists informed Board members about the broad long-term trends in the retail business, helping them determine how the Company could position itself regarding such trends. That meeting was followed by a strategic planning session attended by Board members and executives.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
BUSINESS ETHICS	
8. The board should adopt a written code of business conduct and ethics. The code should be applicable to directors, officers and employees of the issuer.	8. The Board has adopted a code of ethics of directors and a code of ethics of executives and employees. These codes are available on SEDAR and on the Company's website (www.metro.ca). They address the issues recommended in National Policy 58-201 of the Canadian Securities Administrators. The Board has also adopted a "Director Resignation Policy" requiring a director to submit his resignation to the Executive Chairman of the Board of Directors, subject to acceptance by the Board, if he no longer meets the legal requirements or those set up by the Board, or if there is a material change in his functions, responsibilities or duties or if he has breached or notes a potential breach to the Directors' Code of Ethics.
9. The board should be responsible for monitoring compliance with the code of ethics. Any waivers from the code that are granted for the benefit of the issuer's directors or executive officers should be granted by the board (or a board committee) only.	9. The Corporate Governance and Nominating Committee is responsible for overseeing compliance with the code of ethics of directors. The Human Resources Committee is responsible for overseeing compliance with the code of ethics which applies to senior executives. No waivers have been sought for directors or senior executives and there are no breaches to report in this respect.
10. The board must ensure that directors exercise independent judgment in considering transactions and agreements in which a director or executive officer has a material interest.	10. The code of ethics of directors provides that: "every director must avoid situations involving a conflict of interest between his or her personal interests and his or her obligations as a director. Every director must disclose to the Board any direct or indirect interest in any organization, business or association that could place the director in a conflict of interest. A director should not participate in any discussion or decision relating to the organization, business or association in which he has such an interest. The director should also withdraw from the meeting for the duration of any discussions and votes on the matter." In addition, "any transaction outside the ordinary course of business between a director and the Company must be submitted to the Corporate Governance and Nominating Committee for its prior approval. If a member of the Committee is concerned, that member should be excluded from the Committee's proceedings and the discussions relating to the matter". Moreover, the code of ethics which applies to executives specifies that "all executives and employees must avoid placing themselves in situations of conflict of interest. Furthermore, their private interests must not conflict with their duties".

Canadian Securities Administrators Corporate Governance Guidelines	Observations
11. The board must take steps to encourage and promote a culture of ethical business conduct.	11. The rules of conduct for employees which can be found in the code of ethics applicable to them entitled “Policy on Conflicts of Interest and Professional Ethics” (the “Policy”) specify, inter alia, that all executives and employees must act with care, honesty, diligence, efficiency, commitment and loyalty to safeguard the Company’s reputation for quality, dependability and integrity. The Policy also requires that employees perform their duties in the best interest of the Company and its shareholders while respecting human rights and the law. In addition, the Policy encourages employees not only to avoid all conflicts of interest in connection with their work but also not to accept gifts unless they constitute a business practice defined in the Policy. Upon being hired, all employees must sign a form confirming that they have read the Policy and undertaking to comply therewith. They also sign a disclosure of private interests form which is renewed at regular intervals. The list of competencies and expectations of directors provides that directors of the Company must act with integrity and respect the highest ethical and fiduciary standards.
NOMINATION OF DIRECTORS 12. The board should appoint a nominating committee composed entirely of independent directors.	12. The Corporate Governance and Nominating Committee is responsible for recommending nominees to the Board for election as directors of the Company. The Committee is made up of 5 directors, all of whom are independent.
13. The nominating committee should have a written charter that clearly establishes the committee’s purpose, responsibilities, member qualifications, member appointment and removal, structure, operations and manner of reporting to the board. In addition, the nominating committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.	13. The Board has adopted a mandate for the Corporate Governance and Nominating Committee and an administrative resolution governing the procedure of all committees. The Committee, pursuant to these documents, assumes all the responsibilities recommended in National Policy 58-201 of the Canadian Securities Administrators and its mandate also provides that the Committee has the authority to engage an outside advisor if necessary. For more details, a summary of the Corporate Governance and Nominating Committee’s mandate can be found on page 31 of this Circular. This summary describes the responsibilities, powers and operations of the Committee.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
14. Prior to nominating or appointing individuals as directors, the board should adopt a process involving the following steps: consider what competencies and skills the board, as a whole, should possess and assess what competencies and skills each existing director possesses.	14. The Board has established and adopted the "List of competencies and expectations of Directors", a copy of which is reproduced in Exhibit B to this Circular. The Corporate Governance and Nominating Committee ensures that the choice of nominees takes into account the competencies and skills that the Board, as a whole, should possess and reports to the Board accordingly. The Corporate Governance and Nominating Committee also has set up a matrix identifying the skills and experience of the directors currently sitting on the Board. This matrix can be found in Exhibit B hereof.
15. The board should also consider the appropriate size of the board, with a view to facilitating effective decision-making by the board.	15. Each year, the Board examines its size and has concluded that it will continue to be effective with 14 members, this size being large enough to permit a diversity of views and staff the committees without being so large as to detract from efficiency.
16. The nominating committee should be responsible for identifying individuals qualified to become new board members and recommending to the board the new director nominees for the next annual meeting of shareholders.	16. The Company's Corporate Governance and Nominating Committee is responsible for identifying and recommending to the Board the new director nominees. In this regard, the Committee maintains an "evergreen" list of potential nominees. Prior to the selection of any new nominee for the position of director, the Executive Chairman of the Board, the President and Chief Executive Officer and the Chairman of the Corporate Governance and Nominating Committee meet with the potential candidate in order to evaluate his competencies and his independence.
17. In making its recommendations, the nominating committee should consider the competencies and skills that the board considers to be necessary for the board, as a whole, to possess and those that the board considers each existing director and new nominee to possess.	17. Members of the Corporate Governance and Nominating Committee ensure that the composition of the Board is such that all required competencies and skills are represented on the Board and that the nominees make up a competent and dynamic team which can carry out the Board of Directors' mandate efficiently.
COMPENSATION	
18. The board should appoint a compensation committee composed entirely of independent directors.	18. The Human Resources Committee is comprised of 4 directors, all of whom are independent.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
19. The compensation committee should have a written charter that establishes the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure, operations and the manner of reporting to the board. In addition, the compensation committee should be given authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.	19. The Board has adopted a mandate for the Human Resources Committee and an administrative resolution governing the procedure of all committees. The Committee, pursuant to these documents, assumes all the responsibilities recommended in National Policy 58-201 of the Canadian Securities Administrators and its mandate also provides that the Committee has the authority to engage an outside advisor if necessary. For more details, a summary of the Human Resources Committee's mandate can be found on page 31 of this Circular. This summary describes the responsibilities, powers and operations of the Committee.
20. The compensation committee should be responsible for: reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining (or making recommendations to the board with respect to) the CEO's compensation level based on this evaluation; making recommendations to the board with respect to non-CEO officer and director compensation, incentive-compensation plans and equity-based plans and reviewing executive compensation disclosure before the issuer publicly discloses this information.	20. These responsibilities are specified in the Human Resources Committee's mandate. The way by which the Board sets the compensation of executives is described under the heading "Executive Compensation" which can be found on pages 14 to 28 of this Circular. Compensation of directors is recommended to the Board by the Corporate Governance and Nominating Committee. In so doing, the Committee considers the involvement of the directors, their responsibilities, the risks that they assume and best practices in Canada.
21. If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.	21. The Human Resources Committee has hired PCI-Perrault Conseil Inc. A description of PCI-Perrault Conseil Inc. mandate may be found under the heading "Information Sources" on page 15 hereof.
OPERATIONS OF THE BOARD OF DIRECTORS 22. Identify the standing committees of the board other than the audit, nominating and compensation committees, and describe their function.	22. The standing committees of the Board are the Executive Committee, the Human Resources Committee, the Audit Committee and the Corporate Governance and Nominating Committee. The powers of these committees are described on page 31 of this Circular, except for the mandate of the Audit Committee, which can be found in Exhibit B to this Circular.

Canadian Securities Administrators Corporate Governance Guidelines	Observations
23. The board, its committees and each individual director should be regularly assessed regarding his, her or its effectiveness and contribution.	23. The Corporate Governance and Nominating Committee is responsible for overseeing the Company's corporate governance matters. Each year, the Committee sends a questionnaire to each member of the Board to assess the effectiveness of the Board as a whole, its committees and each member of the Board and reports its findings to the Board. Each year, the Committee ensures that the mandate of each committee of the Board is being carried out. The assessment also deals with the way the Executive Chairman of the Board and the committee chairs fulfill their duties. The individual assessment of each member of the Board is made using a two-part questionnaire which is completed by each director. The first part is a performance analysis of the directors by each director and the second part is a self-assessment. This assessment is completed by meetings between the Executive Chairman of the Board and each director. The answers to the questionnaires are compiled and analyzed by an independent firm so that this process can be performed in an impartial manner. The results of this analysis are given to the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee Chair presents the full report on the analysis results to the Board of Directors. In light of this analysis, the Corporate Governance and Nominating Committee and the Board assess the need for changes to the make-up of the Board and its committees or to their chairs. Following the Corporate Governance and Nominating Committee's analysis of the report, management is advised of the recommendations for improvements that relate to it, in particular with regard to training and development programs for directors that require management involvement.

EXHIBIT B

MANDATE OF THE AUDIT COMMITTEE

1. OBJECTIVES OF THE COMMITTEE AND GENERAL SCOPE OF RESPONSIBILITIES OF THE PARTIES:

1.1. The objectives of the Committee are to review the adequacy and effectiveness of the actions taken by the various parties herein involved to discharge themselves of their responsibilities herein described and to assist the Board in its oversight of:

- 1.1.1 the integrity of the Company's financial statements;
- 1.1.2 the internal and external auditor qualifications and independence;
- 1.1.3 the performance of the Company's internal audit function and external auditor;
- 1.1.4 the effectiveness of internal controls;
- 1.1.5 the Company's compliance with legal and regulatory requirements; and
- 1.1.6 the identification of the material risks that may affect the Company and the implementation of appropriate measures to manage such risks.

1.2. Management is responsible for:

- 1.2.1 the preparation, presentation and integrity of the Company's financial statements and for maintaining appropriate accounting policies and internal controls and procedures designed to ensure compliance with accounting standards and applicable laws and regulations; and
- 1.2.2 identifying the material risks and putting in place appropriate measures allowing to manage such risks.

1.3. The external auditor is responsible for auditing the Company's annual financial statements and reviewing the Company's quarterly financial statements.

1.4. The internal auditor is responsible, by bringing a systematic and disciplined approach, for evaluating and improving the effectiveness of the Company's risk management and control processes.

2. SCOPE OF MANDATE

The responsibilities of the Committee extend to Metro Inc., its subsidiaries and their divisions. In this mandate, the word «Company» refers to Metro Inc., its subsidiaries and their divisions.

3. COMPOSITION AND ORGANIZATION

3.1 The Committee is composed of a minimum of 3 and a maximum of 6 members of the Board of Directors who are all independent directors. All members must be financially literate.

3.2 At any time, the Committee may communicate directly with the external auditor, the internal auditor or the management of the Company.

4. SPECIFIC RESPONSIBILITIES

The Audit Committee must periodically inform the Board about its work and advise it about its recommendation.

4.1 Financial Information

- 4.1.1 The Committee reviews, before their public disclosure, the audited annual and interim financial statements, the MD&A and all press releases relating to the financial statements.
- 4.1.2 The Committee reviews with the management of the Company and the external auditor the choice of accounting policies and its justification as well as the various estimates made by management which may have a significant impact on the financial position.

4.1.3 The Committee ensures that adequate procedures are in place for the review of the Company's disclosure to the public of information extracted or derived from the Company's financial statements, other than the information covered by paragraph 4.1.1 hereof, and periodically assesses the adequacy of such procedures.

4.1.4 The Committee reviews, before they are released, any prospectus relating to the issuance of securities by the Company, the Annual Information Form and the Management Proxy Circular.

4.2 Internal Control

4.2.1 The Committee verifies that Company Management has implemented mechanisms in order to comply with regulations on internal controls and financial reporting.

4.2.2 Every quarter and every fiscal year, the Committee reviews with Company Management the conclusions of the work supporting the certification letters to be filed with the authorities.

4.2.3 The Committee reviews with the Company Management all material weaknesses and significant deficiencies identified pertaining to internal controls and financial reporting, as well as any fraud, and the corrective measures implemented.

4.3 Internal Audit

4.3.1 The Committee examines the appointment, replacement, reassignment or dismissal of the Senior Director of the Internal Audit Department and reviews the mandate, annual audit plan, and resources of the internal audit function.

4.3.2 The Committee meets the Senior Director of the Internal Audit Department to review the results of the internal audit activities, including any significant issues reported to management by the internal audit function and management's responses and/or corrective actions.

4.3.3 The Committee reviews the performance, degree of independence and objectivity of the internal audit function and adequacy of the internal audit process.

4.3.4 The Committee reviews with the Senior Director of the Internal Audit Department any issues that may be brought forward by him, including any difficulties encountered by the internal audit function, such as audit scope, access to information and staffing restrictions.

4.3.5 The Committee ensures the effectiveness of the coordination between the internal audit and the external audit.

4.4 External Audit

4.4.1 The Committee has the authority and the responsibility to recommend to the Board of directors: i) the appointment and the revocation of any public accounting firm engaged for the purpose of preparing or issuing an audit report, or performing other audit, review or certification services (collectively the "external auditor"); and ii) the compensation of the external auditor.

4.4.2 The external auditor communicates directly with the Committee. The Committee reviews the reports of the external auditors which are sent to it directly. The Committee also monitors all the work performed by the external auditors, its audit plans and the results of its audits.

4.4.3 The Committee discusses with the external auditors, by means of meetings, problems encountered during the audit, including the existence, if applicable, of restrictions imposed by the management of the Company or areas of disagreement with the latter about the financial information and ensures that such disagreements are resolved.

4.4.4 The Committee, or one or more of its members to whom it has delegated authority, pre-approves non-audit services that are assigned to the external auditors. The Committee may also adopt policies and procedures concerning the pre-approval of non-audit services that are assigned to the external auditors. It monitors the fees paid with respect to such mandates.

4.4.5 The Committee makes sure that the external auditor has obtained the cooperation of the employees and officers of the Company.

4.4.6 The Committee examines the post-audit letter or the recommendation letter of the external auditor as well as the reactions of management and management's response to the deficiencies observed.

4.4.7 The Committee examines the qualifications, performance and independence of the external auditor and ensures that the audit report accompanying the financial statements is issued by an audit firm that is a participant in the program of the Canadian Public Accountability Board and that the firm respects any sanctions and restrictions imposed by this Board. The Committee takes into account the opinions of management and the Company's internal auditor in assessing the qualifications, performance and independence of the external auditor.

4.4.8 The Committee reviews and approves the Company's hiring policy concerning (current and former) partners and (current and former) employees of the (current and former) external auditor.

4.4.9 At least, once a year, the external auditor reports to the Committee about: i) the external auditor's internal quality-control procedures; ii) its inscription as a duly registered participant of the Canadian Public Accountability Board ("CPAB") and whether it holds proper authority to audit Canadian issuers; and iii) the evaluation of the quality of its work via an in camera session with the Quebec Managing Partner or his representative.

4.5 Miscellaneous

4.5.1 The Committee establishes procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and to preserve confidentiality and the protection of the anonymity of persons who may file such complaints.

4.5.2 The Committee has the authority to engage any advisor it deems necessary in order to help it in the performance of its duties, and to set the compensation of such advisor as well as to obtain from the Company the funds necessary to pay such compensation.

4.5.3 The Committee analyses the conditions surrounding the departure or appointment of the officer responsible for finance and any other key financial executive who participates in the financial information process.

4.6 Compliance with legal and regulatory requirements

4.6.1 The Committee reviews the reports received from time to time regarding any material legal or regulatory issues that could have a significant impact over the Company's business.

4.7 Risk Management

4.7.1 The Committee reviews the material risks identified by Company Management. The Committee examines the effectiveness of the measures put in place to manage these risks by questioning the management of the Company regarding how risks are managed as well as obtaining opinions from management regarding the degree of integrity of the risk mitigation systems and acceptable thresholds.

4.7.2 The Committee reviews on a regular basis the management policies regarding material risks recommended by Company Management and obtains from the management of the Company on a regular basis reasonable assurance that the Company's risk management policies for material risks are being adhered to. The Committee also reviews reports on material risks, including financial hedging activities and environment.

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors is elected by the shareholders and is responsible for the management of the affairs of the Company in all respects.

CORPORATE GOVERNANCE The Board of Directors is responsible for ensuring that the Company is properly governed and that the relevant corporate governance guidelines are complied with. Among other matters, consistent with the corporate governance guidelines of the Canadian Securities Administrators, the Board of Directors assumes special responsibility for the following five matters, either directly or through one of its committees: the adoption of a strategic planning process for the Company and its subsidiaries at least once a year which takes into consideration, if need be, any opportunities and risks of the Company; the identification of the principal risks associated with the Company's activities and the implementation of appropriate systems to manage these risks; the appointment, training, evaluation, supervision and compensation of senior management as well as succession planning; a communication policy with shareholders and the public at large; and the integrity of the Company's internal control and management information systems.

IMPORTANT DECISIONS In addition to decisions requiring the Board's approval pursuant to the law or the Company's articles and by-laws, the Board or its Executive Committee makes all important decisions with regard to, among other matters, major investments, divestitures of significant assets and major labour relations issues.

RULES OF ETHICS The Board of Directors sees that rules of ethics are established for the directors, officers and employees of the Company and that adequate procedures are put in place in order to ensure compliance with such rules of ethics.

INTERNAL GOVERNANCE The Board of Directors recommends to the shareholders the nominees proposed to be elected as directors, approves the compensation and indemnities of directors and is responsible for succession planning at the Board level. The Board determines the expectations and responsibilities of directors. The Board of Directors reviews its own effectiveness as well as that of the committees of the Board and of individual directors.

COMMITTEES The Board of Directors creates the committees which are considered advisable for the performance of the Board's duties and responsibilities.

MANAGEMENT Management is responsible for the day-to-day management of the Company's operations. The Board approves the general goals for the Company which management is responsible for meeting.

The Board's main expectations of management are the protection of the Company's interests and the long term maximization of the shareholders' investment, while striking a proper balance between the short and medium term goals, as well as the interests of the employees, the customers and the partners of the Company.

MANDATE OF THE EXECUTIVE CHAIRMAN OF THE BOARD OF DIRECTORS

The mandate of the Executive Chairman of the Board of Metro Inc. sets out the responsibilities of the Executive Chairman of the Board and what is expected of him. These responsibilities and expectations are in addition to the Executive Chairman of the Board's responsibilities pursuant to legislation. The Executive Chairman of the Board shall also have the responsibilities and powers assigned to the Chairman of the Board pursuant to the Company's articles and by-laws as well as those which may be specifically assigned to the Executive Chairman of the Board from time to time by the Board of Directors.

The Executive Chairman of the Board of Metro Inc. has the following responsibilities:

EFFECTIVENESS OF THE BOARD

- He ensures that the members of the Board of Directors work as a team, in an effective and productive manner, and he demonstrates the necessary leadership to achieve this objective;
- He ensures that the Board of Directors has the administrative support necessary to perform its work;
- He ensures that the directors receive the appropriate information to perform their duties.

MANAGEMENT OF THE BOARD

- He ensures that the Board of Directors fulfills its mandate;
- He chairs the meetings of the Board of Directors and those of the external directors;
- He establishes with the President and Chief Executive Officer the agenda for each meeting of the Board of Directors;
- He takes the necessary measures so that the meetings of the Board of Directors are effective and productive and that an appropriate period of time is set aside to study and consider each item on the agenda;
- Once the potential nominees for the position of director of the Company have been identified by the Corporate Governance and Nominating Committee, he meets with such nominees to explore their interest and aptitude to sit on the Company's Board of Directors;
- When he deems it appropriate, he attends the meetings of Board committees and gives his comments and advice to members of these committees, as needed.

SENIOR EXECUTIVES, SHAREHOLDERS AND OTHER STAKEHOLDERS OF THE COMPANY

- He fosters a strong working relationship between the Board of Directors and senior management. Specifically, he periodically meets with the President and Chief Executive Officer to discuss issues relating to governance and the Company's results, and keeps him informed of any comments and advice of directors;

- He acts in an advisory capacity to the President and Chief Executive Officer and to the other senior management members on all matters concerning the interests and management of the Company;

- He chairs the meetings of shareholders;

- He and the President and Chief Executive Officer foster strong relationships between the Company and key stakeholders including investors, shareholders, general industry and the community;

- He participates in the strategic development of the Company.

MANDATE OF THE LEAD DIRECTOR

The mandate of the Lead Director of Metro Inc. sets out the responsibilities of the Lead Director and what is expected of him. These responsibilities and expectations are in addition to the Lead Director's responsibilities pursuant to the legislation as well as those which may be assigned to him from time to time by the Board of Directors of Metro Inc.

The Lead Director of Metro Inc. has the following responsibilities:

- He provides independent leadership to the Board of Directors to ensure that the Board functions independently of management of the Company;

- he works with the Executive Chairman of the Board to facilitate the proper functioning and effectiveness of the Board of Directors;

- he chairs the meetings of independent directors;

- he serves as communication channel between the independent directors and the Executive Chairman of the Board of Directors and senior management;

- he brings support to the Corporate Governance and Nominating Committee in the process of assessing the effectiveness of the Board of Directors.

MANDATE OF COMMITTEE CHAIRMEN

The mandate of the chairmen of Metro Inc. Board committees sets out the responsibilities of each committee chairman and what is expected of him. The chairman of a committee has the following responsibilities:

EFFICIENCY OF THE COMMITTEE

- He ensures that the members of the committee work as a team, in an effective and productive manner, and demonstrates the necessary leadership to achieve this objective;

- he ensures that the committee has the administrative support necessary to perform its work;

- he ensures that the directors receive the appropriate information to perform their duties.

MANAGEMENT OF THE COMMITTEE

- He ensures that the committee fulfills its mandate;
- he chairs the meetings of the committee;
- he establishes with the Chairman of the Board and the President and Chief Executive Officer the agenda for each meeting of the committee;
- he takes the necessary measures so that the meetings of the committee are effective and productive and an appropriate period of time is set aside to study and consider each item on the agenda;
- each committee chairman periodically provides the Board with a report on the work and all the decisions or recommendations of the committee.

LIST OF COMPETENCIES AND EXPECTATIONS OF DIRECTORS

The directors of Metro Inc., who represent a variety of business sectors, must each have the necessary competencies to promote the interests of all the shareholders of the Company and ensure that the Board of Directors works effectively and productively. This document constitutes a non-exhaustive list of the personal competencies and values which the directors of the Company should demonstrate as well as of the expectations with respect to such directors.

1. BACKGROUND AND EXPERIENCE The directors of the Company must have superior experience, knowledge, competencies and a background which will allow them to make a significant contribution to the Company's Board of Directors and its committees.

2. INTEGRITY AND ACCOUNTABILITY The directors of the Company must show integrity and respect the highest ethical and fiduciary standards, in particular those set forth in the code of ethics of the Company's directors.

3. KNOWLEDGE The directors of the Company must have the appropriate knowledge to fulfill their duties well. Specifically, they must fully understand their role and duties and be able to read financial statements as well as understand the use of financial ratios and other measures of the Company's performance. They must also continually expand their knowledge of the Company's operations and the major trends in the business sector in which the Company operates.

4. CONTRIBUTION The directors of the Company must significantly contribute to the proceedings and work of the Board and its committees including by expressing their point of view in an objective, logical and persuasive manner. They must be able to propose new ideas while keeping in mind the strategies of the Company and objectives that it must achieve.

5. TEAMWORK The directors of the Company must work as a team in an effective and productive manner. They must show respect for others, specifically by listening to and taking the points of view of others into consideration.

6. AVAILABILITY, PREPARATION AND ATTENDANCE AT MEETINGS The directors of the Company must be sufficiently available to fulfill their role properly. They must also adequately prepare themselves for all meetings of the Board and its committees and attend such meetings, except in exceptional circumstances.

7. ADVICE The directors of the Company must exercise judgment based on sound information and solid reasoning as well as be able to provide wise and thoughtful advice on a wide range of issues;

8. VISION AND STRATEGY The directors of the Company must always act in the best interests of the Company, of all its shareholders and all its stakeholders. To do so, they must have perspective and be able to think strategically. They must be able to anticipate future consequences and trends.

DIRECTOR'S SKILLS AND EXPERIENCE MATRIX

Name of Current Directors / Skills and Experience	P. Brunet	M. DeSerres	C. Dussault	S. Ferland	P. Gauthier	P. Gobeil	C. W. E. Haub	M. Labonté	E. R. La Flèche	P. H. Lessard	M.-J. Nadeau	R. Raymond	M. T. Rosicki	B. A. Roy
CEO / Senior Officer	■	■	■	■		■	■	■	■	■	■	■	■	
Financial Expert	■					■		■		■		■		
Government / Public Sector						■		■			■			■
Human Resources / Compensation	■		■		■		■		■	■		■	■	■
Information Technologies		■	■					■						
Large Corporation	■		■		■	■	■	■	■	■	■	■	■	
Legal					■				■		■			■
Marketing		■	■	■		■			■	■	■		■	
Prior or current Board Experience with other public companies	■		■		■	■	■	■		■	■	■	■	■
Real Estate		■					■		■	■				
Retail Business / Food Business		■		■		■	■		■	■			■	

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