metro

Notice of 2023 Annual General Meeting of Shareholders and Management Proxy Circular

Contents

For more information regarding how to vote your shares, please refer to pages 4 to 8 of this Circular. Please vote early to ensure that the voting rights associated to your shares are exercised during the Meeting. TSX Trust Company, our transfer agent, must have received your vote by 5:00 p.m. (Eastern Standard Time), on January 20, 2023.

Detailed voting instructions are provided on page 4 of this Circular. Your vote is important.

Shareholder voting matters and voting recommendations

Election of 12 Directors The Board of Directors and management recommend voting **FOR each nominee.** More information on page 9	**Appointment of Ernst & Young LLP, as external auditors** The Board of Directors and management recommend voting **FOR the appointment of the external auditors.** More information on page 9	**Advisory resolution on executive compensation** The Board of Directors recommends voting **FOR the advisory resolution.** More information on page 10
Approving the replenishment of the share reserve for the Company's Stock Option Plan and the amendments to this Plan The Board of Directors and management recommend voting **FOR the replenishment of the share reserve for the Company's Stock Option Plan and the amendments to this Plan.** More information on page 10	**Shareholder Proposals** The Board of Directors and management recommend voting **AGAINST each shareholder proposal.** More information on page 11	

Forward-Looking Information

Throughout this Circular, different statements have been used that could, within the context of the regulations issued by the Canadian Securities Administrators, be construed as being forward-looking information. In general, any statement contained in this Circular which does not constitute a historical fact may be deemed a forward-looking statement. Expressions such as “continues”, “will”, “intends”, “considers”, “should”, “expects”, “plans”, “believes”, “projected”, “aimed” and other similar expressions as well as the use of the future or conditional tense are generally indicative of forward-looking statements.

The forward-looking statements contained in this Circular are based upon certain assumptions that we believe were reasonable as of December 9, 2022 regarding the Canadian food and pharmacy industries, the economy in general, our annual budget as well as our 2023 action plan and financial results for fiscal 2022.

Risk factors that could cause actual results or events to differ materially from our expectations as expressed in, or implied by, our forward-looking statements are described and discussed under the “Risk Management” section on pages 29 to 33 of the Corporation’s 2022 Management’s Discussion and Analysis and Consolidated Financial Statements (the “2022 Annual Report”). As with the preceding risks, the COVID-19 pandemic constitutes a risk that could have an impact on the business, operations, projects, synergies and performance of the Company as well as on the forward-looking statements contained in this document.

The forward-looking statements contained in this Circular do not provide any guarantee as to the future performance of the Company and are subject to potential known and unknown risks, as well as uncertainties that could cause our financial position, financial performance, cash flows, business or reputation to differ significantly. Additional risks and uncertainties that we currently deem to be immaterial may also prove to have a material adverse effect. The Company believes these statements to be reasonable and relevant at the date of publication of this Circular and to represent its expectations. The Company does not intend to update any forward-looking statement contained herein, except as required by applicable law.

Notice of 2023 Annual General Meeting of Shareholders

When

Tuesday, January 24, 2023 at 10:00 a.m. (Eastern Standard Time)

Where

Virtually via a live webcast at https://web.lumiagm.com/491023039

Business of the Meeting

1. receiving the Consolidated Financial Statements of the Company for the financial year ended September 24, 2022 and the report of the independent auditors thereon;
2. electing directors;
3. appointing auditors;
4. considering and, if deemed appropriate, passing an advisory resolution on the Corporation's approach to executive compensation as described on page 10 of the Management Proxy Circular (the "Circular");
5. considering, and if deemed appropriate, passing an ordinary resolution approving the replenishment of the share reserve for the Company's Stock Option Plan and amending such Stock Option Plan as described on page 10 of the Circular;
6. considering and voting on the shareholder proposals set forth in Exhibit C on pages 62 and following of the Circular; and
7. transacting such other business as may properly be brought forward at the Meeting.

The holders of common shares of record at the close of business (Eastern Standard Time) on December 2, 2022 are entitled to receive notice of, to attend and to vote at this Meeting.

Documents related to the Meeting

METRO INC. has decided to use the Notice and Access rules adopted by the Canadian Securities Administrators to reduce the volume of paper with respect to materials distributed for the purpose of the Meeting. Instead of receiving the Circular, shareholders will receive a Notice of Meeting with instructions on how to access the remaining Meeting materials online together with the form of proxy or voting instruction form, as the case may be. The Circular and other relevant materials are available on SEDAR (sedar.com) or on the Company's corporate website (corpo.metro.ca/en/investor-relations/annual-general-meeting.html). Shareholders are advised to review the Meeting materials prior to voting. Any shareholder who wishes to receive a paper copy of the Meeting materials may, at no cost, request such printed copies by calling our proxy solicitation agent TMX Investor Solutions Inc. toll-free at 1 800 246-2916, if you are in North America, or at 1 201 299-4572, if you are outside North America, or by emailing your request to info_TMXIS@tmx.com.

If a paper copy of the Meeting materials is required, we recommend sending the request as soon as possible, and ideally before January 12, 2023, in order to allow shareholders sufficient time to receive and review said Meeting materials and return the form of proxy or voting instruction form in the prescribed time.

Note:

The holders of common shares who are unable to attend the Meeting are requested to proceed according to the instructions provided in the Circular, and to return the form of proxy or voting instruction form at their earliest convenience, but before 5:00 p.m. (Eastern Standard Time) on January 20, 2023.

Shareholders may register and log into the live webcast platform as of 9:00 a.m. (Eastern Standard Time) on January 24, 2023. We would appreciate your early registration so that the Meeting may start promptly at 10:00 a.m. (Eastern Standard Time).

By order of the Board of Directors,

Simon Rivet
Corporate Secretary
Montréal, Québec
December 9, 2022

Summary

Board of Directors highlights

12 Board size	**7.3 years** Average tenure	**96.73%** Approval of the "say on pay" at the 2022 Annual General Meeting
75% Percentage of independent Board members	**33%** Percentage of Board members who identify as being a woman	**1** Board member who identifies as being a member of a visible minority

Director nominees

Name	Independent	First appointed	Committees	2022 meeting attendance	2022 voting results	Other public boards
L.A. Beausoleil	Yes	2022	Audit	75%	99.97%	CAPREIT, Slate Office REIT
M. Bertrand	Yes	2015	Governance (C), HR	100%	99.37%	Gildan Activewear Inc., National Bank of Canada
P. Boivin	Yes	2019	Governance	100%	99.82%	National Bank of Canada
F.J. Coutu	No	2018	—	100%	99.76%	—
M. Coutu	No	2018	—	100%	99.76%	—
S. Coyles	Yes	2015	Audit, Governance	100%	99.81%	Corus Entertainment Inc., Sun Life Financial Inc.
R. Goodman	Yes	2012	Audit (C), Governance	100%	97.87%	Gildan Activewear Inc., Northland Power Inc.
M. Guay	Yes	2016	Audit, HR (C)	100%	99.63%	Boston Pizza Royalties Income Fund
C. W.E. Haub	Yes	2006	HR	100%	98.71%	—
E. R. La Flèche	No	2008	—	100%	99.80%	Bank of Montreal
C. Magee	Yes	2016	Governance, HR	100%	99.76%	Sleep Country Canada Holdings Inc., TELUS Corporation
B. McManus	Yes	2021	Audit, HR	100%	99.67%	Uni-Select Inc.

Highlights of governance practices

Engaged and diverse Board

- 75% of our directors are independent
- 33% of directors identify as women, meeting minimal target of 30%
- One (1) director identifies as being a member of a visible minority
- Directors are required to hold a minimum of three (3) times their annual base retainer in common shares and/or DSUs
- Shareholder Engagement Policy
- Meetings with some of the main shareholders of the Company
- Rigorous Board succession planning

Best practices and policies

- Separation of the roles of CEO and Chair of the Board
- Only independent directors sit on Board Committees
- Director Code of Ethics
- Annual Director election
- Majority Voting Policy
- Overboarding Policy
- Annual advisory vote on executive compensation

Strong oversight

- Board oversight of ESG matters, including the approval of all Corporate Responsibility Plans
- Board oversight on management succession planning
- Board oversight on cybersecurity
- Strong annual assessment of Board and Director effectiveness including one-on-one meetings between individual directors and the Chair of the Board
- Regular continuing education sessions for Directors

Corporate responsibility highlights

Diversity targets for the representation of women

- 30% of Board members
- 30% of senior management by 2026
- 35% of management by 2026

Board accountability

The Governance and Corporate Responsibility Committee is responsible for the oversight of the Company's activities and disclosure with regards to corporate responsibility, including ESG matters. The Board of Directors approves corporate responsibility plans and reports.

Our corporate responsibility priorities

- Implement responsible procurement practices that protect biodiversity, encourage local sourcing and safeguard human rights.
- Promote and enhance the health, nutrition and well-being of our customers.
- Reduce our footprint by using less packaging, choosing environmentally responsible materials, and facilitating their recovery and recycling.
- Address climate change through the reduction of our greenhouse gas emissions.
- Avoid sending waste generated by our activities to landfills.
- Limit food waste by ensuring that food waste generated by our activities is not thrown away as long as it is safe for consumption.
- Create an equitable, diverse and inclusive workplace that reflects our customers.
- Help reduce social inequities by contributing to the well-being of communities and generating sustainable benefits.

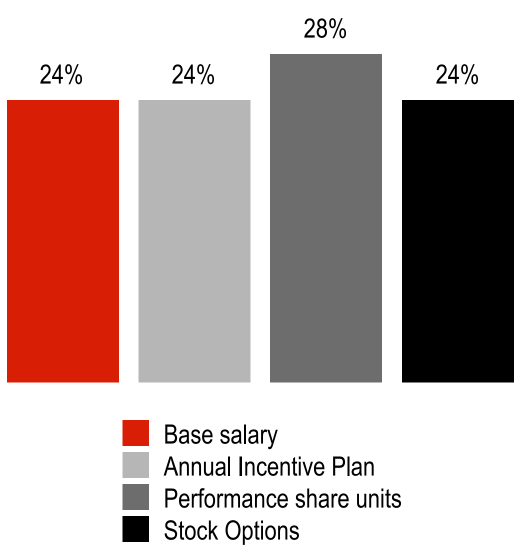
2022 business highlights

Results	$18,888.9 million Sales	$849.5 million Net earnings	$922.1 million Adjusted net earnings(1)	$3.51 Fully diluted net earnings per share	$3.82 Adjusted fully diluted net earnings per share(1)
Change from fiscal 2021 (%)	+3.3	+2.9	+7.9	+5.4	+11.0

(1) These measures are presented for information purposes only. They do not have standardized meanings under the International Financial Reporting Standards (IFRS) and therefore may not be comparable to similar measures presented by other public companies. For more information on adjusted net earnings and adjusted fully diluted net earnings per share, please refer to the "Operating results" and the "Non-GAAP and other financial measurements" sections of the 2022 Annual Report dated December 9, 2022, which is incorporated by reference herein and is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

Executive compensation

CEO pay structure for fiscal 2022



Executive compensation highlights

- 76% of CEO compensation is at risk (65% for the other NEOs).
- At-risk compensation is predominantly linked to the Company's financial results.
- Approval of the Human Resources Committee or the Board of Directors is required before payment of any sums under the Annual Incentive Plan.
- Amounts payable under the Annual Incentive Plan are capped.
- Minimum shareholding (in Shares and PSUs) requirements have been established for executive officers and other members of management.
- Hedging is not permitted.
- Compensation clawback in the event of restatement or misconduct.
- Option and PSU grants are limited to a set number under an established policy.
- PSUs vest generally over a period of three (3) years and stock options vest over a period of five (5) years, starting two (2) years after the grant.

1. Voting information

This Management Proxy Circular (the "Circular") is provided in connection with the solicitation of proxies for the Annual General Meeting of Shareholders (the "Meeting") of METRO INC. (the "Company", "METRO" or "we") to be held on **Tuesday, January 24, 2023**, at the place and time and for the purposes set forth in the enclosed notice of said Meeting (the "Notice of Meeting"), and all adjournments and postponements thereof.

The proxy is being solicited by the management of the Company. The solicitation will be made primarily by mail, but the directors, officers and employees of the Company may also solicit proxies by telephone, by fax, over the Internet, through advertisements or in person. The Company will also retain the services of other parties to solicit proxies, in particular TMX Investor Solutions Inc. The solicitation costs will be at the expense of the Company, including any costs in connection with the services provided by TMX Investor Solutions Inc. which are estimated at approximately $35,500.

In addition, the Company will, upon request, reimburse brokers and nominees for expenses reasonably incurred for forwarding voting instruction forms and accompanying material to beneficial owners of common shares of the Company.

1.1 How to vote

Holders of shares of record at the close of business in Montréal (Québec), on December 2, 2022 (the "Record Date") will be entitled to attend the Meeting and any adjournment or postponements thereof and exercise the voting rights attached to their shares.

You are either a registered shareholder or a non-registered shareholder. You can vote in both cases, but the voting instructions vary depending on your status, as described below. The Company's transfer agent is TSX Trust Company ("TSX Trust").

Registered shareholders	Non-registered shareholders
You are a registered shareholder if your name appears on a share certificate or on a direct registration statement of our transfer agent, TSX Trust. If you receive a form of proxy, it means that you are a registered shareholder.	You are a non-registered shareholder when an intermediary (a bank, a trust company, a broker or another financial institution) holds your shares for your benefit. If you receive a voting instruction form, it means you are a non-registered shareholder.
Option 1 – Voting rights exercised by proxy (in advance)	
Registered shareholders Voting instructions can be given in multiple manners:	**Non-registered shareholders** You will receive a voting instruction form from your representative with respect to shares held on your behalf. This form will contain instructions pertaining to the execution and transmission of the document.
Internet Go to www.tsxtrust.com/vote-proxy and follow the instructions.	**Internet** Go to www.proxyvote.com and follow the instructions.
Phone Dial 1 888 489-7352 and follow the instructions.	**Phone** Dial 1 800 474-7493 and follow the instructions.
Email Fill your form of proxy, scan it and send it by email at proxyvote@tmx.com.	**Mail** Return your filled voting instruction form in the prepaid envelope included with your voting instruction form.
Fax Fill your form of proxy and return it to 1 866 781-3111 (Canada and United States) or to 1 416 368-2502 (other countries).	
Mail Return your filled form of proxy in the included prepaid envelope at: TSX Trust Company P.O. Box 721 Agincourt (Ontario) M1S 0A1	
All forms of proxy must be received by 5:00 p.m. (Eastern Standard Time) on January 20, 2023.	All voting instruction forms must be returned to your intermediary by 5:00 p.m. (Eastern Standard Time) on January 20, 2023.

Option 2 – Voting online during the live webcast

Registered shareholders

If you wish to vote during the live Meeting, you do not have to return a form of proxy, you must follow these steps:

1. You must register online at least 15 minutes before the Meeting using an Internet connected device such as a laptop, computer, tablet or mobile phone at https://web.lumiagm.com/491023039;
2. Enter the 13-digit control number that appears on your form of proxy, as your control number, and "metro2023" (case sensitive) as your password.

A vote during the webcast of the Meeting will cancel any vote submitted through a form of proxy before the Meeting.

Non-registered shareholders

If you wish to vote during the live Meeting, you must follow these steps:

1. Name yourself as proxyholder on your voting instruction form. To do so, you have to write your name in the space provided for such purpose on the voting instruction form and follow the instructions for submitting such voting instruction form;
2. **YOU MUST ALSO REGISTER YOUR PROXYHOLDER WITH TSX TRUST THROUGH ONE OF THE FOLLOWING METHODS by 5:00 p.m. (Eastern Standard Time) on January 20, 2023 so that TSX Trust may provide you with a 13-digit proxyholder control number via email:**
   a. **Call TSX Trust at 1 866 751-6315 (toll free in Canada and the United States); OR**
   b. **Complete the online form at www.tsxtrust.com/control-number-request.**

To be able to participate, interact, ask questions or vote at the Meeting, you must have the 13-digit proxyholder control number and you have to appoint yourself as proxyholder in the voting instruction form. Otherwise, you will only be able to attend as a guest.

On the day of the Meeting:

1. You must register online at least 15 minutes before the Meeting using an Internet connected device such as a laptop, computer, tablet or mobile phone at https://web.lumiagm.com/491023039;
2. Enter the 13-digit proxyholder control number, as your control number, and "metro2023" (case sensitive) as your password.

QUESTIONS

If you have any questions with respect to the foregoing, wish to receive an additional copy of this Circular or need help to vote, we invite you to contact TMX Investor Solutions Inc. by calling toll-free at 1 800 246-2916, if you are in North America, or at 1 201 299-4572, if you are outside North America, or by emailing your request at info_TMXIS@tmx.com.

1.2 Rules of conduct for the virtual Meeting

The Company has decided to hold the Meeting virtually in order to maximize shareholder attendance for those who would be unable to attend in person. As such, shareholders will not be able to attend the Meeting in person. To ensure the effective conduct of the Meeting, the following rules will apply during the Meeting.

Only registered shareholders and duly appointed and registered proxyholders will be eligible to vote and have the opportunity to ask questions during the Meeting, provided they are connected to the Internet and comply with the requirement set out herein. Non-registered shareholders who did not appoint themselves as proxyholders and registered themselves with TSX Trust to obtain a 13-digit proxyholder control number by the 5:00 p.m. (Eastern Standard Time) voting deadline on January 20, 2023 will only be able to log in to the Meeting as guests. In such case, it will not be possible for them to vote or ask questions.

For any question on joining or attending the Meeting or on voting procedures, please refer to the "User Guide – Virtual Meeting" which is included in the mailing envelope sent to shareholders and is available on the Company's website (corpo.metro.ca) and on SEDAR (sedar.com). For live technical assistance during the Meeting, please contact TSX Trust at 1 800 387-0825.

If you attend the Meeting online, it is important that you be connected to the Internet at all times during the Meeting in order to be able to vote when solicited. It is your responsibility to ensure you stay connected for the duration of the Meeting. You should allow ample time to check into the online Meeting and complete the related procedure.

Shareholders will be able to submit their votes by virtual ballot throughout the Meeting. The Chair of the Meeting will indicate the time of opening and closure of the polls. Voting options will be visible on your screen.

It is recommended to shareholders and proxyholders to submit their questions as soon as possible during the Meeting so they can be addressed at the right time. There are two (2) ways to ask questions during the Meeting. Questions may be submitted in writing by using the relevant dialog box in the function "Ask a question" by clicking on the icon during the Meeting. Questions may also be asked over the telephone. To do so, the shareholder or proxyholder will need to submit a telephone number by using the relevant dialog box in the function "Ask a question" by clicking on the icon during the Meeting in order to be reached by telephone at the appropriate time. Your telephone number will not be shared with the other Meeting attendees. Only shareholders and duly appointed and registered proxyholders may ask questions during the question period.

The Chair of the Board of Directors of the Company (the "Board" or the "Board of Directors") and members of management present at the Meeting will answer questions relating to matters to be voted on before a vote is held on each matter, if applicable. General questions will be addressed by them at the end of the Meeting during the question period.

So that as many questions as possible are answered, shareholders and proxyholders are asked to be brief and concise and to address only one topic per question. Questions from multiple shareholders on the same topic or that are otherwise related will be grouped, summarized and answered together.

All shareholder questions are welcome. However, the Company does not intend to address questions that:

- are irrelevant to the Company's operations or to the business of the Meeting;
- are related to non-public information about the Company;
- are related to personal grievances;
- constitute derogatory references to individuals or that are otherwise offensive to third parties;
- are repetitious or have already been asked by other shareholders;
- are in furtherance of a shareholder's personal or business interest; or
- are out of order or not otherwise appropriate as determined by the Chair or Secretary of the Meeting in their reasonable judgment.

For any questions asked but not answered during the Meeting, shareholders may contact the Company's Corporate Secretary at secretaire.corpo@metro.ca.

Shareholders who submitted proposals before the Meeting will be allowed to present their proposals over the telephone during the Meeting. The duration of this presentation should not exceed the time needed to read the text accompanying each proposal reproduced in the Circular.

The Company intends to offer a forum in which, to the extent possible using the electronic solutions available at the time of the Meeting, shareholders can adequately communicate during the Meeting. An audio and video webcast of the Meeting will be available on the Company's corporate website (corpo.metro.ca/en/investor-relations/annual-general-meeting.html).

In the event of technical malfunction or other significant problem that disrupts the Meeting, the Chair of the Meeting may adjourn, postpone recess, or expedite the Meeting, or take such other action as the Chair determines is appropriate considering the circumstances.

1.3 Proxyholder

Appointment of a proxyholder

As a shareholder, you have the right to appoint another person (a "Proxyholder") to attend the Meeting and exercise your voting rights. **You have the right to appoint a Proxyholder other than the persons whose names already appear as Proxyholders in the form of proxy or voting instruction form, by inserting the name of the Proxyholder of your choice in the blank space.** The Proxyholder need not be a shareholder of the Company. If the shareholder is a Company, the form of proxy or voting instruction form must be executed by a duly authorized officer or a representative thereof.

The following steps apply to shareholders who wish to appoint a Proxyholder other than the persons whose names already appear as Proxyholders in the form of proxy or voting instruction form, including non-registered shareholders who wish to appoint themselves as Proxyholder to **attend, participate or vote at the Meeting**.

Registered shareholders

Registered shareholders have received their 13-digit control number with their form of proxy. **This control number is only valid for a registered shareholder.** A registered shareholder who wishes that his Proxyholder attend the Meeting and be able to vote must proceed as follows to obtain a 13-digit proxyholder control number for their Proxyholder:

1. Submit your form of proxy appointing that person as Proxyholder;
2. Register that Proxyholder, either by telephone or online, as described below.

Non-registered shareholders

1. Insert your Proxyholder's name in the blank space provided in the voting instruction form and follow the instructions for submitting such voting instruction form.

   Note: If you wish to attend, participate or vote at the Meeting, you must appoint yourself as your Proxyholder on your voting instruction form.

2. Register that Proxyholder, either by telephone or online, as described below.

Registering your Proxyholder by telephone:

1. Call TSX Trust at 1 866 751-6315 (toll free in Canada and the United States) by 5:00 p.m. (Eastern Standard Time) on January 20, 2023;
2. Register the Proxyholder with the TSX Trust agent;
3. Receive a 13-digit proxyholder control number via email.

Registering your Proxyholder online:

1. Visit www.tsxtrust.com/control-number-request by 5:00 p.m. (Eastern Standard Time) on January 20, 2023;
2. Complete the online form;
3. Receive a 13-digit proxyholder control number via email.

Registering your Proxyholder by telephone:

1. Call TSX Trust at 1 866 751-6315 (toll free in Canada and the United States) by 5:00 p.m. (Eastern Standard Time) on January 20, 2023;
2. Register the Proxyholder with the TSX Trust agent;
3. Receive a 13-digit proxyholder control number via email.

Registering your Proxyholder online:

1. Visit www.tsxtrust.com/control-number-request by 5:00 p.m. (Eastern Standard Time) on January 20, 2023;
2. Complete the online form;
3. Receive a 13-digit proxyholder control number via email.

Revocation of a proxy

As a shareholder, you have the right to revoke your proxy and appoint a new Proxyholder. Make sure that you send new instructions to the Company's transfer agent, TSX Trust, or if you are a non-registered shareholder, to your intermediary, by 5:00 p.m. (Eastern Standard Time) on January 20, 2023.

Registered shareholders

You may revoke your proxy in the following manners:

- by way of written notice duly executed by yourself, by the representative who has written authorization to act on your behalf or, if the shareholder is a corporation, by a duly authorized officer or a representative thereof, and submit said revocation to the transfer agent of the Company, TSX Trust, by 5:00 p.m. (Eastern Standard Time) on January 20, 2023;
- by voting again on the day of the Meeting; or
- by filling and returning a new form of proxy to the transfer agent of the Company, TSX Trust, by 5:00 p.m. (Eastern Standard Time) on January 20, 2023.

Non-registered shareholders

You may revoke your proxy in the following manners:

- by way of written notice duly executed by yourself, by the representative who has written authorization to act on your behalf or, if the shareholder is a corporation, by a duly authorized officer or a representative thereof, and submitted to your intermediary, by 5:00 p.m. (Eastern Standard Time) on January 20, 2023; or
- by filling and returning a new voting instruction form to your intermediary, by 5:00 p.m. (Eastern Standard Time) on January 20, 2023.

1.4 Exercise of discretion

The form of proxy or the voting instruction form, once completed, confers discretionary authority upon the Proxyholder with respect to all amendments to matters set forth in the Notice of Meeting and any other matter which may properly be brought before the Meeting. As at the date of this Circular, the management of the Company is unaware of any such amendments or other matters to be brought at the Meeting.

Unless contrary instructions are indicated in the form of proxy or voting instruction form, your voting rights will be exercised as follows:

✓	**FOR electing each director nominated by management**
✓	**FOR the appointment of Ernst & Young LLP, Chartered Professional Accountants, as external auditors of the Company**
✓	**FOR the advisory resolution on executive compensation**
✓	**FOR the adoption of a resolution approving the replenishment of the Share reserve for the Company's Stock Option Plan and the amendments to such Stock Option Plan**
✗	**AGAINST each of the shareholder proposals set forth in Exhibit C**

1.5 Notice and access rules

The Company has decided to use the Notice and Access rules adopted by the Canadian Securities Administrators to reduce the volume of paper with respect to materials distributed for the purpose of the Meeting. Instead of receiving this Circular, shareholders will receive a Notice of Meeting with the proxy or, as the case may be, voting instruction form along with instructions on how to access the Meeting materials online. The Company, via its transfer agent TSX Trust, will send the Notice of Meeting and form of proxy directly to registered shareholders. The Company will pay for intermediaries to deliver the Notice of Meeting, voting instruction form and other Meeting materials requested by non-registered shareholders.

This Circular and other relevant materials are available on the Company's corporate website (corpo.metro.ca) or on SEDAR (sedar.com).

If you would like to receive a printed copy of the Meeting materials by mail, at no cost, you must request same from TMX Investor Solutions Inc. by calling toll-free at 1 800 246-2916, if you are in North America, or at 1 201 299-4572, if you are outside North America, or by emailing your request at info_TMXIS@tmx.com.

To ensure that you receive the materials in advance of the voting deadline and the Meeting, we recommend that you send your request before January 12, 2023 to ensure timely receipt. If you request a paper copy of the materials, please take note that no additional form of proxy or voting instruction form shall be sent to you. Therefore, please make sure that you retain the form that you received with the Notice of Meeting for voting purposes.

To obtain a printed copy of the materials after the Meeting, please contact TMX Investor Solutions Inc. by calling toll-free at 1 800 246-2916, if you are in North America, or at 1 201 299-4572, if you are outside North America, or by emailing your request at info_TMXIS@tmx.com.

1.6 Voting securities and principal holders thereof

The common shares (the "Share(s)") constitute the only class of shares of the Company carrying voting rights at a general meeting of shareholders. Each Share entitles its holder to one (1) vote. Each holder of Shares is entitled, at a meeting or any adjournment or postponement thereof, to one (1) vote for each Share registered in such holder's name at the close of business (Eastern Standard Time) on the Record Date.

As at December 2, 2022, there were 235,141,218 Shares of the Company issued and outstanding, representing 100% of the votes attached to all Shares of the Company.

To the knowledge of the directors and officers of the Company, the only person who, as at December 2, 2022, exercised or claimed to exercise beneficial ownership, control or direction over 10% of the Company's Shares was:

Name	Approximate number of Shares	Approximate percentage of Shares
Fidelity Management & Research Company[(1)]	41,640,304	17.71%

(1) On the basis of the information available on SEDAR (sedar.com).

2. Business of the Meeting

2.1 Receiving the financial statements

The Consolidated Financial Statements of the Company for the financial year ended September 24, 2022 and the report of the independent auditors thereon will be submitted at the Meeting. These Consolidated Financial Statements appear in the Company's 2022 Annual Report (the "Annual Report") that will be mailed to shareholders who requested it together with the Notice of Meeting. The Annual Report is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

2.2 Electing directors

The articles of the Company provide for a minimum of seven (7) and a maximum of 19 directors, which number is to be determined, from time to time, by resolution of the Board of Directors. The Board of Directors has set at 12 the number of directors for the upcoming year. The Company's By-laws provide that each director is elected for a one-year term beginning on the date of the annual meeting of shareholders during which such director is elected and ending at the following annual meeting of shareholders or upon the election of such director's successor, unless the director resigns or such director's seat becomes vacant as a result of death, removal or any other reason.

Nominees for the position of director are the current directors of the Company.

The Board of Directors considers that the composition of the group of proposed director nominees as well as the number of individuals in that group will allow the Board to function effectively and efficiently, in the Company's and its stakeholders' best interests.

Management of the Company does not expect that any such nominee will be unable or, for any reason, become unwilling to serve as a director, but if the foregoing should occur for any reason prior to the election, the persons named as Proxyholders in the form of proxy or voting instruction form may vote for another nominee of their choice.

According to a policy of the Company, any person who was a director of the Company on January 30, 2012 may subsequently stand for election as a director, provided that at the time of such director's election he or she is under the age of 72. Any other person may stand for election as a director of the Company provided that at the time of such director's election, such director is under the age of 72 and has been a director of the Company for less than 12 years. Under special circumstances, the Board of Directors, upon recommendation of the Governance and Corporate Responsibility Committee (the "Governance Committee"), can extend the term limit of a director for a maximum of three (3) one-year terms.

Detailed information regarding director nominees can be found in the "Information on director nominees" section on pages 12 to 20 of this Circular.

MAJORITY VOTING POLICY

The Board of Directors has adopted a policy providing that a nominee for the position of director who receives a greater number of votes "withheld" than votes "for" with respect to the election in an uncontested election of directors during an annual general meeting of the shareholders will promptly offer his or her resignation to the Chair of the Board following said meeting of shareholders. The Governance Committee will consider such offer to resign and make a recommendation to the Board to accept it unless exceptional circumstances justify otherwise.

The Board will accept the offer to resign, unless exceptional circumstances justify otherwise, and issue a press release to that effect within 90 days following the meeting of shareholders, a copy of which will be sent to the Toronto Stock Exchange. The director who offered his or her resignation shall not take part in any of the Governance Committee's or the Board's meetings at which the resignation offer is being considered.

The full text of this policy can be found on the Company's corporate website (corpo.metro.ca).

The Board of Directors and Management recommend voting **"FOR"** the election of each of the 12 candidates proposed in this Circular.

Unless contrary instructions are indicated, the persons named as Proxyholder in the form of proxy or voting instruction form intend to vote "FOR" the election, as directors of the Company, of each of the 12 nominees whose names are set forth in this Circular. It should be noted that to be adopted, this resolution requires a favourable vote of a simple majority of the votes cast.

2.3 Appointing the auditors

Ernst & Young LLP, Chartered Professional Accountants, (the "Auditors") were first appointed as auditors of the Company on January 27, 1998, and have been acting in that capacity ever since. Each year, the Audit Committee examines the quality of the work performed by the Auditors and, for fiscal 2022, has declared itself satisfied therewith. For more information on the review of the quality of the work of the Auditors, please refer to page 25 of this Circular.

At the 2022 annual general meeting of shareholders, the appointment of the Auditors was approved by 91.11% of the votes.

The Board of Directors and management are recommending that shareholders vote "**FOR**" the appointment of Ernst & Young LLP as auditors of the Company.

Unless contrary instructions are indicated, the persons named as Proxyholders in the form of proxy or voting instruction form intend to vote "FOR" the appointment of Ernst & Young LLP, Chartered Professional Accountants, as auditors of the Company at the Meeting. It should be noted that to be adopted, this resolution requires a favourable vote of a simple majority of the votes cast.

AUDITOR'S INDEPENDENCE

For fiscal 2022, the Company's Audit Committee obtained written confirmation from the Auditors of their independence and objectivity with respect to the Company, pursuant to the Code of Ethics of the Québec Order of Chartered Professional Accountants.

FEES FOR THE SERVICES OF THE AUDITORS

For each of the financial years ended September 24, 2022 and September 25, 2021, the following fees were billed by the Auditors for audit services, audit-related services, tax services and other services provided by the Auditors:

	2022	2021
Audit fees	$2,024,101	$1,749,788
Audit-related fees	$366,950	$560,960
Tax fees	$129,311	$143,331
All other fees	—	—
Total	**$2,520,362**	**$2,454,079**

Audit-related fees consist primarily of fees invoiced for consultations concerning financial accounting or the presentation of financial information which are not categorized as "audit services", fees invoiced for the audit of financial statements of pension plans and fees invoiced for the execution of tests on internal controls.

Tax fees consist primarily of fees invoiced for assistance with regulatory tax matters concerning federal and provincial income tax returns and sales tax and excise tax reporting, fees invoiced for consultations concerning the income tax, customs duty or sales tax impact of certain transactions, as well as fees invoiced for assistance with the annual audit or federal and provincial government audits involving income tax, sales tax, customs duties or deductions at source.

2.4 Considering an advisory resolution on executive compensation

The Board of Directors approved a say-on-pay advisory vote policy with respect to executive officers. The purpose of the say-on-pay advisory vote is to give shareholders the opportunity to vote on the Company's approach to executive compensation at each annual general meeting of the shareholders. The Company's approach to executive compensation is further described in the "Executive Compensation Discussion and Analysis" section on pages 31 to 46 of this Circular.

At the 2022 annual general meeting of shareholders, the Company's approach to executive compensation was approved by 96.73% of the votes.

At the Meeting, shareholders will be asked to vote on the following advisory resolution:

"RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the shareholders accept the approach to executive compensation disclosed in the Company's Management Proxy Circular delivered in advance of the 2023 annual meeting of shareholders of the Company."

Given that the vote is held on an advisory basis, it will not be binding upon the Board of Directors. However, the Board of Directors will consider the outcome of the vote when reviewing and approving executive compensation policies and decisions.

The Board of Directors and management are recommending that shareholders vote "**FOR**" the approval of said resolution.

Unless contrary instructions are indicated, the persons named as Proxyholders in the form of proxy or voting instruction form intend to vote "FOR" the advisory resolution on executive compensation. It should be noted that to be adopted, this resolution requires a favourable vote of a simple majority of the votes cast.

2.5 Replenishment of the Share reserve for the Company's Stock Option Plan and amendments to the Company's Stock Option Plan

The Company's Stock Option Plan (the "Option Plan") was established in December 1987 and amended from time to time. Since its adoption, the Option Plan has required the maintenance of a reserve of Shares to cover the stock options (the "Options") granted each year to participants (the "Reserve").

In February 1993, the Reserve was established at 2,500,000 Shares. Following share splits in 1997, 2002 and 2015, this number increased to 30,000,000. With Option grants being an important component of the Company's compensation strategy, the Reserve must be regularly replenished to ensure that the Company has a sufficient number of Shares to cover new Option grants.

The Reserve was last replenished by 2,500,000 Shares at the Annual General Meeting of Shareholders held on January 27, 2009 (equivalent to 7,500,000 Shares following the share split in 2015). This year's recommended replenishment of the Reserve stems from the ordinary course of the Company's business. Indeed, as at September 24, 2022, there were 2,940,626 Shares in the Reserve representing 1.24% of the Company's issued and outstanding Shares of which 2,091,850 Shares were underlying Options that have already been granted, leaving 848,776 Shares in the Reserve for future Option grants. The current request to replenish the Reserve would increase the number of Shares reserved for the purposes of the Option Plan by 2,500,000, for a total of 5,440,626 out of a possible maximum of 30,000,000 Shares. The Board of Directors believes that the current request for replenishment would meet the Company's foreseeable needs.

The following table summarizes the current proposal on the replenishment of the Reserve as well as the replenishment approved in January 2009. The information on the January 2009 replenishment takes into account the share split of 2015.

	Number of issued and outstanding Shares of the Company	Number of Shares requested for replenishment of the Reserve		Reserve after approval of the replenishment		Maximum Reserve under the Stock Option Plan	
		Number of Shares	% of Shares	Number of Shares	% of Shares	Number of Shares	% of Shares
September 24, 2022	236,928,396	2,500,000	1.06%	5,440,626	2.30%	30,000,000	12.66%
December 12, 2008	333,775,902	7,500,000	2.25%	16,023,756	4.80%	30,000,000	8.99%

In addition, following the review process of the Option Plan when considering the replenishment of the Reserve, the Board of Directors and management are recommending changes to the text of the Option Plan which can be found in Exhibit A to this Circular. The proposed changes are minor and are intended to provide additional rights to shareholders with respect to amendments to be made to the Option Plan.

Exhibit A to this Circular also provides additional information on the Option Plan, starting on page 59 of this Circular.

The Toronto Stock Exchange has accepted the Company's request to replenish the Reserve and amend the Option Plan subject to the Company's shareholder approval at the Meeting by ordinary resolution.

The Board of Directors and management recommend that shareholders vote "**FOR**" the adoption of the ordinary resolution approving the replenishment of the Reserve as well as the amendments to the Option Plan which resolution is set forth in Exhibit B on page 61 of this Circular.

Unless contrary instructions are indicated, the persons named as Proxyholder in the form of proxy or voting instruction form intend to vote "FOR" the adoption of the ordinary resolution approving the replenishment of the Reserve as well as the amendments to the Option Plan. It should be noted that to be adopted, this resolution requires a favourable vote of a simple majority of the votes cast.

2.6 Shareholder proposals

Exhibit C to this Circular sets forth two (2) proposals received from shareholders along with the responses of the Company.

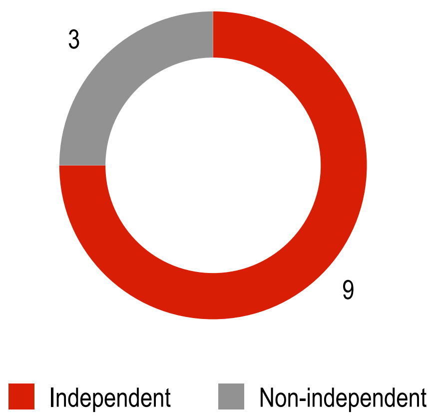
While we recognize the importance of the two (2) topics raised and reiterate our commitment to delivering the targets outlined in our Corporate Responsibility Plan with regards to the reduction of our green house gas emissions and the protection of migrant workers, the Board of Directors and management are recommending that shareholders vote "**AGAINST**" each of the shareholder proposals set forth in Exhibit C starting on page 62 of this Circular for the reasons outlined in Exhibit C.

Unless contrary instructions are indicated, the persons named as Proxyholders in the form of proxy or voting instruction form intend to vote "AGAINST" each of the shareholder proposals set forth in Exhibit C. It should be noted that to be adopted, these proposals require a favourable vote of a simple majority of the votes cast.

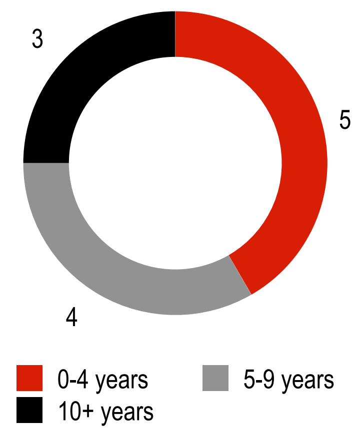
3. The Board

3.1. Information on director nominees

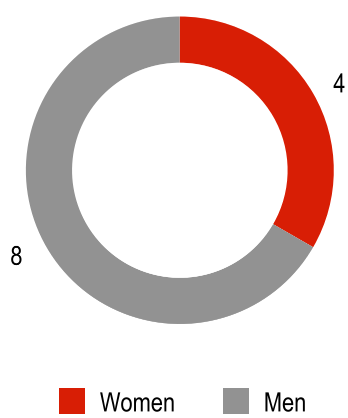
SIZE AND INDEPENDENCE

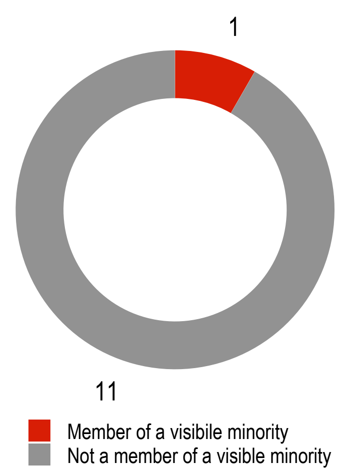


BOARD TENURE



DIVERSITY OF DIRECTOR NOMINEES





TOTAL EQUITY HOLDINGS OF DIRECTOR NOMINEES

The following table discloses the total holdings in Shares and deferred share units ("DSUs") of the Company of the director nominees as of December 2, 2022 and December 3, 2021. The total value of Shares and DSUs is determined by multiplying the number of Shares and DSUs held by each director nominee by the closing price of the Shares on the Toronto Stock Exchange on December 2, 2022 ($77.67) and on December 3, 2021 ($62.86).

	December 2, 2022	December 3, 2021
Shares	327,543	323,964
DSUs	171,689	148,480
Total value	**$38,775,349**	**$29,697,830**

DIRECTOR NOMINEES' SKILLS AND EXPERIENCE MATRIX

The Board of Directors and the Governance Committee believe that directors should possess two (2) types of qualifications:

i) general qualifications that all directors must exhibit; and
ii) particular skills and experience that should be represented on the Board as a whole, but not necessarily by each director.

The Governance Committee strives to maintain an engaged, independent board with broad diverse experience and judgment that is committed to representing the long-term interests of its shareholders and stakeholders. As such, to serve on the Board, all directors must have extensive experience, meet expectations and have the core competencies listed in Exhibit H, which the Company believes they all do.

In addition, the Board of Directors has identified particular competencies and experience that are important to be represented on the Board as a whole, in light of the Company's current and expected future priorities and strategic needs. The specific competency and experience matrix below has been developed to ensure that the composition of the Board of Directors is appropriate and that the required skills and experience are appropriately represented on the Board of Directors. The Governance Committee reviews annually the different directors' skills and experience requirements to ensure that they reflect the evolving priorities and strategic needs of the Company. The skills and experience matrix of the nominees for the position of director of the Company below shows a maximum of six (6) skills for each director nominee and is not intended to be an exhaustive list of directors' qualifications.

	L.-A. Beausoleil	**M. Bertrand**	**P. Boivin**	**F. J. Coutu**	**M. Coutu**	**S. Coyles**	**R. Goodman**	**M. Guay**	**C. W. E. Haub**	**E. R. La Flèche**	**C. Magee**	**B. McManus**
Leadership: CEO / Senior officer of public or private company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial / Accounting	✓	✓	✓			✓	✓	✓		✓	✓	✓
Real estate	✓	✓		✓	✓		✓		✓	✓		
Retail / Consumer marketing			✓	✓	✓	✓		✓	✓	✓	✓	
Human resources / Compensation	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Digital / E-commerce / Loyalty						✓			✓			
Information systems / Logistics				✓	✓	✓		✓		✓		✓
Risk management	✓	✓	✓	✓	✓		✓				✓	✓
Corporate responsibility / ESG	✓	✓	✓			✓		✓	✓		✓	✓

DIRECTOR NOMINEES

The following pages contain information on the nominees for the position of director of the Company. Each nominee for the position of director of the Company holds the principal occupation indicated therein. The nominees' experience as well as their previous functions, as applicable, are hereinafter summarized. The other boards of public companies on which nominees currently serve, information relating to their board and committee meeting attendance and equity holdings in the Company are also mentioned. None of the nominees serve together on the same board of another public company, except for Ms. Maryse Bertrand and Mr. Russell Goodman who both serve on the board of directors of Gildan Activewear Inc. and for Ms. Maryse Bertrand and Mr. Pierre Boivin who both serve on the board of directors of the National Bank of Canada.

Additional information on the director nominees for the position of director who have held or hold positions in other companies can be found in the "Directors and Officers" section of the Company's 2022 Annual Information Form (the "Annual Information Form"). The Annual Information Form is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

Lori-Ann Beausoleil
FCPA, FCA
Mississauga (Ontario) Canada

Corporate Director
Age: **59**
Status: **Independent**
Director since: **2022**

2022 annual meeting votes in favour: **99.97%**

Ms. Beausoleil is a corporate director and a recently retired Partner of PricewaterhouseCoopers LLP ("PwC"). Over her 35-year career at PwC, she held various leadership positions including National Leader – Compliance, Ethics and Governance, Real Estate Leader, National Forensic Services Leader and a member of PwC's Deals Leadership Team. She currently is a Board member and Audit Committee Chair of Canadian Apartment Properties Real Estate Investment Trust (CAPREIT), Board member and Audit Committee Chair of Brookfield Real Estate Income Trust Inc. (a private REIT) and Board member, Audit Committee member and Compensation, Governance and Nominating Committee member of Slate Office REIT. She is also a member of the Canadian Chartered Professional Accountants and the Chartered Professional Accountants of Ontario and is a CPA Ontario Fellow. She holds a Bachelor of Commerce degree from the University of Toronto.

Meeting attendance during fiscal 2022[1]

	Regular	Ad hoc	Total
Board	2/3	—	2/3
Audit	1/2	—	1/2
Total attendance		**75%**	

Other public company board membership

	Since
Canadian Apartment Properties REIT	2021
Slate Office REIT	2021

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	—	n/a
DSUs[2]	1,236	n/a
Total value at risk[2]	**$96,000**	**n/a**
Value at risk as multiple of base annual retainer[3]	**0.77**	**n/a**
Variation	**n/a**	

Minimum holding requirement met	Target
January 25, 2025	3 x base annual retainer

Maryse Bertrand
Ad. E.
Westmount (Québec) Canada

Chair of the Board of Governors – McGill University and Corporate Director
Age: **63**
Status: **Independent**
Director since: **2015**

2022 annual meeting votes in favour: **99.37%**

Ms. Bertrand is Chair of the Board of Governors of McGill University and a corporate director. She is a member of the Board of Directors of National Bank of Canada, PSP Investments, and Gildan Activewear Inc. She is also a member of the Board of Directors of the Institute of Corporate Directors of which she was, from 2019 to 2021, the Chair of the Board (Quebec Chapter). From 2016 to 2017, she was Strategic Advisor and Counsel at Borden Ladner Gervais LLP and, prior to that, she was Vice-President, Real Estate Services, Legal Services and General Counsel at CBC/Radio-Canada. Before 2009, she was a partner of Davies Ward Philips & Vineberg LLP. She was named *Advocatus emeritus* (Ad. E.) in 2007 by the Québec Bar. Ms. Bertrand holds a Bachelor's degree in Civil Law (B.C.L.) from McGill University and a Master's degree in Risk Management from New York University (Stern School of Business).

Meeting attendance during fiscal 2022[4]

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Audit	3/3	—	3/3
Governance (Chair)	4/4	—	4/4
Human Resources	2/2	2/2	4/4
Total attendance		**100%**	

Other public company board membership

	Since
Gildan Activewear Inc.	2018
National Bank of Canada	2012

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	1,800[5]	1,800[5]
DSUs[2]	13,131	11,406
Total value at risk[2]	**$1,159,691**	**$830,129**
Value at risk as multiple of base annual retainer[3]	**9.28**	**6.64**
Variation	**40%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Pierre Boivin
Montréal (Québec) Canada

President and Chief Executive Officer – Claridge Inc.
Age: **69**
Status: **Independent**
Director since: **2019**

2022 annual meeting votes in favour: **99.82%**

Mr. Boivin is President and Chief Executive Officer of Claridge Inc., a private investment firm. He is also a member of the board of directors of the National Bank of Canada and the CH Group Inc., and the Chairman of the board of Solotech Inc. From 2013 to 2020, he was a member of the board of directors of the Canadian Tire Corporation, Limited. Since 2017, he has been involved in the development of the artificial intelligence ecosystem in Quebec and Canada. From 2004 to 2018, he was a board member and the Chairman, from 2006 to 2012, of the CHU Sainte-Justine Foundation. He studied Commerce at McGill University. Mr. Boivin was named Chevalier de l'Ordre national du Québec in 2017. In 2009, the Université de Montréal awarded him an honorary Doctorate and he was appointed Officer of the Order of Canada.

Meeting attendance during fiscal 2022[6]

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Governance	2/2	—	2/2
Total attendance		**100%**	

Other public company board membership

	Since
National Bank of Canada	2013

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	5,217	5,138
DSUs[2]	10,545	6,275
Total value at risk[2]	**$1,224,235**	**$717,421**
Value at risk as multiple of base annual retainer[3]	**4.08**	**2.39**
Variation	**71%**	

Minimum holding requirement met	**Target**
✔	3 x base annual retainer

François J. Coutu
Montréal (Québec) Canada

Pharmacist
Age: **67**
Status: **Non-Independent**
Director since: **2018**

2022 annual meeting votes in favour: **99.76%**

Mr. Coutu has held various management positions within The Jean Coutu Group (PJC) Inc. (the "Jean Coutu Group") over a period of more than 25 years, including President and Chief Executive Officer from 2007 to 2018 and President until May 31, 2019, and has assumed various responsibilities as a member of the board committees. He also acted as chair of the board of directors of the Canadian Association of Chain Drug Stores (CACDS) and was a director of Rite Aid Corporation. Mr. Coutu is a pharmacist by trade, holds a Bachelor's degree in Business Administration from McGill University as well as a Bachelor's degree in Pharmacy from Samford University. He is a member of the board of directors of the School of Pharmacy of Samford University.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Total attendance		**100%**	

Other public company board membership

n/a

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	—	—
DSUs[2]	6,358	4,576
Total value at risk[2]	**$493,826**	**$287,647**
Value at risk as multiple of base annual retainer[3]	**3.95**	**2.30**
Variation	**72%**	

Minimum holding requirement met	**Target**
✔	3 x base annual retainer

Michel Coutu
Town of Mount Royal (Québec) Canada

President – MMC Investments Inc.
Age: **69**
Status: **Non-Independent**
Director since: **2018**

2022 annual meeting votes in favour: **99.76%**

Mr. Coutu has been President of MMC Investments Inc. since 2010. He previously acted as President of the U.S. operations of the Jean Coutu Group and as President and Chief Executive Officer of The Jean Coutu Group (PJC) USA, Inc. He was also a member of the board of directors of the National Association of Chain Drug Stores in the United States and was co-chair of the board of directors of Rite Aid Corporation. Mr. Coutu holds a degree in Finance and a Bachelor's degree in Civil Law from Université de Sherbrooke and an MBA from the University of Rochester (Simons School of Business). He is a Governor of the Faculty of Commerce of the Université de Sherbrooke. In 2005, he received a Doctorate *Honoris Causa* from the Massachusetts College of Pharmacy and Health Sciences.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Total attendance		**100%**	

Other public company board membership

n/a

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares(2)	180	180
DSUs(2)	8,760	6,941
Total value at risk(2)	**$694,370**	**$447,626**
Value at risk as multiple of base annual retainer(3)	**5.55**	**3.58**
Variation	**55%**	

Minimum holding requirement met	**Target**
✔	3 x base annual retainer

Stephanie Coyles
Toronto (Ontario) Canada

Corporate Director
Age: **55**
Status: **Independent**
Director since: **2015**

2022 annual meeting votes in favour: **99.81%**

Ms. Coyles is a director and member of the Governance, Investment and Conduct Review Committee and Chair of the Management Resources Committee of Sun Life Financial Inc., as well as a director and member of the Audit Committee and of the Human Resources and Compensation Committee at Corus Entertainment Inc. From March 2019 to February 2020, she was a board member of Hudson's Bay Company prior to it becoming a private company. Prior to becoming a corporate director, Ms. Coyles was Chief Strategic Officer at LoyaltyOne Co. from 2008 to 2012 and, before that, spent most of her career as a management consultant and eventually as a partner at McKinsey & Company. She holds a Bachelor's degree in Commerce from Queen's University and a Master's degree in Public Policy from Harvard University (Kennedy School of Government). She is a graduate of the Directors Education Program of the Institute of Corporate Directors (ICD) and completed a CERT certificate in cybersecurity oversight from Carnegie Mellon University and the Board Oversight Climate Change program offered by the ICD.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Audit	5/5	—	5/5
Governance	4/4	—	4/4
Total attendance		**100%**	

Other public company board membership

	Since
Corus Entertainment Inc.	2020
Sun Life Financial Inc.	2017

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares(2)	3,200	3,400
DSUs(2)	18,192	16,406
Total value at risk(2)	**$1,661,517**	**$1,245,005**
Value at risk as multiple of base annual retainer(3)	**13.29**	**9.96**
Variation	**33%**	

Minimum holding requirement met	**Target**
✔	3 x base annual retainer

Russell Goodman
FCPA, FCA
Lac-Tremblant-Nord (Québec)
Canada

Corporate Director
Age: **69**
Status: **Independent**
Director since: **2012**

2022 annual meeting votes in favour: **97.87%**

Mr. Goodman is Lead Independent Director, Chair of the Audit Committee and member of the Compensation and Human Resources Committee of Northland Power Inc., and is a director, and member of the Audit and Finance and Human Resources and Compensation Committees of Gildan Activewear Inc. He spent his business career at PwC until his retirement in 2011 where, from 1998 to 2011, he was Managing Partner of various business units in Canada and for the Americas and held global leadership roles in the services and transportation industry sectors. Mr. Goodman is a Fellow Chartered Professional Accountant and a graduate of McGill University. He is a Fellow of the Order of Professional Chartered Accountants of Québec. He is a recipient of the Governor General of Canada's Sovereign's Medal for Volunteers and is a member of the Canadian Ski Hall of Fame. He is also a graduate of the Directors Education Program of the Institute of Corporate Directors (ICD).

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Audit (Chair)	5/5	—	5/5
Governance	4/4	—	4/4
Total attendance		**100%**	

Other public company board membership

	Since
Gildan Activewear Inc.	2010
Northland Power Inc.	2014

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares(2)	8,100	8,100
DSUs(2)	15,587	14,261
Total value at risk(2)	**$1,839,769**	**$1,405,612**
Value at risk as multiple of base annual retainer(3)	**14.72**	**11.24**
Variation	**31%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Marc Guay
Oakville (Ontario) Canada

Corporate Director
Age: **64**
Status: **Independent**
Director since: **2016**

2022 annual meeting votes in favour: **99.63%**

Mr. Guay retired from PepsiCo Foods Canada Inc. in August 2015 after 29 years of service. He held the position of President of PepsiCo Foods Canada Inc. from 2008 to 2015 and President of Frito Lay Canada Inc. from 2001 to 2008. Mr. Guay is a trustee on the board of trustees of Boston Pizza Royalties Income Fund (the "Fund") since 2018 and was named Chair of the board of trustees in June 2019. He is a member of the Audit Committee of the Fund and of Boston Pizza GP Inc., the general partner of Boston Pizza Royalties Limited Partnership, the administrator of the Fund, and a member of the Governance Committee of Boston Pizza GP Inc. He holds a Bachelor's degree in Commerce from HEC Montréal and completed the Advanced Executive Program of Northwestern University (Kellogg School of Business). He is a graduate of the Directors Education Program of the Institute of Corporate Directors (ICD).

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Audit	5/5	—	5/5
Human Resources (Chair)	4/4	2/2	6/6
Total attendance		**100%**	

Other public company board membership

	Since
Boston Pizza Royalties Income Fund	2018

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares(2)	4,213	4,213
DSUs(2)	14,465	12,213
Total value at risk(2)	**$1,450,720**	**$1,032,538**
Value at risk as multiple of base annual retainer (3)	**11.61**	**8.26**
Variation	**41%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Christian W. E. Haub
Munich, Germany

Chief Executive Officer – The Tengelmann Group
Age: **58**
Status: **Independent**
Director since: **2006**

2022 annual meeting votes in favour: **98.71%**

Mr. Haub is the sole managing partner of the Tengelmann Group ("Tengelmann") and Chairman of the Management Board of Tengelmann Twenty-One KG. He is the founder and Chairman of Emil Capital Partners, the United States venture capital company of Tengelmann. From 1991 to 2012, he has held various executive positions (including chair of the board of directors) at The Great Atlantic & Pacific Tea Company, Inc., a subsidiary of Tengelmann, until its divestiture in 2012. He holds a Master's degree in Social and Economic Sciences from the Austrian University of Economics and Business Administration.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Human Resources	4/4	2/2	6/6
Total attendance		**100%**	

Other public company board membership

n/a

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	13,500	13,500
DSUs[2]	64,642	61,810
Total value at risk[2]	**$6,069,289**	**$4,733,987**
Value at risk as multiple of base annual retainer[3]	**48.55**	**37.87**
Variation	**28%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Eric R. La Flèche
Town of Mount Royal (Québec)
Canada

President and Chief Executive Officer of the Company
Age: **60**
Status: **Non-Independent**
Director since: **2008**

2022 annual meeting votes in favour: **99.80%**

Mr. La Flèche has been President and Chief Executive Officer of the Company since April 2008. He joined the Company in 1991 as General Manager, Real Estate Development, and has since then held various management positions, including Executive Vice-President and Chief Operating Officer from 2005 to 2008. Mr. La Flèche holds a Bachelor's degree in Civil Law from the University of Ottawa and an MBA from the Harvard Business School. He is a director and member of the Human Resources Committee of the Bank of Montreal. Mr. La Flèche was recognized as Canada's Outstanding CEO of the Year for 2020 by the Financial Post and is involved with several not-for-profit organizations, including Centraide of Greater Montréal and the Montréal Neurological Institute.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Total attendance		**100%**	

Other public company board membership

	Since
Bank of Montreal	2012

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	274,208	270,508
DSUs[7]	—	—
Total at risk value[2]	**$21,297,735**	**$17,004,133**
Value at risk as multiple of base annual retainer[8]	**—**	**—**
Variation	**25%**	

Minimum holding requirement met[8]	Target
✔	5 x base salary

Christine Magee
Oakville (Ontario) Canada

Chair of the board of directors – Sleep Country Canada Holdings Limited
Age: **63**
Status: **Independent**
Director since: **2016**

2022 annual meeting votes in favour: **99.76%**

Ms. Magee is co-founder and chair of the board of directors of Sleep Country Canada Holdings Inc. where she also assumed the role of President from 1994 to 2014. Ms. Magee serves on the board of directors of TELUS Corporation where she is a member of the Pension Committee and Human Resources and Compensation Committee. She also is on the board of directors of other private and not-for-profit organizations (Trillium Health Partners, Woodbine Entertainment Group and The Talent Fund). She was director of Sirius XM Canada Holdings Inc. from 2014 to 2016, Cott Corporation from 2004 to 2008 as well as of McDonald's Restaurants of Canada Limited from 1999 to 2004. She holds an Honours Bachelor's degree in Business Administration (HBA) from the University of Western Ontario (Ivey Business School). She was appointed Member of the Order of Canada in 2015.

Meeting attendance during fiscal 2022

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Governance	4/4	—	4/4
Human Resources	4/4	2/2	6/6
Total attendance		**100%**	

Other public company board membership

	Since
Sleep Country Canada Holdings Inc.	2015
TELUS Corporation	2018

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	1,125	1,125
DSUs[2]	15,822	13,616
Total value at risk[2]	**$1,316,273**	**$926,619**
Value at risk as multiple of base annual retainer[3]	**10.53**	**7.41**
Variation	**42%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Brian McManus
Beaconsfield (Québec) Canada

Executive Chair and Chief Executive Officer – Uni-Select Inc.
Age: **55**
Status: **Independent**
Director since: **2021**

2022 annual meeting votes in favour: **99.67%**

From 2001 until he retired in 2019, Mr. McManus was President and Chief Executive Officer of Stella-Jones Inc., a manufacturer of pressure-treated wood products. During 2020, he was a partner at Cafa Financial Corporation acting in a senior advisory role. In 2021, Mr. McManus was appointed as the Executive Chair and Chief Executive Officer for Uni-Select Inc. Mr. McManus holds a B.A. in Economics from McGill University and an MBA from the University of Western Ontario (Ivey Business School).

Meeting attendance during fiscal 2022[9]

	Regular	Ad hoc	Total
Board	6/6	—	6/6
Audit	5/5	—	5/5
Human Resources	2/2	2/2	4/4
Total attendance		**100%**	

Other public company board membership

	Since
Uni-Select Inc.	2021

Information on equity holdings

	December 2, 2022	December 3, 2021
Shares[2]	16,000[10]	16,000[10]
DSUs[2]	2,951	976
Total value at risk[2]	**$1,471,924**	**$1,067,111**
Value at risk as multiple of base annual retainer[3]	**11.78**	**8.54**
Variation	**38%**	

Minimum holding requirement met	Target
✔	3 x base annual retainer

Notes on the tables of director nominees:

(1) Ms. Beausoleil was first elected director of the Company on January 25, 2022 at which time she also became a member of the Audit Committee.

(2) Calculated by using the Shares' closing price on the Toronto Stock Exchange on December 2, 2022 ($77.67) and on December 3, 2021 ($62.86).

(3) Calculated using the annual base retainer as of September 24, 2022 ($125,000) and as of September 25, 2021 ($125,000).

(4) Ms. Bertrand ceased to be a member of the Audit Committee and became a member of the Human Resources Committee on January 25, 2022. Attendance to committee meetings reflects the number of meetings for which she was a member of each committee.

(5) Ms. Bertrand also controls 6,870 Shares of which she does not have beneficial ownership.

(6) Mr. Boivin became a member of the Governance and Corporate Responsibility Committee on January 25, 2022. Attendance for this committee's meeting reflects the number of meetings for which he was a member of the committee.

(7) As President and Chief Executive Officer of the Company, Mr. La Flèche does not receive compensation for acting as director and does not receive DSUs.

(8) As President and Chief Executive officer of the Company, Mr. La Flèche is not subject to the Company's shareholding guidelines for directors. He is subject to shareholding requirements for executive officers. More information on these requirements can be found in the "Shareholding requirements for NEOs" section at page 40 of this Circular.

(9) Mr. McManus became a member of the Human Resources Committee on January 25, 2022. Attendance for this committee's meeting reflects the number of meetings for which he was a member of the committee.

(10) Mr. McManus also controls 4,000 Shares of which he does not have beneficial ownership.

3.2 Board achievements in fiscal 2022

SUMMARY OF BOARD AND COMMITTEE MEETINGS HELD

The following table lists the number of meetings held by the Board and its committees during fiscal 2022:

Board and Committee meetings summary

	Regular	Ad hoc	Total
Board of Directors	6	—	6
Audit Committee	5	—	5
Governance Committee	4	—	4
Human Resources Committee	4	2	6

KEY BOARD ACHIEVEMENTS

Strategy and shareholder engagement

- Regularly discussed with the President and Chief Executive Officer and other executive officers the impacts of the COVID-19 pandemic, of inflation and of the labour shortage on the Company's operations and activities.
- Continued to oversee the Company's major projects such as the modernization of the supply chain and the implementation of the Company's digital strategy.
- Participated in the strategic planning session to discuss with the President and Chief Executive Officer and other executive officers the current business plans, risks, challenges and opportunities as well as the competitive market the Company operates in.
- Approval of the MOI loyalty program, an evolution of metro&moi, to be deployed in Québec in the Metro, Super C, Jean Coutu, Brunet and Première Moisson banners.
- Met with three (3) significant shareholders of the Company to discuss recent governance developments.

Governance and corporate responsibility

- Received updates on the implementation of year one (1) of the 2022-2026 Corporate Responsibility Plan.
- Reviewed and approved changes to the Board Diversity Policy as described in the "Equity, diversity and inclusion" section at page 21 of this Circular.
- Approved the Company's support of the Task Force on Climate-Related Financial Disclosures ("TCFD").
- Adopted a Board Chair Selection Policy to establish a process for succession planning of the Chair of the Board as well as the selection process for the nomination of a new Chair of the Board.
- Successfully onboarded a new Board member, Ms. Lori-Ann Beausoleil.
- Reviewed and approved changes to the mandates of the Board of Directors and of the Audit and Human Resources Committees.
- Continued the Board and committees renewal efforts by reviewing criteria, skills and profile needed at the Board and committee level to ensure thoughtful Board succession planning.

Executive compensation and succession

- Oversaw and supported the senior leadership changes for the Company's Pharmacy Division with the departure of Mr. Alain Champagne as President of the Jean Coutu Group effective September 24, 2022 and the appointment of Mr. Jean-Michel Coutu as replacement as well as the changes in the senior leadership structure of the Company's Food Division with the appointment of Mr. Marc Giroux as Executive Vice-President, Chief Operating Officer – Food and the appointment of Mr. Carmine Fortino as Executive Vice-President, National Supply Chain and Procurement, both effective September 26, 2022.
- Engaged in a request for proposal process for external compensation consulting services at the end of which a new compensation advisor, Hexarem, was selected to advise the Board of Directors on compensation matters.
- Approved the revision of certain aspects of the Option Plan as described in the "Stock Option Plan" section at page 51 of this Circular and the replenishment of the Reserve.

3.3 Policy on external boards

The Board of Directors has adopted a policy limiting the number of directorships of its directors to a maximum of four (4) public companies, including the Company.

In addition, no more than two (2) directors of the Company shall hold a director seat on the same board of another public company. The Governance Committee of the Company takes into consideration the external directorships of potential director nominees and does not propose a slate of directors for election by shareholders if the election of those directors would result in more than two (2) simultaneous situations where two (2) directors hold a director seat on the same board of another public company. A director of the Company must obtain the prior approval of the Governance Committee before submitting his or her candidacy as director of another public company.

3.4 Equity, diversity and inclusion

The Company acknowledges the value of diversity on the Board of Directors in all its forms including in terms of experience, skills, background and personal attributes. To this effect, the Company adopted in 2015 a written policy on diversity at the Board level which was amended in April 2022 to add specific reference to age, gender, sexual orientation, ethnicity, being a member of a visible minority, being a member of Indigenous People and having a disability. In accordance with its diversity policy, the Board of Directors wishes to maintain Board composition in which persons who identify as women comprise a minimum of 30% of Board members. In addition, the Board of Directors strives to recognize and address any inequity in its policies, procedures and actions so as to foster an environment where all directors are fairly and equally treated. Finally, the Company is a long-time supporter of Catalyst, a global non-profit organization that helps build workplaces that work for women.

This year, the Company proposes four (4) women among the group of 12 nominees for the position of director representing 33% of the Company's directors. The Company will continue to meet its 30% target for the representation of women as it has since 2015. The Company will continue to measure its diversity policy's efficiency with regards to its target on an annual basis to ensure it continues to meet or exceed the target.

At this time, the Company has one (1) director nominee who identifies as a member of a visible minority.

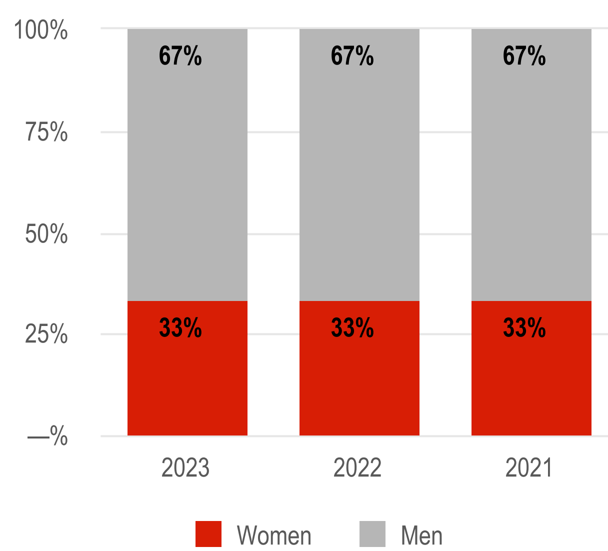
In making its decision to select a director nominee, the Governance Committee takes into consideration the profiles of each director already serving on the Board and aims to foster diversity, particularly in terms of competence, experience, skills, background, and personal attributes, including age, gender, sexual orientation, ethnicity, being a member of a visible minority, being a member of Indigenous People and having a disability. For more information on director succession planning, please refer to the "Director succession planning" section below.

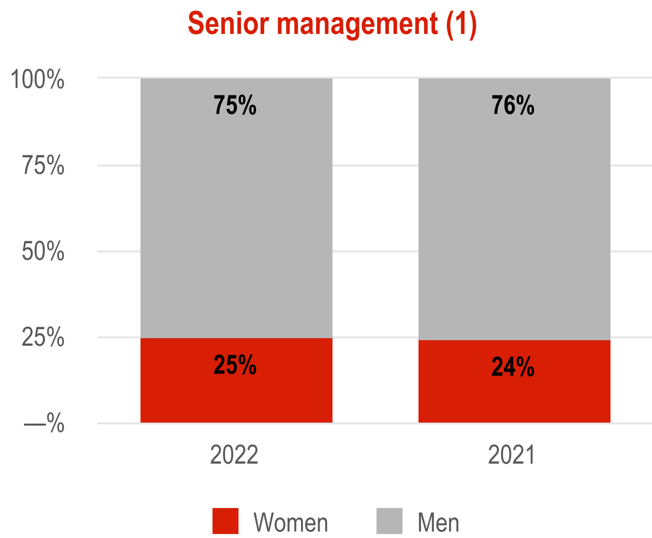
The Company also adopted in 2015 a written policy on diversity among its employees, including its senior management. This policy was updated in 2022 and now expressly encompasses equity, diversity and inclusion. It provides, amongst other things, that the Company reviews the competence, experience and skills of each of the candidates for leadership positions and aims to foster diversity among its employees by taking into account personal attributes, including the representation of men and women as well as the diverse background of each candidate. To ensure candidates to leadership positions include women, the policy on equity, diversity and inclusion provides, among other things, that, whenever possible, at least one (1) woman candidate shall be among the group of identified candidates for each such position.

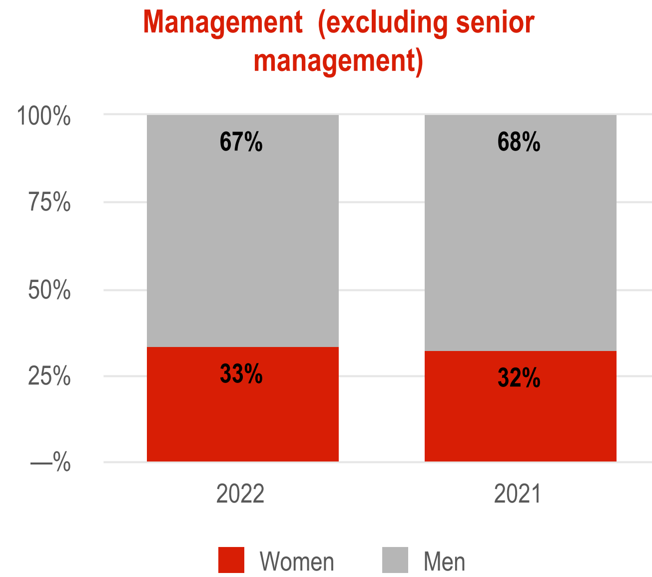
As part of its 2022-2026 Corporate Responsibility Plan, the Company set targets for the representation of women and members of underrepresented racial or ethnic groups amongst the senior management and the management teams. By 2026, women are expected to represent 30% of senior management and 35% of management while members of underrepresented racial or ethnic groups are expected to represent 17% of senior management and 17% of management. The Company has also established guidelines and policies for the recruitment and the succession planning processes as well as invested in equity, diversity and inclusion initiatives to support the achievement of its objectives. The Company reviews the effectiveness of its equity, diversity and inclusion policy applicable to its employees every three (3) years and will continue to make changes as may be necessary.

The graphics below illustrate the representation of women on the Board of Directors as well as at the senior management and management levels for the last two (2) financial years and at the Board level for the next year assuming that the director nominees will be elected at the Meeting:

Board of Directors







Note:

(1) This group includes the President and Chief Executive Officer of the Company and the Vice-Presidents of the Company and its major subsidiaries.

3.5 Board succession planning

The Board of Directors recognizes the importance of ensuring proper succession planning for its directors.

Both the Chair of the Board and the Governance Committee are in charge of Board succession planning. The Governance Committee reviews the experience and expertise needs of the Board on an annual basis. The Chairs of the Board and the Governance Committee review annually the retirement dates of all directors according to the Board Retirement Policy to ensure succession is planned accordingly both at the Board and at the Committee levels.

The Governance Committee establishes processes for Board succession planning, including the use of the services of recruitment specialists who identify possible director candidates for vacancies on the Board. These recruitment specialists can focus on particular skills and profile, including diversity, identified by the Governance Committee.

The Governance Committee reviews the competence, experience and skills of each of the nominees for the position of director and recommends to the Board of Directors the nominees who best meet the required profile at the time of nomination.

The Chair of the Board and the Chair of the Governance Committee meet with potential director nominees together to discuss their interest and the contributions they could bring to the Board of Directors. The Chairs of the Audit and Human Resources Committees also meet with the potential director nominees. After these first meetings, if found suitable, potential director nominees will meet with the President and Chief Executive Officer of the Company. These discussions are reported to the Governance Committee which decides whether to recommend or not the potential director nominee.

The Governance Committee and the Chair of the Board make their recommendations to the Board of Directors which then chooses a nominee while taking into account, among other things, the list of competencies and expectations of directors that can be found in Exhibit H to this Circular and the availability of the candidates. The Board of Directors also takes into consideration the profiles of each director already serving on the Board of Directors, the needs of the Board in certain expertise, and aims to foster diversity, particularly in terms of competence, experience, skills, background and personal attributes, including age, gender, sexual orientation, ethnicity, being a member of a visible minority, being a member of Indigenous People and having a disability.

In 2022, the Board of Directors adopted, upon recommendation of the Governance Committee, a Board Chair Selection Policy which serves to establish a process for planning the succession of the Chair of the Board as well as the selection process for the nomination of a new Chair of the Board.

3.6 Evaluation of the effectiveness of the Board, the committees and the directors

The Board of Directors has designed a comprehensive effectiveness assessment for itself, the committees and the directors under the supervision of the Governance Committee. This assessment occurs on an annual basis using questionnaires that are reviewed every year by the Governance Committee. These questionnaires cover a variety of subjects, including, but not limited to, corporate governance, and include both quantitative and qualitative questions.

The regular assessment consists of a six-part questionnaire completed by each director. The first part consists of an evaluation of the corporate governance practices of the Board of Directors as a whole and of the effectiveness and performance of the Board and the Board committees. The second, third and fourth parts are more open-ended and seek additional comments that may not have been addressed in the first part. The fifth part consists of an assessment by each director of the other directors' performance. Finally, the sixth part is a self-assessment of the performance of the director.

Every three (3) years, a detailed questionnaire replaces the regular questionnaire and only includes qualitative questions. The fiscal 2022 evaluation was performed using this detailed questionnaire.

During the assessment process, the Governance Committee also ensures that the mandate of each committee of the Board of Directors is carried out and assesses the manner in which the Chair of the Board of Directors and the Chairs of each committee fulfill their duties.

The Chair of the Board meets with each director individually on an annual basis to discuss the performance and contributions of the director to the Board and its committees. These individual discussions are also an opportunity for directors to address the Board's effectiveness and possible improvements. These meetings also allow the Chair of the Board to obtain feedback from directors on his performance as Chair of the Board and on the performance of the other directors. The Chair reports on the progress of these discussions to the Governance Committee.

Performance evaluation results are reviewed by the Governance Committee. The Chair of the Governance Committee submits a complete report of this analysis to the Board of Directors.

In light of the foregoing, the Chair of the Board of Directors, with the help of the Governance Committee, assesses the process, the effectiveness and/or the need for change in the composition of the Board of Directors, its committees or their Chairs. Following this analysis management is advised of the relevant recommendations for improvements, in particular with respect to training and development programs for directors, which require its involvement.

A review of the Board and committee mandates is performed on an annual basis to ensure that the Board and its committees are fulfilling their mandate and that these mandates reflect the current responsibilities and activities of the Board and its committees.

3.7 Director orientation and continuing education

There is a training and orientation program intended for new members of the Board of Directors. Pursuant to this program, new directors are provided with reports on the Company's business operations and internal affairs. New directors meet with the Chair of the Board of Directors and the President and Chief Executive Officer to discuss the operations of the Company and the Company's expectations towards each director. The Chair of the Board of Directors also informs new directors about the Company's corporate governance practices and, in particular, the role of the Board of Directors, its committees and each director. This program also allows new directors to meet with the committee chairs, to visit the Company's distribution centers, food stores and pharmacies and to meet key management team members. Once this training and orientation program is completed, the Chair of the Governance Committee obtains feedback from the new directors to ensure they feel adequately prepared to carry on their duties as directors of the Company.

The Company acknowledges that a board of directors' good performance stems from directors who are well informed; as such, the Company provides each director with a handbook that contains relevant documentation and information about the Company, including the Information Policy and the Code of Ethics of the Directors of Metro Inc. (the "Directors' Code of Ethics").

At each meeting of the Board of Directors, the directors have the opportunity to hear presentations given by executive officers on various topics regarding the Company's operations. The directors also take part, periodically, in organized visits of the Company's facilities including distribution centers as well as its retail network. The Governance Committee reviews and suggests matters upon which information sessions for Board members would be appropriate. Board members also have the opportunity to share their interest in that regard. This year, directors received educational and informational briefings on various operational, financial and strategic topics including retail innovation, marketing, real estate, customer loyalty programs and the COVID-19 pandemic.

In addition, two (2) formal educational sessions took place and focused on the real estate market and on how investors view the grocery industry in Canada, which allowed Board members to keep themselves up to date on these fast-changing aspects of the business. Most directors attended these sessions.

These briefings and sessions were presented by internal speakers and outside experts in the applicable fields.

Each year, Board members and executives also attend a strategic planning session.

The Company ensures that all directors are members of the Institute of Corporate Directors (ICD) and pays their ICD membership fees.

3.8 Conflicts of interests and related party transactions

The Board of Directors and the Governance Committee are responsible for monitoring all actual and potential conflicts of interests at the Board of Directors' level and all transactions that would involve one or more directors or parties related to one or more directors.

Under the Directors' Code of Ethics, all directors must avoid situations involving a conflict of interests. Conflicts of interests are defined as any situation, whether real, perceived or apparent, potential or contingent, in which a director may be inclined to favour, directly or indirectly, his private or business interests or those of his or her family, friends, colleagues, related parties or anyone else to the detriment of the Company's interests. Situations that may affect a director's loyalty and judgment also constitute a conflict of interests. However, the mere holding of securities representing less than five percent (5%) of the outstanding securities of a publicly traded company is not considered a conflict of interests with respect to such company.

The Directors' Code of Ethics defines related parties as any business entity or corporation related to a director (associate), a group of which the director is a director or officer, or a group in which the director or a party related to such director (associate) has an interest. As mentioned above, related parties are covered in the conflict of interests definition and situations of potential conflict of interests are dealt with as follows.

All directors must report to the Chair of the Board of Directors and the Chair of the Governance Committee any real or apprehended situation that could give rise to a conflict of interests as soon as they become aware of the situation. The Governance Committee reviews all situations reported by directors and makes recommendations to the Board of Directors. Any member of the Governance Committee who is in a situation of conflict of interests is precluded from participating in the Governance Committee's proceedings and discussions related to the matter.

The Board of Directors determines, if necessary, upon recommendation of the Governance Committee, the actions to be taken with respect to any situation giving rise to a conflict of interests. No director may vote on any resolution presented in relation to any situation giving rise to a conflict of interests involving such director or be present during deliberations in relation thereto, except in certain circumstances described in the Québec *Business Corporations Act* relating to the remuneration of the director, an indemnity or liability insurance benefiting a director, or a contract or operation with an affiliate of the Company for which the sole interest of the director is as a director or officer of the affiliate.

3.9 Role of the Board of Directors and its committees

The Board of Directors has adopted a mandate in which it describes its role. The text of the Board of Directors' mandate is included in Exhibit D to this Circular.

The roles of the Chair of the Board and of the Chief Executive Officer are separate. The Chair of the Board manages the Board, ensures that the Board operates effectively, and ensures that the Board maintains proper relationships and adequately fulfills its obligations with respect to the Company's senior management, shareholders and other stakeholders. The mandate of the Chair of the Board is included in Exhibit J to this Circular.

The Chair of the Board is appointed by resolution of the Board of Directors. The current Chair of the Board is Mr. Pierre Boivin who started his mandate as Chair of the Board after the 2021 Annual General Meeting of Shareholders. Mr. Boivin is an independent director.

There are currently three (3) permanent Board committees: the Human Resources Committee, the Governance Committee and the Audit Committee. A description of each committee is included in the following sections.

HUMAN RESOURCES COMMITTEE

The Human Resources Committee has five (5) members, all of whom are independent directors. This Committee met six (6) times during fiscal 2022. The text of the Human Resources Committee's mandate is included in Exhibit E to this Circular. The composition of this Committee is described in the "Human Resources Committee" section on page 31 of this Circular.

GOVERNANCE AND CORPORATE RESPONSIBILITY COMMITTEE

The Governance Committee has five (5) members, all of whom are independent directors. This Committee met four (4) times during fiscal 2022. The text of the Governance Committee's mandate is included in Exhibit G to this Circular.

AUDIT COMMITTEE

At the end of fiscal 2022, the Audit Committee had five (5) members, all of whom were independent directors and were financially literate. The Committee met five (5) times during fiscal 2022. The text of the mandate of the Audit Committee is included in Exhibit F to this Circular.

At the end of fiscal 2022, the Audit Committee was composed of the independent directors listed below who possessed the education and experience that are relevant to the performance of their duties on the Audit Committee. Ms. Beausoleil and Mr. Goodman are considered qualified financial experts while the other members of the Audit Committee were considered to be financially literate.

- Russell Goodman, Chair of the Audit Committee, is a Chartered Professional Accountant who acquired his experience by serving as a partner at PwC for a period of 24 years. Mr. Goodman is also a director and Chair of the Audit Committee of Northland Power Inc. and is a director and member of the Audit Committee of Gildan Activewear Inc. He was also a director and Chair of the Audit Committee of Whistler Blackcomb Holdings Inc.
- Lori-Ann Beausoleil is a Chartered Professional Accountant who acquired her experience by serving as a partner at PwC for more than 20 years. She is a member of the Audit Committee of Canadian Apartment Properties REIT and the Chair of the Audit Committee of Brookfield Income Trust Inc.
- Stephanie Coyles is a member of the Audit Committee of Corus Entertainment Inc., and was a member of the Audit Committee of Sun Life Financial Inc. until November 2021. She also acquired her experience while she acted as Senior Vice-President and Chief Strategic Officer of LoyaltyOne Co. which reported its results in accordance with the International Financial Reporting Standards ("IFRS").
- Marc Guay served as president for a period of 15 years, first at Frito Lay Canada Inc. and then at PepsiCo Foods Canada Inc. Mr. Guay is also a member of the Audit Committees of Boston Pizza Royalties Income Fund and of Boston Pizza GP Inc., the general partner of the administrator of Boston Pizza Royalties Income Fund, Boston Pizza Royalties Limited Partnership.

- Brian McManus acquired his experience while he acted as President and Chief Executive Officer of Stella-Jones Inc., a publicly traded company.

Pre-approval policies and procedures

The Audit Committee approved the Policy concerning the pre-approval of audit services and non-audit services, the main components of which are described below.

The Auditors are appointed to audit the annual Consolidated Financial Statements of the Company. The Auditors may also be called upon to provide audit-related services, tax services and non-audit services, as long as these services do not interfere with their independence.

The Audit Committee must pre-approve all services that the Auditors may render to the Company and its subsidiaries. On an annual basis, the Audit Committee examines and pre-approves the details of the services which may be provided by the Auditors and the fee levels in connection therewith. Any type of service that has not already been approved by the Audit Committee must specifically be pre-approved by the Audit Committee if it is to be provided by the Auditors. Same applies if the services offered exceed the pre-approved fee levels. The Audit Committee has delegated to its Chair the authority to pre-approve services that have not already been specifically approved. However, the Chair of the Audit Committee must report all such decisions at the following committee meeting.

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

Policy regarding complaints

The Audit Committee approved a policy allowing anyone, including the employees of the Company, to submit an anonymous complaint regarding illegal acts (such as fraud, theft, vandalism, harassment, intimidation, questionable practices, including questionable practices regarding accounting, internal controls and auditing matters) in connection with the Company's activities. Complaints may be submitted over the telephone, by email, through an online platform or by mail. All complaints received that are related to questionable practices regarding accounting, internal controls and auditing matters are sent directly to the Senior Director, Internal Audit, who is responsible for reviewing such complaints and, if needed, making due inquiry. At each of its meetings, the Audit Committee is provided with a report of all complaints received together with the results of any investigation and, if applicable, any corrective measures to be implemented. Complaints that are not related to questionable practices regarding accounting, internal controls and auditing matters are reviewed by the Company's Senior Director, Corporate Security and Resiliency and, if needed, investigated. A report of all such complaints is made at every meeting of the Human Resources Committee.

The full text of the Company's policy regarding complaints can be found on the Company's corporate website (corpo.metro.ca).

Policy regarding the hiring of partners or employees of the Auditors

The Audit Committee approved a policy governing the Company's hiring of certain candidates to 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 applies for a position which entitles the candidate to exercise decision-making authority or significantly influence decision-making regarding the presentation of financial information or auditing matters. More 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. Moreover, the eventual hiring of such candidate must not compromise the independence of the Auditors.

Review of the quality of the work of the Auditors

The Audit Committee has examined the qualifications, performance and independence of the Auditors and has ensured that the Auditors are registered with the Canadian Public Accountability Board as compliant participants. The Audit Committee also meets with all of the Auditors' senior personnel engaged on the audit, and actively oversees their rotation, succession and credentials. The Audit Committee's objective is to establish a reasonable balance between the continuity of relevant audit knowledge and the enhanced skepticism and diversity that new senior personnel bring to the audit methodology. The Audit Committee examines every year the quality of the work performed by the Auditors in order to make an informed recommendation concerning the appointment of the audit firm which will act as external auditors of the Company. In 2022, this evaluation, which was discussed with the Auditors, focused on:

- the quality of the Auditors' annual audit plan and team;
- the depth and breadth of relevant public company and industry experience of the Auditors' engagement partners responsible for the Company's audit, including the depth of experience and engagement of specialists partners for complex areas;
- the quality of the Auditors' quarterly review, annual audit examination and evaluation of internal controls;
- the transparency, timeliness and quality of the Auditors' communications to the Audit Committee and management;
- the Auditors' demonstration of professional skepticism, most particularly in its review of the Company's accounting estimates and areas involving significant auditor and management judgment;
- management feedback as to the timeliness and quality of the Auditors' work; and
- the reasonableness of the Auditors' audit and audit-related fees.

3.10 Risk management

Management identifies the main risks to which the Company is exposed and also determines adequate measures to manage these risks in a proactive way. The Internal Audit Department has the mandate of monitoring the identification, evaluation and mitigation of all business risks, as well as all insurance activities that are carried out in connection with these risks. Every three (3) years, each major sector of activity is subject to a review or an audit to ensure that control measures have been put in place to address the business risks associated to such sector of activity.

Most of the identified risks fall into the following categories: operational risks, legal risks, financial risks, reputational risks, technological risks and security risks.

One of the responsibilities of the Audit Committee is to review all material risks identified by management and to examine the effectiveness of the measures put in place to manage these risks. In order to do so, the Audit Committee regularly receives from the Internal Audit Department risk assessments with respect to various business units of the Company. These assessments contain a description of the material risks that could affect any given business unit, and the measures put in place to manage such risks. In addition, the Audit Committee receives quarterly a report from the Senior Director, Corporate Security and Resiliency. The Audit Committee regularly reports back to the Board of Directors regarding risk management. The Board of Directors also receives reports from management on material risks that could affect the Company. Periodically, the Audit Committee receives a presentation of the most important risks affecting the Company and the measures put in place to manage such risks. A similar presentation is made to the Board at least once a year.

The Board of Directors and the Human Resources Committee also review the identification and management of risks arising from the Company's compensation policies and practices and the disclosure related thereto. More information about risks arising from the Company's compensation policies and practices may be found under the "Summary of the Company's compensation policies and practices and associated risks" section, on page 33 of this Circular.

Additional information on risk management can be found in the "Risk Management" section of the Management Discussion and Analysis, forming part of the Annual Report. The Annual Report is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

Information security

While management is responsible for the day-to-day management of information security, the Board of Directors maintains an oversight of the measures put in place to mitigate information security risks. This oversight is performed both at the Board level and through the Audit Committee which is specifically tasked with risk oversight which includes information security risks. The Audit Committee and the Board of Directors receive formal cybersecurity presentations and information security updates on a regular basis.

Additional information on information security can be found in the "Risk Management" section of the Annual Report. The Annual Report is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

Climate risk

The Board of Directors maintains an oversight of the measures put in place by management to mitigate climate risk as well as management's assessment of this risk and its possible impacts on the Company's operations and activities. This oversight is performed both at the Board level and through the Audit Committee which is specifically tasked with risk oversight, including climate risk. The Company works to increase the resilience of its business to address physical and transitional climate risks through integration of climate risk management into its governance, strategy, risk management and metrics, as recommended by TCFD. In October 2022, the Company announced its support of TCFD.

Additional information on climate risk can be found in the "Risk Management" section of the Annual Report. The Annual Report is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

3.11 Strategic planning

In conformity with the mandate of the Board of Directors, which can be found in Exhibit D to this Circular, the Board of Directors adopts a strategic planning process for the Company and its subsidiaries. Every year, the Board of Directors holds a one-day strategy session with the senior management team to discuss growth opportunities, competition, potential risks and key enablers. The outcome of those discussions forms the strategic priorities and goals of the Company for the coming three (3) to five (5) years. The Company follows the same process for its financial strategic plan.

Senior management promptly reports back to the Board of Directors on any new development which may have a significant strategic impact. This allows the Board of Directors to ensure general oversight of the evolution of the strategic plan and to approve any new strategic measure proposed by senior management.

3.12 Environmental, social and governance matters

The Company adopted its first formal corporate responsibility plan in 2010. Since then, it has implemented structuring programs pertaining to responsible procurement, the environment as well as equity, diversity and inclusion.

Disclosure

The Company published its first corporate responsibility report in fiscal 2011 and has been reporting on its progress annually ever since. The reports disclose how value is created through corporate responsibility for the Company and its stakeholders – customers, employees, suppliers, shareholders and community partners. Sound management of environmental, social and governance ("ESG") matters is central to the Company's approach and enables it to be a responsible food and pharmacy leader which integrates a sustainable development perspective into its business model.

2022-2026 Corporate Responsibility Plan

In 2022, the Company implemented year one (1) of the 2022-2026 Corporate Responsibility Plan. The various teams worked on the priorities set in the plan and are on track to meet the objectives and targets set in the plan. In addition, disclosure was improved by adding references to the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) to the ESG Performance Data table available on the Company's corporate website (corpo.metro.ca) as well as in the annual Corporate Responsibility Report which will be released at the same time as the Annual Report.

The Governance Committee received regular updates on the advancement of the work against the plan's priorities from members of senior management to whom these priorities were assigned and was part of discussions regarding the constant evolution of the plan.

Corporate responsibility governance

Corporate responsibility is part of the Company's management structure and involves key individuals at each decision-making and implementation stage under the guidance of the Board of Directors.

4. Director compensation

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

The Board of Directors' policy is to offer its directors competitive compensation. In that respect, the Board of Directors compares on a yearly basis the compensation of the Company's directors with that of Canadian public companies included in the same reference group as the Company. For more information about said reference group, including the criteria used by the Company to select the companies included in the group, please refer to the section entitled "Reference Group" on page 35 of this Circular. For fiscal 2022, the Governance Committee reviewed the compensation of directors and concluded that the current compensation for directors was adequate and remained substantially equivalent to the median compensation for the reference group.

Directors who are not employees or former employees of the Company are not eligible to receive pension plan benefits under the terms of any of the Company's Pension Plans and are not entitled to any Option grants under the Company's Option Plan.

Director compensation for the financial year ended September 24, 2022 consisted of the following elements:

Elements of compensation	Director	Amount payable
Base annual retainer	Chair of the Board	$300,000
	Director	$125,000
Committee chair annual retainers	Chair of the Audit Committee	$25,000
	Chair of the Governance Committee	$15,000
	Chair of the Human Resources Committee	$15,000
Committee annual membership fee	All directors who sit on a committee (fee is per committee membership)	$10,000

4.1 Director shareholding guidelines

In order to better align the interests of the directors with those of the shareholders, the Company has elaborated guidelines regarding non-employee directors' compensation and the number of securities of the Company that they are minimally required to hold. The director shareholding guidelines require that a director hold a minimum of three (3) times his or her base annual retainer in DSUs and/or Shares. Each director has three (3) years to comply with this minimum shareholding requirement and, in the case of a newly appointed Chair of the Board, three (3) years after the appointment, to comply with the minimum shareholding requirement.

Until each director holds three (3) times his or her base annual retainer in DSUs and/or in Shares each director must receive his or her base annual retainer or, at such director's option, his or her total annual compensation in DSUs. Afterwards, each director will continue to receive at least 25% of his or her total compensation in DSUs. Based on the current base annual retainer of $125,000 for directors who are not employees of the Company and $300,000 for the Chair of the Board, the minimum shareholding requirement represents $375,000 for non-employee directors and $900,000 for the Chair of the Board.

The following table contains information on the achievement of the minimum shareholding guidelines by each director nominee who is not an employee of the Company:

Name	Shareholding requirement	Total value of DSUs and Shares held at the end of the financial year ($)	Value of DSUs and Shares as a multiple of base annual retainer	Guidelines met or deadline to meet guidelines
Lori-Ann Beausoleil	3 x base annual retainer ($375,000)	96,000	1	January 25, 2025
Maryse Bertrand	3 x base annual retainer ($375,000)	1,159,691	9	✔
Pierre Boivin	3 x base annual retainer ($900,000)	1,224,235	4	✔
François J. Coutu[(1)]	3 x base annual retainer ($375,000)	493,826	4	✔
Michel Coutu[(1)]	3 x base annual retainer ($375,000)	694,370	6	✔
Stephanie Coyles	3 x base annual retainer ($375,000)	1,661,517	13	✔
Russell Goodman	3 x base annual retainer ($375,000)	1,839,769	15	✔
Marc Guay	3 x base annual retainer ($375,000)	1,450,720	12	✔
Christian W.E. Haub	3 x base annual retainer ($375,000)	6,069,289	49	✔
Christine Magee	3 x base annual retainer ($375,000)	1,316,273	11	✔
Brian McManus	3 x base annual retainer ($375,000)	1,471,924	12	✔

Note:

(1) At the closing of the acquisition of the Jean Coutu Group by the Company on May 11, 2018 (the "Transaction"), following the issuance of Shares of the Company as partial payment of the purchase price, the Coutu family held approximately eight percent (8%) of the Company's issued and outstanding Shares.

4.2 Deferred Share Unit Plan

The main terms of the Deferred Share Unit Plan (the "DSU Plan") are the following:

- the Company's DSU Plan came into effect on February 1, 2004;
- each director who participates in the DSU Plan has an account in his or her name into which the DSUs are credited and held until such director ceases to be a director of the Company. The number of DSUs credited to such director's account is calculated by dividing the amount of the eligible compensation by the average closing price of a Share of the Company on the Toronto Stock Exchange (the "TSX") for the five (5) trading days preceding the date of the credit (the "DSU Value");
- DSU holders are credited additional DSUs in an amount equal to the dividends paid on Shares of the Company. The number of DSUs

credited is calculated by multiplying the amount of a declared dividend by the number of DSUs held by the DSU holder and then dividing this number by the DSU Value;

- DSUs can only be bought back from the moment their holder ceases to be a director for any reason whatsoever (the "Termination Date");
- from the Termination Date, the director whose functions have ceased may request a buyback of all DSUs credited to his or her account by providing a written notice no later than December 1st of the calendar year following the year of the applicable Termination Date (the "Notice"). The Company will then pay such director a lump sum in cash equal to the number of all DSUs credited to such director's account on the day the Notice is received (the "Unit Buyback Date") multiplied by the DSU Value on the Unit Buyback Date less tax withholdings; and
- DSUs are not considered Shares of the Company and, as such, they do not confer the rights to their holders to which shareholders of the Company are normally entitled to.

4.3 Director compensation payment table

The following table illustrates how the fees earned for acting as directors of the Company in relation to fiscal 2022 have been paid.

Name	Payment in cash ($)	Payment in cash (% of total compensation)	Payment in DSUs ($)	Payment in DSUs (% of total compensation)	Fees ($)
Lori-Ann Beausoleil(1)	—	—	90,273	100%	90,273
Maryse Bertrand	37,500	25%	112,500	75%	150,000
Pierre Boivin	—	—	300,000	100%	300,000
François J. Coutu	—	—	125,000	100%	125,000
Michel Coutu	—	—	125,000	100%	125,000
Stephanie Coyles	33,350	23%	111,650	77%	145,000
Claude Dussault(2)	32,446	65%	17,250	35%	49,696
Russell Goodman	80,000	50%	80,000	50%	160,000
Marc Guay	—	—	150,000	100%	150,000
Christian W.E. Haub	—	—	135,000	100%	135,000
Christine Magee	—	—	145,000	100%	145,000
Brian McManus	—	—	141,687	100%	141,687
Line Rivard(3)	—	—	21,768	100%	21,768

Notes:

(1) Ms. Beausoleil was elected director of the Company for the first time on January 25, 2022. Compensation declared in the table above reflect compensation earned by Ms. Beausoleil between her election and the end of the fiscal year.

(2) Mr. Dussault ceased to be a director of the Company on January 25, 2022.

(3) Ms. Rivard ceased to be a director of the Company on November 17, 2021.

4.4 Share-based awards

The following table shows, as at December 2, 2022, the share-based awards under the DSU Plan held by each Director since his or her appointment, which have vested but have not yet been paid. There are no option-based awards for directors. These DSU awards have been granted solely as payment for the fees earned by the directors. The DSU awards include, however, DSUs granted to cover dividends paid on Shares of the Company.

	Share-based awards	
Name	**Share-based awards that have vested (number) – DSUs(1)**	**Market or payout value of share-based awards that have vested but have not been paid ($)(2)**
Lori-Ann Beausoleil(3)	1,236	96,000
Maryse Bertrand	13,131	1,019,885
Pierre Boivin	10,545	819,030
François J. Coutu	6,358	493,826
Michel Coutu	8,760	680,389
Stephanie Coyles	18,192	1,412,973
Claude Dussault(4)	43,711	3,395,033
Russell Goodman	15,587	1,210,642
Marc Guay	14,465	1,123,497
Christian W.E. Haub	64,642	5,020,744
Christine Magee	15,822	1,228,895
Brian McManus	2,951	229,204

Notes:

(1) The number of DSUs include DSUs granted as dividend payment on the DSUs held by each director.

(2) Based on the closing price on December 2, 2022 ($77.67).

(3) Ms. Beausoleil was first elected director of the Company on January 25, 2022.

(4) Mr. Dussault ceased to be a director of the Company on January 25, 2022.

5. Executive compensation discussion and analysis

This section is intended to give shareholders of the Company a description of the policies, programs and decisions regarding compensation of the NEOs (as hereinafter defined) for the Company's financial year ended September 24, 2022. In this Circular, the term "NEO(s)" individually and collectively refers to the President and Chief Executive Officer, the Executive Vice-President, Chief Financial Officer and Treasurer and the Company's three (3) most highly paid executive officers at the end of the most recently completed financial year of the Company, namely: the Executive Vice-President, Ontario Division Head and National Supply Chain, the Executive Vice-President, Québec Division Head and e-commerce and the President, Jean Coutu Group who left the Company at the end of fiscal 2022. Although this section essentially aims to describe the compensation policies and programs for NEOs, these programs also apply to the other members of management of the Company. Unless otherwise indicated, the information disclosed in this section is up to date as at September 24, 2022.

5.1 Compensation governance

ROLE AND MANDATE OF THE HUMAN RESOURCES COMMITTEE

The Board of Directors has given the Human Resources Committee the mandate to, among other things, review and recommend senior executive compensation components and policies, to ensure that they are consistent with best practices while also considering new compensation trends.

The mandate of the Human Resources Committee was amended in fiscal 2022 to better reflect the current responsibilities of the Human Resources Committee, including the oversight of the Company's health and safety performance and activities as well as the oversight of the Company's policy on equity, diversity and inclusion and the application of this policy by the Company.

The text of the mandate of the Human Resources Committee can be found in Exhibit E to this Circular.

HUMAN RESOURCES COMMITTEE

At the end of fiscal 2022, the Human Resources Committee was comprised of the following independent directors: Maryse Bertrand, Marc Guay (Chair), Christian W.E. Haub, Christine Magee and Brian McManus.

Each Human Resources Committee member has the relevant experience and competencies to perform his or her duties:

- Marc Guay (Chair) acquired his experience in human resources while acting as President of PepsiCo Foods Canada Inc. and of Frito Lay Canada Inc. for numerous years.
- Maryse Bertrand acquired her experience while acting as member of the Human Resources Committee of the National Bank of Canada and as Chair of the Human Resources Committee of PSP Investments.
- Christian W.E. Haub acquired his experience while acting as President and Chief Executive Officer of The Great Atlantic and Pacific Tea Company, Inc., formerly a large American food retail chain, and as Chief Executive Officer of The Tengelmann Group, a large German corporation operating in the retail sector.
- Christine Magee acquired her experience by acting as chair of the board of directors of Sleep Country Canada Holdings Inc. where she also assumed the role of President from 1994 to 2014. She also was a member of the Compensation Committee of Sirius XM Canada Holdings Inc. from 2014 to 2016.
- Brian McManus acquired his experience while acting as President and Chief Executive Officer of Stella-Jones Inc. and as Executive Chair and Chief Executive Officer of Uni-Select Inc. He was also chair of the Human Resources Committee of the CSL Group.

CONFLICTS OF INTEREST

None of the members of the Human Resources Committee is or has been indebted towards the Company or any of its subsidiaries or has or has had an interest in any material transaction involving the Company in the course of fiscal 2022. None of the members of the Human Resources Committee is or has been an officer, employee or executive of the Company.

SUCCESSION PLANNING

The Company considers executive succession planning to be a fundamental part of the sound management of the Company. Succession plans for the President and Chief Executive Officer and for other members of management are reviewed in detail on an annual basis by the Human Resources Committee and at regular intervals during the year. The Human Resources Committee then makes appropriate recommendations to the Board of Directors. Succession plans for senior management, including the President and Chief Executive Officer, are presented annually to the Board of Directors.

To ensure the long-term development of the leadership and talent within the Company, succession plans include, in particular: emergency plans in response to unforeseen events, identifying potential candidates and their readiness level to assume different types of positions and functions, succession planning on a continuous and integrated basis for the short, middle and long terms, adjustments to succession plans when necessary, implementing and updating individual and organizational development programs, and regular reviews of the processes relating to succession planning and talent management. The process for succession planning and talent management also applies to all management and professional positions of the Company. Equity, diversity and inclusion are important considerations in our succession planning. For information on how these elements are included in management succession planning, see the "Equity, diversity and inclusion" section on page 21 of this Circular.

5.2 Compensation objectives

In order to recruit, retain and motivate qualified senior executives who are devoted to improving the Company's performance on multiple levels and creating as well as protecting long-term value for its shareholders, the Company has developed a compensation structure for executive officers based on the following objectives:

5.3 Overview of NEO compensation

The following table illustrates the elements of executive compensation for fiscal 2022. Further information and details on each element of NEO compensation is found in the section "NEO compensation components" at page 36 of this Circular.

	Direct compensation				Indirect compensation	
			Long-term incentive plan ("LTIP")			
Elements	Base salary	Annual incentive plan ("AIP")	Performance share units ("PSU")	Options	Pension plan	Other benefits
Purpose	Recruit and retain competent individuals	Reward personal and corporate performance achieved in the year	Reward achievement of longer-term corporate performance and align senior management's interests with shareholders'		Retain competent individuals and offer long-term financial security	
Performance evaluation period	Annual merit-based review	Annual	Three (3) years	Two (2) to seven (7) years		
		Payout at risk				

5.4 Summary of the Company's compensation policies and practices and associated risks

The Company's compensation policies and practices encourage and promote the alignment of senior management's interests with those of the shareholders while protecting the Company from excessive risk taking. The Human Resources Committee reviews risk identification and management with regards to the Company's compensation policies and practices and related disclosure. As shown in the following table, many components of the Company's compensation policies and practices limit risk-taking by senior management in a number of ways.

Pay for performance

What the Company does	What the Company does not do
• Executive officers are primarily compensated in relation to the Company's financial results, which are approved by the Board of Directors after having been reviewed by the Auditors and the Audit Committee. • Executive compensation is determined in accordance with a reference group which is updated as needed and with market surveys of companies comparable to the Company in order to ensure its competitiveness. • Some AIP objectives are based on the Company's budget, which is approved by the Company's Board of Directors. • Compensation payable to executive officers under the AIP in the event that certain performance objectives have been partially achieved may be adjusted when justified by the circumstances up to a total amount equal to five percent (5%) of the base salary of all executive officers and must be approved by the Human Resources Committee or, in the case of the President and Chief Executive Officer and the Chief Financial Officer, by the Board.	• The Company does not grant compensation to its executive officers that is solely based on fixed compensation. • The Company does not offer variable compensation that is not predominantly linked to the Company's financial results. • The Company does not allow the President and Chief Executive Officer to receive a portion of his compensation under the AIP if certain performance objectives have not been fully achieved, even if justified by the circumstances, without the approval of the Board of Directors.

Promote sound risk taking

What the Company does	What the Company does not do
• The Human Resources Committee reviews the identification and management of risks arising from the Company's compensation policies and practices. • The Human Resources Committee's external advisor evaluates the risks associated with the executive officers' compensation and advises the Human Resources Committee. • The base salary for executive officers is fixed to provide regular income that is in no way connected to Share price and the overall operational performance of the Company, thus discouraging excessive risk-taking. • Performance objectives are diversified and include absolute performance objectives, as well as performance objectives relative to a peer group. • Amounts payable under the AIP are capped. • Options and PSUs vest over a long-term period therefore minimizing short-term risk-taking. • The Company's Code of conduct (the "Code of Conduct") includes compensation clawback provisions for the recovery of compensation paid to the executive officers in the event of restatement or misconduct and provisions prohibiting hedging transactions.	• The Company does not base performance objectives solely on absolute performance objectives. • The Company does not pay compensation under the AIP without the approval of the Human Resources Committee and, with respect to the President and Chief Executive Officer and the Chief Financial Officer, of the Board of Directors. • The Company does not allow hedging on its securities.

Aligning with shareholders' interests

What the Company does	What the Company does not do
• Performance objectives for the executive officers under the AIP and the LTIP are diversified, realistic and coherent. • Options and PSUs are awarded to encourage sustained, long-term performance. • Option and PSU grants are limited to a set number following an established policy. • The Human Resources Committee receives an annual presentation on the cost of the LTIP and on the potential dilution that could result from the exercise of Options awarded. • Minimum shareholding (in Shares and PSUs) requirements have been established for executive officers and other members of management.	• The Company does not allow executive officers and other members of management to sell all of the Shares acquired upon exercise of Options or vesting of PSUs until the minimal shareholding requirement has been met.

COMPENSATION RISKS

The Human Resources Committee has retained the services of an external compensation consultant, PCI Compensation Consulting ("PCI"), to review the risks arising from the Company's compensation policies and practices. After conducting an in-depth review of the risks associated with compensation, the Company concluded that there were no risks that could have a material adverse effect on the Company. For more information on the Human Resources Committee's external compensation consultant, please refer to the "External compensation consultant" section at page 35 of this Circular.

EXECUTIVE COMPENSATION CLAWBACK

The provisions of the Code of Conduct relating to AIP and LTIP awards provide that the Board of Directors may, at its sole discretion, to the full extent permitted by law and to the extent it determines that it is in the Company's best interest to do so: i) require reimbursement of all or a portion of any performance-based incentive compensation awarded to an executive after November 15, 2011 over a 24-month period preceding the triggering event; ii) require the reimbursement of any profit realized, over a 24-month period preceding the triggering event, by the executive from the exercise or following the vesting of performance-based incentive compensation awards granted after November 15, 2011; or iii) effect the cancellation of unvested performance based incentive compensation awards granted to the executive after November 15, 2011, if:

a) the amount of the performance-based incentive compensation awarded to, or received by, or the profit realized by, the executive was calculated based upon, or contingent upon, the achievement of certain financial results that were subsequently the subject of, or affected by, a material restatement of all or a portion of the Company's financial statements (except where the cause of such restatement was beyond the reasonable control of the Company, such as in the case of a change in accounting or reporting standards), and the amount of the performance-based incentive compensation that would have been awarded to, or received by, or the profit realized by the executive would have been lower had the financial results been properly reported; or

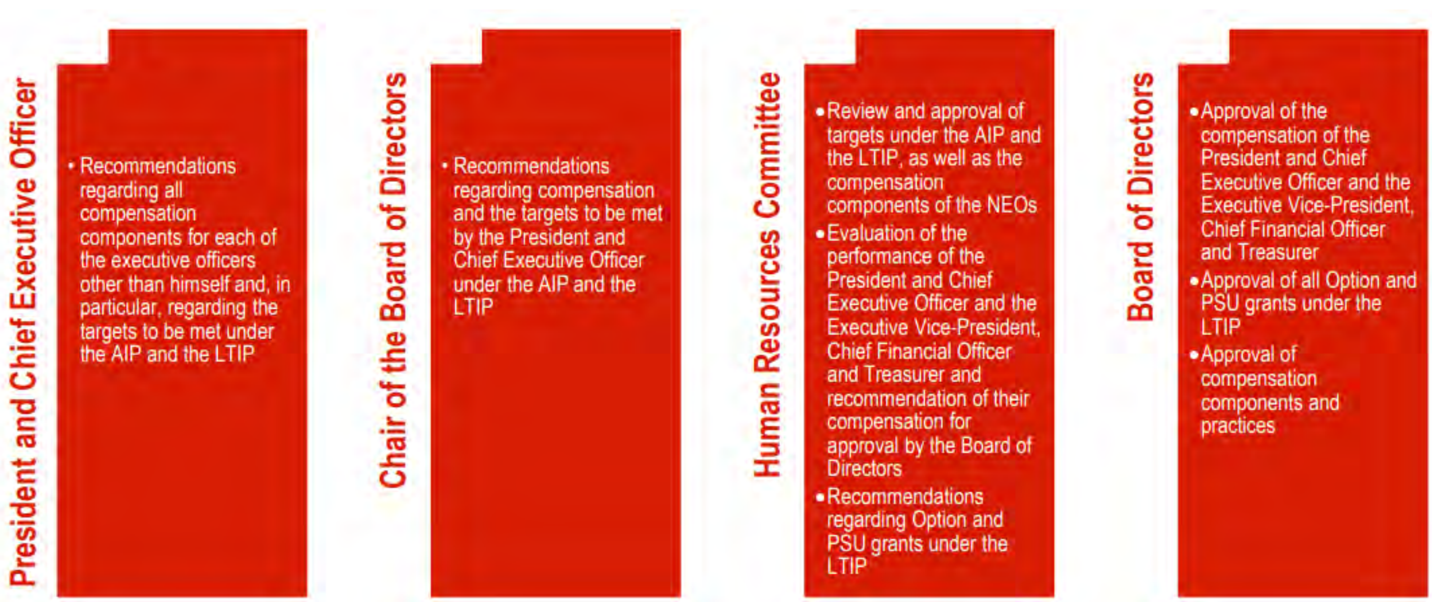
b) the executive committed a material breach of the Code of Conduct or the Company's policies or engaged in inappropriate conduct resulting in significant losses, fines or penalties or any behaviour that could have a significant negative impact on the reputation, market performance or financial performance of the Company.

NO HEDGING

To avoid speculation by employees and directors on the Company's Shares, certain provisions of the Code of conduct and of the Directors' Code of Ethics prohibit employees and directors of the Company from, directly or indirectly, short selling the Company's Shares or Options, or trading in put or call options relating to the Company's Shares.

5.5 Decision-making process

The Company along with the Board of Directors has put in place a rigorous annual process to evaluate the Company's executive officers' performance and determine their compensation.



5.6 External compensation consultant

In accordance with best governance practices, the Human Resources Committee conducted a tender process for external compensation consulting services during the 2022 financial year. Four (4) qualified and independent firms were invited to participate in the tender process, including the Board of Directors' advisor at the time, PCI. The proposals were evaluated against the following criteria: expertise and experience, understanding of the Canadian retail industry, quality of tools and databases, firm's reputation and presence in Québec, including the ability to work in French, alignment with the Company's values and purpose, ability to offer ongoing education to the Human Resources Committee and the Board of Directors, fees, and references. At the end of this process, the Human Resources Committee retained the services of Hexarem, a Montreal-based firm exclusively offering executive compensation services, effective May 2022. Its role remained the same as the role of the previous advisor: to provide information and independent advice regarding NEO compensation programs. Hexarem will review the recommendations of the Company and its consultants with respect to executive compensation trends, companies which should be part of the reference group, information pertaining to said companies and, generally, the NEOs compensation. During fiscals 2021 and 2022, PCI (until May 2022) and Hexarem (from May 2022) were hired directly by the Human Resources Committee and did not receive other mandates from the Company although PCI concluded a mandate given by the Jean Coutu Group’s senior management, prior to the Transaction, which was in compliance with corporate governance rules in force at the Jean Coutu Group at the time. For fiscals 2021 and 2022, the Company paid the following fees to PCI and Hexarem:

	2022	2021
Executive compensation – Related fees (PCI)	$44,245	$59,879
Executive compensation – Related fees (Hexarem)	$18,950	—
All other fees	—	$2,225
Total	**$63,195**	**$62,104**

5.7 Sources of information

In addition to the information provided by the external compensation consultant, the Human Resources Committee also takes into account compensation data publicly disclosed by various specialized organizations and by Canadian public companies included in the reference group described in the “Reference Group” section below. The Company regularly commissions compensation surveys from other consulting firms which are then submitted to the Human Resources Committee which takes such surveys into consideration when making decisions relating to compensation.

5.8 Reference group

The reference group used by the Company to determine all aspects of NEO’s compensation and to review its policies in such regard remained the same through 2022. The reference group is comprised of 11 publicly traded Canadian companies. The following table shows the Company’s position compared to the other companies of the reference group with respect to various financial measures:

	Sales[1]	Operating Income[2]	ROE[3]	Market Capitalization[4]
Alimentation Couche-Tard Inc.	$85,233	$7,089	21.8%	$55,733
Maple Leaf Foods Inc.	$4,521	$373	5.2%	$2,586
Loblaw Companies Limited	$53,170	$5,533	16.6%	$36,696
Dollarama Inc.	$4,331	$1,283	493.4%	$22,052
Empire Company Limited	$30,162	$1,860	15.9%	$12,753
The North West Company Inc.	$2,249	$311	29.3%	$1,541
Premium Brands Holdings Corporation	$4,932	$319	7.9%	$3,987
Quebecor Inc.	$4,554	$1,888	48.8%	$6,285
Restaurant Brands International Inc.	$7,788	$2,562	38.1%	$23,053
Saputo Inc.	$15,035	$965	4.2%	$13,739
Canadian Tire Corporation, Limited	$16,292	$2,608	23.4%	$8,839
Median of the reference group	*$7,788*	*$1,860*	*21.8%*	*$12,753*
METRO INC.	***$18,283***	***$1,732***	***13.1%***	***$16,662***

Notes:

(1) In millions of dollars. The financial data of the Company is for fiscal 2022. The financial data of the companies that are part of the reference group is for the most recently completed financial year and has been obtained from Refinitiv. Amounts that are not disclosed in Canadian dollars have been converted to Canadian dollars using the Bank of Canada daily rate effective on September 23, 2022 (US$1.00/C$1.3570).

(2) Operating Income before depreciation and amortization. In millions of dollars. The financial data of the Company is for the 2022 financial year. The financial data of the companies that are part of the reference group is for the most recently completed financial year and has been obtained from Refinitiv. Amounts that are not disclosed in Canadian dollars have been converted to Canadian dollars using the Bank of Canada daily rate effective on September 23, 2022 (US$1.00/C$1.3570).

(3) ROE: Return on Equity. The financial data of the Company is for fiscal 2022. The financial data of the companies that are part of the reference group is for the most recently completed financial year and has been obtained from Refinitiv.

(4) In millions of dollars. The market capitalization data is dated September 23, 2022, and reflects the number of shares outstanding (all classes).

The Company selected the above-mentioned companies on the basis of the following criteria:

- comparable sales and stock market capitalization;
- comparable industry sectors, namely: retail, distribution or Canadian food manufacturing;
- sale of consumer staples;
- operations carried out under various banners or trade names; and/or
- comparable geographical scope of operations.

5.9 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 NEOs' total compensation percentage under the AIP is shown in the column entitled "AIP" of the following table. The NEOs' total compensation percentage under the LTIP is shown in the column entitled "LTIP" of said table. The base salary of the NEOs is fixed whereas the portion of the compensation attributed under the AIP and the LTIP varies in accordance with the performance of the Company and the results obtained. A significant part of the NEOs' compensation is therefore based on performance and includes a risk-based component, as further indicated in the following table. It should also be noted that the amount of at-risk compensation increases as the level of responsibility associated with a given position increases.

	Percentage of total target direct compensation for fiscal 2022[1]			
Name and principal occupation	**Base salary**	**AIP**	**LTIP[2]**	**At-risk compensation[3]**
Eric R. La Flèche President and Chief Executive Officer	24%	24%	52%	76%
François Thibault Executive Vice-President, Chief Financial Officer and Treasurer	35%	26%	39%	65%
Carmine Fortino Executive Vice-President, Ontario Division Head and National Supply Chain	35%	26%	39%	65%
Marc Giroux Executive Vice-President, Québec Division Head and e-commerce	35%	26%	39%	65%
Alain Champagne President, Jean Coutu Group	35%	26%	39%	65%

Notes:

(1) Target total direct compensation includes base salary as well as 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. The target for PSUs is set at Level 2.

(3) At risk compensation represents the sum of the AIP and the LTIP.

5.10 NEO compensation components

BASE SALARY

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

The median of the reference group and compensation surveys conducted by the Company or by consulting firms are used to establish the base salary of each NEO, which base salary is then adjusted to take into account specific circumstances such as an individual's level of responsibility and experience.

The base salary is reviewed annually according to the individual's performance, the Company's performance, market data for the reference group and the annual compensation surveys performed by expert consulting firms.

ANNUAL INCENTIVE PLAN ("AIP")

The AIP is intended to compensate the achievement and overachievement of performance goals for a given financial year. The AIP consists of a percentage of the Company's executives' base salary payable annually as a cash bonus in consideration for the executives' and the Company's achievement or overachievement of certain annual objectives and performance thresholds. Except with the approval of the Board of Directors, no amount is payable under the AIP with respect to any given goal if the minimum performance threshold or the goal is not achieved. The President and Chief Executive Officer may grant executive officers (excluding himself) part of their compensation under the AIP even if certain performance objectives have been partially achieved, when justified by the circumstances. All such adjustments made by the President and Chief Executive Officer are subject to the Human Resources Committee's prior approval, and in the case of the Executive Vice-President, Chief Financial Officer and Treasurer, the Board's approval. The Board can also adjust in like manner the President and Chief Executive Officer's compensation under the AIP. All such adjustments are limited to an aggregate amount equal to five percent (5%) of all executive officers' base salaries.

The objectives to be met under the AIP are threefold:

i) corporate objectives based on the budgeted annual adjusted net earnings as described in the "Highlights for fiscal 2022" section on page 41 of this Circular;

ii) divisional objectives based on the budgeted sales and contribution of the food and pharmacy divisions of the Company; and

iii) financial, strategic or business objectives of a personal nature or relating to the specific sector for which the NEO is responsible.

Each objective provides for a bonus corresponding to a percentage of the annual base salary. The same rules apply to all management employees participating to the AIP.

The following table shows the maximum bonus as a percentage of the base salary that each NEO can earn for the achievement of all goals in each category as well as the maximum and target total bonuses.

	Percentage of the base salary paid if maximum is achieved or exceeded				Percentage of base salary paid if target is achieved
Name and principal occupation	**Corporate goals**	**Divisional goals**	**Personal or Sector-based goals**	**Total**	**Total**
Eric R. La Flèche President and Chief Executive Officer	90%	30%	30%	150%	105%
François Thibault Executive Vice-President, Chief Financial Officer and Treasurer	50%	30%	20%	100%	75%
Carmine Fortino Executive Vice-President, Ontario Division Head and National Supply Chain	30%	50%	20%	100%	75%
Marc Giroux Executive Vice-President, Québec Division Head and e-commerce	30%	50%	20%	100%	75%
Alain Champagne President, Jean Coutu Group	30%	50%	20%	100%	75%

Each year, new performance objectives (corporate, divisional and personal or sector-based) are established under the AIP at a high but attainable level. The objectives are reviewed and approved on an annual basis by the Human Resources Committee. The Company believes that the AIP performance objectives are established at a sufficiently high level to encourage NEOs to exceed expectations, which, in the opinion of the Company, has a positive impact on its performance.

More information on bonuses paid under the AIP is available in the "Annual Incentive Plan for fiscal 2022" section on page 41 of this Circular.

LONG-TERM INCENTIVE PLAN ("LTIP")

The LTIP is comprised of the Option Plan and the Performance Share Unit Plan (the "PSU Plan"). PSUs represent more than 50% of the 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 associating a significant portion of their compensation to the creation of value. The LTIP is a factor that contributes to the retention of senior executives.

The Option and PSU grant policy for executives provides for annual grants. Any holder of Options awarded under the Option Plan must wait for a period of two (2) years from the grant, after which time the Options are exercisable in cumulative increments of 20% each year. In general, the Options granted have a total term of seven (7) years. The PSUs granted vest generally three (3) years following their grant date, conditional upon the achievement of applicable performance levels.

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

Option Plan

The number of Shares underlying each Option grant is calculated according to the following formula: (salary class of the NEO, or the base salary in the case of the President and Chief Executive Officer X target compensation value) ÷ (closing price of the Shares on the trading day preceding the Option grant X 15% compensation value factor).

The target compensation value of NEOs is determined as follows:

i) the number of underlying Shares for Options granted to the President and Chief Executive Officer is established using a target compensation value equal to 100% of his base salary; and

ii) the number of underlying Shares for Options granted to other NEOs is established using a target compensation value equal to 35% of their salary class. The salary classes are revised from time to time.

To determine the estimated fair value of all standard Option grants for compensation purposes, the Company was using before 2021 a compensation value factor of 20% of the exercise price of each Option (which is equal to the closing price of the Shares on the trading day preceding the Option grant). In light of the evolution of the Share price in recent years and the decreasing Black-Scholes value used for accounting purposes, the compensation value factor has been revised from 20% to 15% for the 2021 grants and onward. The Company considers that this valuation method for Options adequately reflects the evolution in NEO compensation and makes it easier to compare with the reference group even though it does not correspond exactly to the Black-Scholes value declared in note 18 of the Company's consolidated financial statements for fiscal 2022.

PSU Plan

PSUs entitle their holder to receive Shares of the Company or, at the discretion of the Company, a cash equivalent, in whole or in part, on the vesting date. Each grant includes three (3) levels of PSUs, in accordance with the achievement of certain financial performance goals determined annually by the Human Resources Committee and approved by the Board of Directors.

There are currently five (5) annual performance goals used to determine the PSU level reached for a total of 15 performance criteria over the performance period. They are based on the Company's return on shareholders' equity based on adjusted net earnings ("ROE") in comparison to three (3) preset target levels, and on the Company's adjusted net earnings per share growth ("EPSG") in comparison to its two (2) main competitors: Loblaw Companies Limited and Empire Company Limited.

The determination of the PSU level reached for payment purposes is made at the end of their performance period, which is generally three (3) years after PSUs are granted, on the basis of the above-mentioned five (5) annual performance criteria (i.e. based on a total of 15 performance criteria during the performance period), and is calculated as follows at the end of the performance period:

i) Level 1 = achievement of at least four (4) of the 15 performance criteria;

ii) Level 2 = achievement of at least eight (8) of the 15 performance criteria; and

iii) Level 3 = achievement of at least 12 of the 15 performance criteria.

If Level 1 is not reached once the performance period for the PSUs is completed, PSU holders shall not receive any payment for such grant.

The Human Resources Committee reviews the goals and criteria of the PSU Plan on an annual basis to foster the highest level of performance while remaining realistic and reachable to avoid undue risk taking. In 2022, the Board of Directors of the Company, upon recommendation of the Human Resources Committee, maintained the Company's ROE target levels at the same level as those set in 2021 to take into consideration the fact that the Company was cycling unusually elevated pandemic sales (as described in the "Annual Incentive Plan for fiscal 2022" section at page 41 of this Circular).

The following table lists the performance criteria to be reached over the last three (3) fiscal years:

2022	2021	2020
ROE higher than 12.25%	ROE higher than 12.25%	ROE higher than 11.5%
ROE higher than 12.75%	ROE higher than 12.75%	ROE higher than 12%
ROE higher than 13.25%	ROE higher than 13.25%	ROE higher than 12.5%
EPSG higher than Loblaw Companies Limited's EPSG	EPSG higher than Loblaw Companies Limited's EPSG	EPSG higher than Loblaw Companies Limited's EPSG
EPSG higher than Empire Company Limited's EPSG	EPSG higher than Empire Company Limited's EPSG	EPSG higher than Empire Company Limited's EPSG

The number of PSUs granted is calculated by dividing a percentage of the NEO's salary class by the closing price of the Share generally on the trading day preceding the PSUs grant, except for Mr. La Flèche, for whom the number of PSUs is calculated according to a percentage of his salary as determined in his employment contract (for more details on Mr. La Flèche's employment contract, please refer to the "Employment Contracts" section on page 39 of this Circular).

To determine the fair value of all PSUs standard grants for compensation purposes, the Company is using Level 2 of PSUs as the target level. The Company considers that using this target level more adequately reflects the value of PSUs.

Other Information

The other terms and conditions of the Option Plan and the PSU Plan are more fully described in the "Stock Option Plan (Option Plan)" section on page 51 of this Circular and in the "Performance Share Unit Plan (PSU Plan)" section on page 53 of this Circular. More information on Option and PSU grants in 2022 is available in the "Long-Term Incentive Plan for fiscal 2022" section on page 44 of this Circular.

PENSION PLANS

The Company's pension plans are designed to offer executives a reasonable pension and compensate them for their years of service. Executives began contributing to the defined benefit base plan in the 2015 financial year.

Mr. La Flèche's pension benefits are provided under a base plan and a supplemental plan, both of a defined benefit type. The base plan is contributory and the supplemental plan is non contributory. In 2018, pursuant to an amendment to his employment contract, Mr. La Flèche's pension benefits were increased following a review of his total compensation by PCI. Both plans combined provide for a pension equal to two percent (2%) of final average earnings multiplied by the number of years of credited service. Final average earnings now consist of the average, determined for the 36 consecutive months that were the most highly compensated, of the base salary received by Mr. La Flèche and, for years of credited service as of April 15, 2008, the cash bonus (up to 100% of the base salary) received by Mr. La Flèche. The pension benefits are paid in addition to government pension benefits and the normal form of pension is a lifetime pension with a guarantee of 120 monthly payments. Mr. La Flèche can opt for early retirement as of now; the pension for the years of service from January 1, 2017 would then be reduced by 5/12 of one percent (1%) for each month between the retirement date and the date upon which Mr. La Flèche reaches age 62. Notwithstanding the foregoing, Mr. La Flèche's pension is limited to a maximum total annual pension of $1 million for a retirement at age 63 or after. If Mr. La Flèche retires before the age of 63, the maximum annual pension shall be reduced by 5/12 of one percent (1%) for each month between the date of retirement and the date Mr. La Flèche reaches age 63.

The pension benefits of Messrs. Thibault, Giroux and Champagne are provided under a base plan and a supplemental plan, both of a defined benefit type. The base plan is contributory whereas the supplemental plan is non-contributory. Both plans combined provide a pension equal to two percent (2%) of the final average salary multiplied by the number of years of credited service, the final average salary consisting of the annual average base salary received by each NEO during the 36 consecutive months that were the most highly compensated. The pension benefits are paid in addition to government pension benefits and the normal form of pension is a lifetime pension with a guarantee of 120 monthly payments. These NEOs may elect early retirement as of the age of 55; the pension related to years of service before 2017 is then reduced by 0.5% for each month between the date of retirement and age 60 and the pension related to years of service from January 1, 2017 is reduced by 5/12 of one percent (1%) for each month between the date of retirement and the date the NEO reaches age 62.

The pension benefits of Mr. Fortino are provided under a base plan as well as a supplemental plan, both of a defined benefit type. The base plan is contributory whereas the supplemental plan is non-contributory. Both plans combined provide pension benefits equal to 1.6% of the final average salary less 1.5% of the pension benefit from the Canada Pension Plan, multiplied by the number of years of service credited, the final average salary consisting of the average annual base salary received by Mr. Fortino during the 60 consecutive months that were the most highly compensated. The pension benefits are paid in addition to government pension benefits and the normal form of pension is a lifetime pension with a guarantee of 120 monthly payments. However, in the case of the supplemental plan, the pension benefits are paid in five (5) annual payments of an equivalent value to the lifetime pension. Mr. Fortino may elect early retirement from the age of 55 and receive an adjusted reduced pension having an actuarial value equivalent to the normal pension.

BENEFITS AND PERQUISITES

NEOs are also entitled to benefits comparable to those offered to executives of a similar level including health care and dental coverage, short and long-term disability and life insurance. The costs of these benefits are at the expense of the Company, except for long-term disability and optional plan costs, which are at the expense of each NEO. The Company provides the NEOs with a company car, at the Company's expense.

EMPLOYMENT CONTRACTS

The President and Chief Executive Officer, Mr. Eric R. La Flèche, and the Executive Vice-President, Ontario Division Head and National Supply Chain, Mr. Carmine Fortino, are the only NEOs who have a written employment contract with the Company.

Mr. La Flèche's contract, as amended from time to time, came into effect on April 15, 2008 for an indefinite term, and sets out the terms and conditions of his compensation as President and Chief Executive Officer.

Mr. Fortino's contract, which came into effect on September 2, 2014, also has an indefinite term and sets out the terms and conditions of his compensation as Executive Vice-President, Ontario Division Head and National Supply Chain.

According to his employment contract, Mr. La Flèche is eligible to the AIP up to a maximum of 150% of his base salary as President and Chief Executive Officer of the Company.

Mr. La Flèche's employment contract was amended in 2018 following the Transaction to provide, amongst other things, an increased participation in the PSU Plan, as a percentage of his base salary: from 60% to 90% at Level 1, from 90% to 120% at Level 2 and from 120% to 150% at Level 3. No changes were made to the Option portion of the LTIP.

Mr. La Flèche's employment contract was further amended in 2021 to clarify that, in the context of the change to the compensation value factor from 20% to 15% and to the formula to determine the number of Shares underlying each Option, his target compensation value under the Company's Option

Plan remains equal to 100% of his base salary. This modification did not change Mr. La Flèche's Option-based compensation.

Under Mr. Fortino's employment contract, all Options and PSUs granted to Mr. Fortino follow the standard grant policy of the Company.

The conditions of exercise of Mr. La Flèche's and Mr. Fortino's Options and PSUs are the same as those of Options and PSUs granted pursuant to the Plans. The performance criteria for the PSUs granted to Mr. La Flèche and Mr. Fortino are the same as those described in the "Long-Term Incentive Plan ("LTIP")" section on page 37 of this Circular.

For other specific conditions applicable to Messrs. La Flèche and Fortino, please refer to the "Termination of employment or change of control benefits" section on page 54 of this Circular.

5.11 Shareholding requirements for NEOs

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 of a value equal to at least five (5) times his annual base salary. Executive Vice-Presidents and other officers who have an equivalent role are required to hold Shares and PSUs of a value equal to at least two (2) times their annual base salary. Senior Vice-Presidents are required to hold Shares and PSUs of a value equal to at least one and a half (1.5) times their annual base salary. The other executives are required to hold Shares and PSUs of a value at least equal to one (1) time their annual base salary. The minimum holding requirement must be met within seven (7) years of the date upon which executives received their first Option or PSU grant or within three (3) years of the appointment of the executives to their current position if said executives previously held a management position within the Company that had a lower shareholding requirement. All PSU and Option holders must keep a portion of the Shares they receive on the vesting or exercise date, as the case may be, if they have not yet met this minimum holding requirement. The President and Chief Executive Officer is required to continuously hold Shares and PSUs in accordance with the minimum holding requirement herein above-mentioned for one (1) year following retirement or resignation. The other NEOs are required to comply with the minimum holding requirement for six (6) months following retirement or resignation.

The following table indicates, with respect to each NEO, the value of the Shares and PSUs held as well as a confirmation of compliance with the minimum holding requirement. In accordance with its policy, the Company considers the following two (2) elements in determining compliance with this requirement: i) Shares of the Company held by each NEO; and ii) half of the PSUs granted but not yet vested according to the level corresponding to the goals estimated to be achieved when such determination is made.

Name	Shareholding requirement	Value of securities held at the end of the financial year(1)	Value of securities as multiple of base salary(2)	Shareholding requirement met or deadline to meet the requirement
Eric R. La Flèche	5 x base salary	$21,370,202	20.66	✓
François Thibault	2 x base salary	$2,756,515	5.01	✓
Carmine Fortino	2 x base salary	$2,554,677	4.16	✓
Marc Giroux	2 x base salary	$1,898,321	3.53	✓
Alain Champagne	2 x base salary	$1,090,761	2.01	✓

Notes:

(1) Value calculated using the closing price on September 23, 2022 ($69.84).

(2) The multiple of base salary is calculated using the base salary set out in the summary compensation table in the "Compensation for fiscal 2022" section at page 47 of this Circular.

The dollar value of each NEO's equity-based holdings, based on the closing price of the Shares on September 23, 2022 ($69.84), are set forth in the following table. More information on Options and PSUs held by NEOs is available in the "Outstanding share-based awards and option-based awards" section on page 48 of this Circular.

Name	Value of Shares held ($)	Value of unexercised in-the-money Options ($)		Value of PSUs not vested ($)	Total ($)
		Vested	Not vested		
Eric R. La Flèche	19,150,687	5,622,242	6,679,829	4,439,030	35,891,788
François Thibault	1,964,180	1,096,617	1,310,167	1,584,670	5,955,634
Carmine Fortino	1,750,121	1,115,655	1,343,892	1,609,114	5,818,781
Marc Giroux	1,142,303	456,177	903,130	1,512,036	4,013,646
Alain Champagne	310,299	—	910,410	1,560,924	2,781,633

5.12 Compensation decisions for fiscal 2022

HIGHLIGHTS OF FISCAL 2022

The Company achieved strong financial and operational results in 2022.

Sales for fiscal 2022 totalled $18,888.9 million versus $18,283.0 million for fiscal 2021, an increase of 3.3%.

Net earnings for fiscal 2022 were $849.5 million, up 2.9% compared to fiscal 2021, while fully diluted net earnings per Share were $3.51, up 5.4%. Adjusted net earnings[1] for fiscal 2022 stood at $922.1 million, up 7.9% from fiscal 2021, and adjusted fully diluted net earnings per Share[1] were $3.82, up 11%.

Food sales in the first half of the year were partly fuelled by the pandemic and remained essentially flat compared to elevated sales in 2021. Food sales increased in the second half of the year compared to 2021 as pandemic-related operating conditions were more comparable to the prior year and because food inflation accelerated worldwide due to many factors such as the war in Ukraine, rising commodity and energy prices, and labour shortages throughout the supply chain. The Company's teams worked tirelessly to offer its customers products at competitive prices, through a business model that combines conventional and discount banners, a strong private label offering as well as effective weekly promotions.

The performance of our pharmacy business in fiscal 2022 was strong, benefiting from higher prescription sales resulting from an uptick in physicians' visits and the distribution of COVID rapid test and vaccines, as well as a strong increase in front-store sales, mainly over-the-counter medications and cosmetics.

Overall, the Company's gross margin stood at 20%, the same level as in fiscal 2021, with Food gross margins slightly down, as some of the cost of goods sold increases were absorbed, compensated by a stronger gross margin in Pharmacy. Financial results are also the product of the Company's sustained investments in its network of stores and its supply chain, as well as in its merchandising and marketing programs. Capital spending in 2022 totalled over $620 million, a record level.

BASE SALARY FOR FISCAL 2022

The base salary of each NEO, including the President and Chief Executive Officer, was determined according to the factors referred to in the "Base Salary" section on page 36 of this Circular. The Human Resources Committee is satisfied that the base salaries are adequate compared to the reference group.

ANNUAL INCENTIVE PLAN FOR FISCAL 2022

In setting its objectives for fiscal 2022, the Company prepared a budget that took into account that its food sales from the previous year had been fuelled by the COVID-19 pandemic for a significant portion of the year whereas pharmacy sales had been negatively impacted by a labour conflict and government imposed restrictions on sales of non-essential products in Quebec.

As such, it set stretch sales targets for the food divisions that held through the first half of the financial year and were exceeded in the second half of the year, as significant food inflation fuelled sales and accelerated a consumer shift to discount stores which was positive for our discount banners.

The structure of the AIP remained consistent with prior years except for the inclusion of an ESG objective for all NEOs and other executives of the Company which is worth 10% of the sector-based portion of their bonus.

The Company has exceeded the maximum target for all its corporate and divisional goals in fiscal 2022. All gains from the disposal of assets were excluded from the results for bonus purposes. The Human Resources Committee recommended to the Board and the Board accepted the Human Resources Committee's recommendation that the annual incentive amounts related to these financial objectives be paid at the maximum levels for all NEOs, including the President and Chief Executive Officer. Most NEO's personal or sectoral goals were reached and, in light of the above, the Human Resources Committee, as it has sometimes done in past years, agreed to certain minor adjustments to personal objectives that were substantially achieved. No adjustments were made in relation to the President and Chief Executive Officer's personal objectives. More details on these adjustments can be found in the "Adjustments" section on page 43 of this Circular.

The following table shows the minimum and maximum targets, as a percentage of budget, to be achieved with regards to the following AIP goals for fiscal 2022:

i) Corporate: budgeted adjusted net earnings;

ii) Divisional: budgeted contribution for each of the three (3) divisions.

[1] These measures are presented for information purposes only. They do not have standardized meanings under the International Financial Reporting Standards (IFRS) and therefore may not be comparable to similar measures presented by other public companies. For more information on adjusted net earnings and adjusted fully diluted net earnings per share and their reconciliation, please refer to the "Operating results" and the "Non-GAAP and other financial measurements" sections of the 2022 Annual Report dated December 9, 2022, which is incorporated by reference herein and is available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

Name	Corporate Goals		Divisional Goals						Personal or Sector-based Goals
			Quebec Division		Ontario Division		Pharmacy Division		
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum	
Eric R. La Flèche	96%	105%	96%	103%	96%	104%	96%	103%	Various key performance indicators, strategic or business goals relating to the specific sector for which the NEO is responsible, such as: achieving and exceeding market share gains, contribution, customer satisfaction and cost savings targets as well as achieving the successful implementation of supply chain or digital strategy, succession planning, corporate responsibility (ESG) targets and successful deployment of other significant operational initiatives.
François Thibault	96%	103%	96%	103%	96%	104%	96%	103%	
Carmine Fortino	96%	103%	—	—	96%	104%	—	—	
Marc Giroux	96%	103%	96%	103%	—	—	—	—	
Alain Champagne	96%	103%	—	—	—	—	96%	103%	

Corporate goals

The following table shows the percentage of the base salary representing the bonus that each NEO would earn according to the level of achievement with respect to the annual adjusted net earnings as well as the results achieved for fiscal 2022.

Name	Minimum $802.1M	Target $835.5M	Maximum $860.6M(1)	Results Achieved $908.8M(2)
Eric R. La Flèche	36%	60%	90%	90%
François Thibault	20%	38%	50%	50%
Carmine Fortino	12%	23%	30%	30%
Marc Giroux	12%	23%	30%	30%
Alain Champagne	12%	23%	30%	30%

Notes:

(1) This is the maximum for all NEOs except for Mr. La Flèche. The maximum for Mr. La Flèche is $877.3M. If the maximum is exceeded, the NEOs will receive a bonus representing the same percentage of their base salary as if the actual results were equal to the maximum.

(2) For the purpose of calculating the bonus, the adjusted net earnings have been reduced by excluding mainly the gains on the disposal of assets.

Divisional goals

The table below shows the percentage of base salary representing the bonus that each NEO would receive according to the level of achievement of the divisional goals as well as the results achieved for fiscal 2022. For confidentiality reasons more fully described at the end of this section, the Company will not disclose the amount of these targets.

Name	Minimum	Target	Maximum(1)	Results Achieved
Eric R. La Flèche	12%	23%	30%	30%
François Thibault	12%	23%	30%	30%
Carmine Fortino	20%	38%	50%	50%
Marc Giroux	20%	38%	50%	50%
Alain Champagne	20%	38%	50%	50%

Note:

(1) If the maximum is exceeded, the NEOs will receive a bonus representing the same percentage of their base salary as if the actual results were equal to the maximum.

Personal or sector-based goals

The NEOs may receive a bonus of up to a maximum of 20% to 30% of their base salary for achieving all of their personal or sector-based objectives.

The table below shows, as a percentage of salary, the target and maximum bonuses payable for the achievement of all personal objectives for each of the NEOs and the bonuses actually achieved, inclusive of minor adjustments as more fully described in the following section. Personnal or sector-based goals include various key performance indicators, strategic or business goals relating to the specific sector for which the NEO is responsible, such as: achieving and exceeding market share gains, contribution, customer satisfaction and cost savings targets, achieving the successful implementation of supply chain or digital strategy, succession planning, corporate responsibility (ESG) targets and successful deployment of other significant operational initiatives. For confidentiality reasons more fully described at the end of this section, the Company will not disclose more details on these goals.

Name	Target	Maximum	Results Achieved
Eric R. La Flèche	23%	30%	23%
François Thibault	14%	20%	15%
Carmine Fortino	14%	20%	17%
Marc Giroux	14%	20%	15%
Alain Champagne	14%	20%	17%

Adjustments

The Human Resources Committee, upon recommendation of the President and Chief Executive Officer, and the Board of Directors with respect to the Executive Vice-President, Chief Financial Officer and Treasurer, granted NEOs compensation adjustments amounting to $41,656 under the AIP with respect to certain personal or sector-based goals given that the Human Resources Committee and the Board determined that these goals had been substantially achieved. No adjustments were made to the achievement of the President and Chief Executive Officer's personal goals.

Bonus earned

The following table shows the target bonus, maximum bonus and bonus earned by each NEO for fiscal 2022:

Name	Target bonus as % of base salary	Maximum bonus as % of base salary	Bonus earned as % of base salary	Bonus earned ($)(1)
Eric R. La Flèche	105%	150%	143%	1,483,040
François Thibault	75%	100%	95%	526,258
Carmine Fortino	75%	100%	97%	597,490
Marc Giroux	75%	100%	95%	524,425
Alain Champagne	75%	100%	97%	533,500

Note:

(1) The bonus is calculated based on the base salary in effect on January 1, 2022 or thereafter if modified during the year.

Undisclosed goals

The Company will not provide further details regarding the AIP goals as it believes that the disclosure of such information could seriously prejudice its interests, as same constitutes strategic confidential information. Since the Company does not publicly disclose its overall budgetary targets and does not wish to give forward-looking information, the Company believes that it is not desirable to disclose such information. Furthermore, the divisional and personal or sector-based goals are aligned with the divisions' main priorities and consist of financial targets and specific projects that are highly strategic and have yet to be completed; the disclosure of same could therefore greatly jeopardize their completion. Lastly, it is the Company's policy not to disclose information on an unconsolidated basis. Consequently, the Company will not disclose additional information on divisional and personal or sector-based goals. The Company considers that the performance goals determined in accordance with the AIP which are not fully disclosed are established at a high yet reachable level, to encourage NEOs to exceed expectations which, in the opinion of the Company, has a positive impact on the Company's performance.

The percentage of total compensation associated with undisclosed goals for fiscal 2022 is as follows for each of the NEOs:

Name and principal occupation	Percentage of total compensation relating to undisclosed objectives
Eric R. La Flèche President and Chief Executive Officer	10.2%
François Thibault Executive Vice-President, Chief Financial Officer and Treasurer	13.2%
Carmine Fortino Executive Vice-President, Ontario Division Head and National Supply Chain	20.3%
Marc Giroux Executive Vice-President, Québec Division Head and e-commerce	18.2%
Alain Champagne President, Jean Coutu Group	19.3%

LONG-TERM INCENTIVE PLAN FOR FISCAL 2022

The Option and PSU awards granted during fiscal 2022 were determined according to the factors described in the "Long-Term Incentive Plan ("LTIP")" section on page 37 of this Circular.

The following table shows, for each NEO, the percentage of the salary class, or, in the case of the President and Chief Executive Officer, the salary that was used to determine the number of PSUs granted per level as well as the number of PSUs granted per level and their value for fiscal 2022. The PSUs were granted to each NEO on January 27, 2022, and the level reached will be determined in January 2025 at the time of payment.

	Level 1			Level 2			Level 3		
Name	% of salary(1)	Number of PSUs(2)	Value ($)(3)	% of salary (1)	Number of PSUs(2)	Value ($)(3)	% of salary (1)	Number of PSUs(2)	Value ($)(3)
Eric R. La Flèche	90%	14,630	936,320	120%	19,500	1,248,000	150%	24,380	1,560,320
François Thibault	50%	4,690	300,160	75%	7,030	449,920	100%	9,380	600,320
Carmine Fortino	50%	4,690	300,160	75%	7,030	449,920	100%	9,380	600,320
Marc Giroux	50%	4,690	300,160	75%	7,030	449,920	100%	9,380	600,320
Alain Champagne	50%	4,690	300,160	75%	7,030	449,920	100%	9,380	600,320

Notes:

(1) Percentage of the salary class or of the salary, as the case may be.

(2) The number of PSUs indicated per level is not cumulative.

(3) Value calculated using the closing price of the Share on January 25, 2022 ($64.00).

The PSUs granted in 2020, which will be paid out in 2023, have reached Level 2.

The following table provides details about the Options granted to each NEO for fiscal 2022:

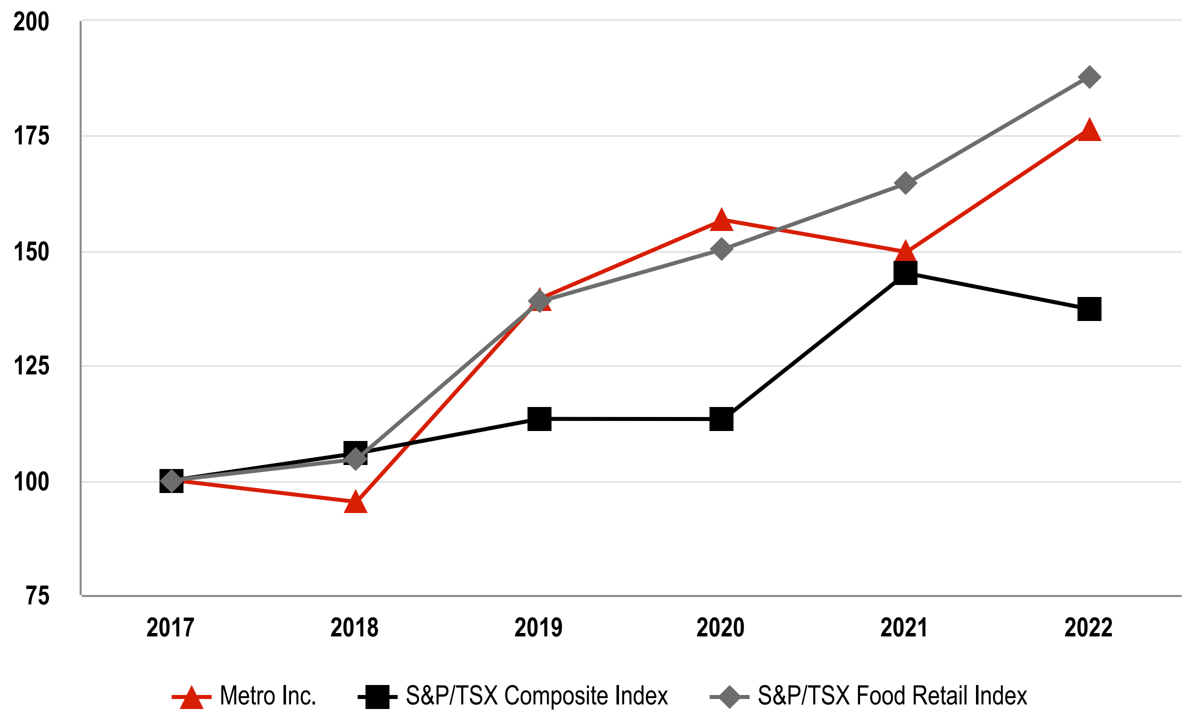
Name	Grant date	Underlying securities	Expiry date	Options value ($)(1)
Eric R. La Flèche	December 10, 2021	110,400	December 9, 2028	1,040,299
François Thibault	December 10, 2021	22,300	December 9, 2028	210,133
Carmine Fortino	December 10, 2021	22,300	December 9, 2028	210,133
Marc Giroux	December 10, 2021	22,300	December 9, 2028	210,133
Alain Champagne	December 10, 2021	22,300	December 9, 2028	210,133

Note:

(1) Value equal to 15% of the result obtained by multiplying the number of underlying Shares by the closing price of the Share on the trading day preceding the Option grant, namely $62.82. For additional details on the calculation method, refer to the "Long-Term Incentive Plan ("LTIP")" section on page 37 of this Circular.

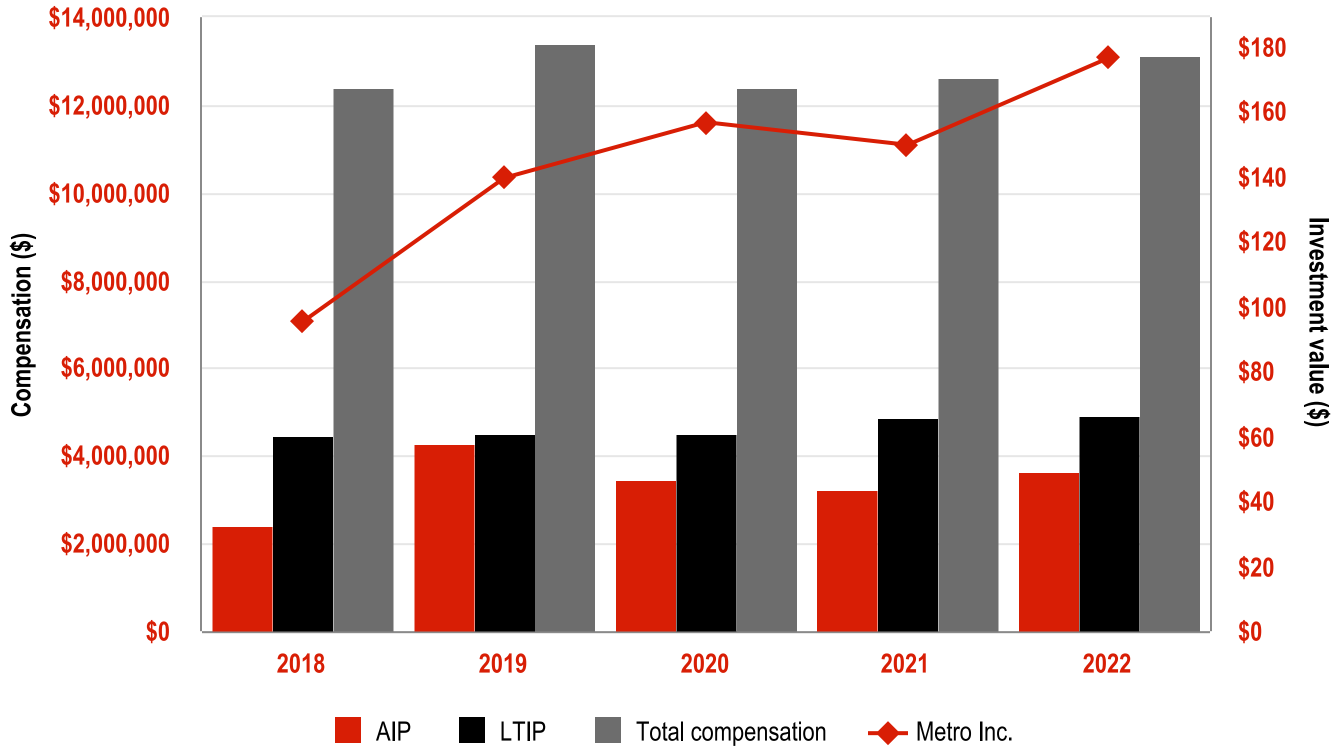
5.13 Stock performance graph

The following graph illustrates the cumulative total shareholder return on $100 invested in Shares of the Company in comparison to an investment in the S&P/TSX Composite Index and in the S&P/TSX Food Retail Index for the period beginning September 30, 2017 and ending September 24, 2022.



	2017	2018	2019	2020	2021	2022
Metro Inc.	100.00	95.28	139.55	156.67	149.70	176.53
S&P/TSX Composite Index	100.00	105.87	113.35	113.32	145.08	137.26
S&P/TSX Food Retail Index	100.00	104.57	138.92	150.31	164.64	188.00

The following graph illustrates the cumulative total shareholder return on $100 invested in Shares of the Company with dividend reinvestments compared to the total annual NEO[1] compensation for the 2018 to 2022 period.



In 2019, compensation charges grew at a similar rate than in 2018 if we exclude the one-time charge incurred in 2018 as a result of changes made to the pension benefits of the President and Chief Executive Officer (a one-time charge of $1.976 million) as well as the one-time PSUs grants relating to the Transaction. Total shareholder return increased by more than 45% during that period. In 2020, compared to 2019, compensation grew at a lower rate (7.9%) than shareholder return (12.3%). In 2021, shareholder return decreased slightly while NEO compensation remained essentially at the same level as in 2020. In 2022, compared to 2021, compensation grew at a lower rate (4.0%) than shareholder return (17.9%). Between 2018 and 2022, the total annual NEO compensation increased from $12.4 million to $13.2 million while the Share price increased from $42.91 to $69.84.

The above graph is based on the summary compensation tables as they appear in each of the Company's management proxy circulars of years 2018 to 2022.

Further details regarding total annual NEO compensation components are available in the "Summary Compensation Table" section on page 47 of this Circular.

Aggregate compensation paid to the NEOs during fiscal 2022 represented 1.55% of net earnings and 0.08% of market capitalization.

[1] *Although, Mr. François J. Coutu was a NEO in fiscal 2019, his compensation is not reflected in the graph as he retired in 2019 and as his compensation during the 2018 – 2019 period is not representative of the compensation offered by the company to its NEOs for the following reasons:*

- *i) For most of that period his compensation came from the Jean Coutu Group prior to the Transaction; and*
- *ii) In 2019, in addition to his compensation as an employee, Mr. Coutu also received director and consulting fees.*

6. Compensation for fiscal 2022

6.1 Summary compensation table

The following table sets forth the NEO's compensation for the financial years ended September 24, 2022, September 25, 2021 and September 26, 2020.

Name and principal occupation	Financial year	Salary ($)	Share-based awards ($)(1)	Option-based awards ($)(2)	Non-equity incentive plan compensation / Annual incentive plans ($)	Pension value ($)(3)	Other compensation ($)(4)	Total compensation ($)
Eric R. La Flèche	2022	1,034,231	1,248,000	1,040,299	1,483,040	549,000	5,504	5,360,074
President and Chief	2021	1,014,231	1,223,967	1,020,346	1,289,076	466,000	5,287	5,018,907
Executive Officer	2020	1,000,000	1,200,160	999,515	1,430,000	433,000	4,729	5,067,404
François Thibault	2022	550,591	449,920	210,133	526,258	153,000	2,983	1,892,884
Executive Vice-President, Chief Financial Officer and	2021	537,948	449,758	209,775	487,881	158,000	2,858	1,846,220
Treasurer	2020	527,600	412,318	192,390	519,792	150,000	2,551	1,804,651
Carmine Fortino	2022	613,878	449,920	210,133	597,490	151,000	3,259	2,025,680
Executive Vice-President, Ontario Division Head and	2021	600,247	449,758	209,775	495,538	169,000	3,126	1,927,444
National Supply Chain	2020	565,501	431,257	201,497	591,600	115,000	2,782	1,907,637
Marc Giroux	2022	538,462	449,920	210,133	524,425	245,000	3,039	1,970,979
Executive Vice-President, Québec Division Head and	2021	508,846	449,758	209,775	504,900	380,000	2,815	2,056,094
e-commerce	2020	447,910	356,044	166,206	450,000	494,000	2,267	1,916,427
Alain Champagne	2022	541,346	449,920	210,133	533,500	167,000	2,969	1,904,869
President, Jean Coutu	2021	514,231	449,758	209,775	450,476	167,000	2,758	1,793,998
Group	2020	500,000	393,921	183,282	490,000	155,000	2,436	1,724,639

Notes:

(1) The value of PSUs does not constitute a cash amount received by the NEO. It is an at-risk value. Indeed, the number of PSUs may increase or decrease depending on the number of financial objectives reached and in certain cases, the value of such PSUs may even be null. The compensation value of PSUs granted was determined using Level 2, which constitutes the target level. The accounting value of the PSUs reflected in the Consolidated Financial Statements of the Company is different from the value on the grant date indicated in the table above. The difference is due to the fact that in the financial statements, the Company considers the maximum number of PSUs provided for at Level 3, given that the applicable accounting principles require it. More information on the determination of the accounting value of the PSUs can be found in note 18 to the 2022 Consolidated Financial Statements. The table in the "Long-term incentive plan for fiscal 2022" section on page 44 of this Circular provides assistance in determining the accounting value of the PSUs for fiscal 2022 (Level 3) as well as the difference between the value on the grant date (Level 2) and the accounting value.

(2) The Option values are all estimated values and not cash amounts received by a NEO. In addition, these amounts are not guaranteed and are fully at-risk. The compensation value of Options appearing in the above table was determined using a 15% compensation value factor for 2022 and 2021 and a 20% compensation value factor for 2020 whereas the Company calculates the accounting value of Options using the Black-Scholes model. Additional information regarding the manner upon which the accounting value of Options was determined may be found in note 18 to the 2022 Consolidated Financial Statements. The accounting value of Options granted in December 2021 for fiscal 2022 as determined using the Black-Scholes model is $8.17 per Option and the compensation value used in this Circular is $9.42 per Option.

(3) The variations attributable to compensation components represent the value of the projected pension benefits earned during the periods beginning October 1, 2021 and ending September 30, 2022, for fiscal 2022, beginning October 1, 2020 and ending September 30, 2021, for fiscal 2021, and beginning October 1, 2019 and ending September 30, 2020, for fiscal 2020, taking into account all gains and losses in connection with salary variations. The amounts shown above are in accordance with the information set forth in note 20 to the 2022 Consolidated Financial Statements.

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

6.2 Incentive plan awards

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

The following table shows, as at September 24, 2022 and with respect to each NEO, the Option-based awards that have not been exercised, and the Share-based awards (under the PSU Plan) that have not yet vested.

	Option-based awards							Share-based awards		
	Number of securities underlying unexercised Options				Value of unexercised in-the-money Options at financial year-end ($)(1)					
Name	Vested	Not vested	Option exercise price ($)	Option expiration date	Vested	Not vested	Total	Number of Share-based awards that have not vested(2)	Market or payout value of Share-based awards that have not vested ($)(3)	Vesting date
Eric R. La Flèche	86,960	21,740	40.23	Jan. 25, 2024	2,574,886	643,721	3,218,607	22,180	1,549,051	Jan. 30, 2023
	65,580	43,720	41.16	Jan 30, 2025	1,880,834	1,253,890	3,134,724	21,880	1,528,099	Jan. 28, 2024
	42,080	63,120	47.51	Jan. 29, 2026	939,646	1,409,470	2,349,116	19,500	1,361,880	Jan. 27, 2025
	17,560	70,240	56.92	Dec. 10, 2026	226,875	907,501	1,134,376	—	—	—
	—	121,600	55.94	Jan. 27, 2028	—	1,690,240	1,690,240	—	—	—
	—	110,400	62.82	Dec. 8, 2028	—	775,008	775,008	—	—	—
Total	**212,180**	**430,820**	**—**	**—**	**5,622,242**	**6,679,829**	**12,302,071**	**63,560**	**4,439,030**	**—**
François Thibault	17,360	4,340	40.23	Jan. 25, 2024	514,030	128,507	642,537	7,620	532,181	Jan. 30, 2023
	12,780	8,520	41.16	Jan 30, 2025	366,530	244,354	610,884	8,040	561,514	Jan. 28, 2024
	7,720	11,580	47.51	Jan. 29, 2026	172,388	258,581	430,969	7,030	490,975	Jan. 27, 2025
	3,380	13,520	56.92	Dec. 10, 2026	43,670	174,678	218,348	—	—	—
	—	25,000	55.94	Jan. 27, 2028	—	347,500	347,500	—	—	—
	—	22,300	62.82	Dec. 8, 2028	—	156,546	156,546	—	—	—
Total	**41,240**	**85,260**	**—**	**—**	**1,096,617**	**1,310,167**	**2,406,784**	**22,690**	**1,584,670**	**—**
Carmine Fortino	17,360	4,340	40.23	Jan. 25, 2024	514,030	128,507	642,537	7,970	556,625	Jan. 30, 2023
	12,780	8,520	41.16	Jan 30, 2025	366,530	244,354	610,884	8,040	561,514	Jan. 28, 2024
	8,480	12,720	47.51	Jan. 29, 2026	189,358	284,038	473,396	7,030	490,975	Jan. 27, 2025
	3,540	14,160	56.92	Dec. 10, 2026	45,737	182,947	228,684	—	—	—
	—	25,000	55.94	Jan. 27, 2028	—	347,500	347,500	—	—	—
	—	22,300	62.82	Dec. 8, 2028	—	156,546	156,546	—	—	—
Total	**42,160**	**87,040**	**—**	**—**	**1,115,655**	**1,343,892**	**2,459,547**	**23,040**	**1,609,114**	**—**
Marc Giroux	6,960	1,740	40.23	Jan. 25, 2024	206,086	51,521	257,607	6,580	459,547	Jan. 30, 2023
	5,100	3,400	41.16	Jan 30, 2025	146,268	97,512	243,780	8,040	561,514	Jan. 28, 2024
	2,960	4,440	47.51	Jan. 29, 2026	66,097	99,145	165,242	7,030	490,975	Jan. 27, 2025
	2,920	11,680	56.92	Dec. 10, 2026	37,726	150,906	188,632	—	—	—
	—	25,000	55.94	Jan. 27, 2028	—	347,500	347,500	—	—	—
	—	22,300	62.82	Dec. 8, 2028	—	156,546	156,546	—	—	—
Total	**17,940**	**68,560**	**—**	**—**	**456,177**	**903,130**	**1,359,307**	**21,650**	**1,512,036**	**—**
Alain Champagne	—	11,340	48.68	May 11, 2026	—	239,954	239,954	7,280	508,435	Jan. 30, 2023
	—	12,880	56.92	Dec. 10, 2026	—	166,410	166,410	8,040	561,514	Jan. 28, 2024
	—	25,000	55.94	Jan. 27, 2028	—	347,500	347,500	7,030	490,975	Jan. 27, 2025
	—	22,300	62.82	Dec. 8, 2028	—	156,546	156,546	—	—	—
Total	**—**	**71,520**	**—**	**—**	**—**	**910,410**	**910,410**	**22,350**	**1,560,924**	**—**

Notes:

(1) Based on the difference between the closing price of the Share on September 23, 2022 ($69.84) and the Option exercise price.

(2) PSUs vesting in January 2023 have reached Level 2. The number and value of PSUs vesting in January 2024 and January 2025 were determined using Level 2 which constitutes the target Level.

(3) Based on the closing price on September 23, 2022 ($69.84). See the "Long-Term Incentive Plan ("LTIP")" and "Employment Contracts" sections on pages 37 and 39 respectively of this Circular.

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE FINANCIAL YEAR

The following table shows, for the financial year ended September 24, 2022, with respect to each NEO, the value of the Options which vested, whether or not exercised, the value of the PSUs that vested during the year and the value of the compensation under the AIP earned during such 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	2,242,757	1,704,040	1,483,040
François Thibault	437,441	559,243	526,258
Carmine Fortino	446,201	1,017,297	597,490
Marc Giroux	176,288	223,967	524,425
Alain Champagne	99,130	545,751	533,500

Notes:

(1) This amount represents the amount that would have been earned in 2022 if the Options that vested during fiscal 2022 had all been exercised on their vesting date. For further details, see the table entitled "Options - Value on vesting date" on page 50 of this Circular.

(2) This amount represents the value of PSUs granted in 2019 that vested in 2022, based on the closing price on January 28, 2022 ($67.46), which is the trading day preceding their settlement date. For further details, see the table below entitled "PSUs granted in January 2019 and paid in January 2022".

(3) This amount represents the amount earned in 2022 under the AIP.

Please refer to the "Long-Term Incentive Plan ("LTIP")" and "Employment Contracts" sections on pages 37 and 39 respectively of this Circular for a description of the conditions for awarding Options and PSU grants. The values shown in the Option-based awards and Share-based awards columns of the above table were calculated using the information found in the following two (2) tables.

PSUs granted in January 2019(1) and paid in January 2022

Name	Number of PSUs(2)	Value ($)(3)
Eric R. La Flèche	25,260	1,704,040
François Thibault	8,290	559,243
Carmine Fortino	15,080	1,017,297
Marc Giroux	3,320	223,967
Alain Champagne	8,090	545,751

Notes:

(1) Except for Mr. Champagne's grant which occurred in May 2019 upon his appointment as President of the Jean Coutu Group.

(2) Level 2 reached.

(3) Based on the Share closing price on January 28, 2022 ($67.46), which is the trading day preceding the settlement date.

Options – Value on vesting date

Name	Grant date	Number of Options vested during the financial year	Share price ($)[1]	Exercise price ($)
Eric R. La Flèche	January 28, 2016	21,700	67.46	40.31
	January 26, 2017	21,740	64.78	40.23
	February 1, 2018	21,860	67.77	41.16
	January 31, 2019	21,040	67.99	47.51
	December 12, 2019	17,560	63.03	56.92
François Thibault	January 28, 2016	4,340	67.46	40.31
	January 26, 2017	4,340	64.78	40.23
	February 1, 2018	4,260	67.77	41.16
	January 31, 2019	3,860	67.99	47.51
	December 12, 2019	3,380	63.03	56.92
Carmine Fortino	January 28, 2016	4,340	67.46	40.31
	January 26, 2017	4,340	64.78	40.23
	February 1, 2018	4,260	67.77	41.16
	January 31, 2019	4,240	67.99	47.51
	December 12, 2019	3,540	63.03	56.92
Marc Giroux	January 28, 2016	1,480	67.46	40.31
	January 26, 2017	1,740	64.78	40.23
	February 1, 2018	1,700	67.77	41.16
	January 31, 2019	1,480	67.99	47.51
	December 12, 2019	2,920	63.03	56.92
Alain Champagne	May 13, 2019	3,780	69.70	48.68
	December 12, 2019	3,220	63.03	56.92

Note:

(1) Based on the Share closing price on the trading day preceding the vesting date.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth, as at September 24, 2022, information regarding equity compensation plans pursuant to which equity securities of the Company may be issued. Only the Option Plan qualifies as such.

Plan category	Number of securities to be issued upon exercise of Options (a)	Number of securities to be issued upon exercise of Options as % of issued and outstanding Shares (b)	Weighted-average exercise price of Options ($) (c)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (d)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as % of issued and outstanding Shares (e)
Equity compensation plans approved by security holders	2,091,850	0.88%	51.47	848,776	0.36%
Total	**2,091,850**	**0.88%**	**51.47**	**848,776**	**0.36%**

6.3. Additional information on the long-term incentive plans

STOCK OPTION PLAN (OPTION PLAN)

The grant of Options is limited to all executives of the Company and of its subsidiaries as these persons have a direct influence on the decisions that may have an impact on the stock price.

The full text of the Option Plan can be found on the Company's corporate website (corpo.metro.ca).

Dilution impact of the Option Plan

To reduce the future dilutive effects of the Option Plan, the Board of Directors has imposed limits to the Options and Shares that can be issued during a year under the Option Plan.

Absolute maximum number of Shares issued after Options are exercised	30,000,000, which represents 12.7% of issued and outstanding Shares of the Company as at September 24, 2022
Annual maximum number of Shares that can be issued after Options are exercised or under any other compensation plan at all times	10% of issued and outstanding Shares of the Company
Maximum number of Shares that can be issued to insiders after Options are exercised or under any other compensation plan at all times	10% of issued and outstanding Shares of the Company
Maximum number of Options that can be held by an employee of the Company	Options representing not more than 5% of issued and outstanding Shares of the Company

Annual burn rate

The following table indicates key measures regarding the Option Plan and its dilution impact on the Company's share capital:

	September 24, 2022	September 25, 2021	September 26, 2020
Shares that can be issued Number of Shares of the Company that can be issued on account of Option grants already made pursuant to the Option Plan.	2,091,850	2,318,400	2,322,360
Dilution Number of Shares under granted but unexercised Options, expressed as a percentage of the total issued and outstanding Shares on the specified date.	0.9%	1.0%	0.9%
Options that can be granted and Options that have not vested Number of Shares available for already made (but not vested) and future grants of Options, expressed as a percentage of the total issued and outstanding Shares on the specified date.	1.2%	1.4%	1.6%
Annual burn rate Number of Options awarded under the Options Plan divided by the weighted average number of Shares issued and outstanding as at the end of the applicable financial year.(1)	0.2%	0.2%	0.1%

Note:

(1) The information on the annual burn rate in this table is presented for the financial year ended before the date of each column.

Terms of the Option Plan

All grants under the Option Plan must comply with the terms of the Option Plan. These terms and conditions are detailed in the following table. This table is only a summary of the principal terms and conditions of the Option Plan.

In fiscal 2022, the Board of Directors approved a change in the vesting of Options for participants retiring from the Company as long as they have a minimum of seven (7) years of service with the Company, are aged 60 years or over and respect certain non-competition provisions as described in the following table.

Subscription price	May under no circumstances be less than the market price(1) of the Shares when the TSX closes on the trading day preceding the date of the grant, and is payable in full when the Option is exercised. The Company has historically been using the market price(1) of the Shares when market closes on the trading day preceding the date of the grant.
Maximum term	Generally, no Option may be exercised after the expiration of the fifth (5th) year following the date upon which such Option may first be exercised, in whole or in part, or following a period of ten (10) years from the date of the grant. The exercise period for Options that expire during a trading prohibition period, as determined in the Information Policy of the Company, is extended by a seven (7) business day period following the expiration of such trading prohibition period.

Expiry of Options	Options expire: • 30 days following the resignation of the optionee or the date the Company or an affiliated entity terminates the optionee's employment without just cause; • on the date the Company or an affiliated entity terminates the optionee's employment for just cause; • for Options granted prior to December 10, 2021 or for Options granted as of December 10, 2021 if the optionee is not at least 60 years old and does not have at least seven (7) years of service at the time of retirement, two (2) years following the date of retirement or authorized leave of the optionee, it being understood that during said two-year period the Options continue to vest according to the terms set at the time of the grant and the optionee is entitled to exercise Options. For a period of 364 days after said two-year period, the optionee will be entitled to exercise Options although such Options will not continue to vest; • for Options granted on December 10, 2021 and after, if the optionee is at least 60 years old and has at least seven (7) years of service at the time of retirement, and as long as an optionee does not participate or take part directly or indirectly, as principal, agent, officer, employee, director, advisor, funder, shareholder or in any other quality to activities in the food or pharmacy sectors in Québec or Ontario: up to seven (7) years following the date of retirement of the optionee, it being understood that during said seven-year period, Options continue to vest according to the terms set at the time of the grant and the optionee is entitled to exercise Options; and • one (1) year after the optionee's death.
Transfer/Assignment	No Option is transferable or assignable unless dictated by will or pursuant to succession laws and, during the lifetime of the optionee, only he or she may exercise any Option.
Change of control	All Options granted under the Option Plan will vest and may be exercised at the discretion of the optionees.
Financial assistance	The Option Plan does not allow financial assistance to optionees in relation to the exercise of their Options.
Plan changes – approval of Shareholders(2)	The approval of Shareholders is required in order to make the following changes: • any amendment to the number of securities issuable under the Option Plan (subject to any amendment resulting from a split, a consolidation or any other similar operation); • any amendment which would allow non-employee directors to participate to the Option Plan on a discretionary basis; • any amendment which would permit any Option granted under the Option Plan to be transferable or assignable other than by will or pursuant to succession laws; • the addition of a cashless exercise feature, payable in cash or securities, if the wording of such feature does not provide for a full deduction of the number of underlying securities from the Option Plan reserve; • 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; • 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 such Option with a new Option with a reduced exercise price, subject to any amendment resulting from a split, a consolidation or any other similar operation; • any extension to the term of an Option beyond its original expiry date (subject to the initial term being extended by seven (7) business days when an Option exercise period expires during a trading prohibition period); • any amendment to the method of determining the purchase price (subscription price or exercise price) of each Share linked to an Option granted pursuant to the Option Plan; and • the addition of any form of financial assistance and any amendment to a financial assistance provision which is more favorable to employees.
Plan changes by the Board of Directors	The Board of Directors may, subject to its 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, among other things: • make any amendment of a "housekeeping" or clerical nature or in order to clarify the Option Plan's provisions; • make any amendment regarding any vesting period; • make any amendment to the provisions regarding the termination of an Option or the Option Plan so long as it does not entail an extension beyond the original expiry date; • make any amendment resulting from a split, a consolidation, a reclassification, a Share dividend declaration or any other amendment pertaining to the Shares; • discontinue the Option Plan; and • grant an Option of an initial term exceeding five (5) years from the date it can be exercised for the first time as long as its term does not exceed ten (10) years from the date upon which the Option was granted.
Termination of the rights of an optionee	Immediately upon the occurrence of one (1) of the two (2) following events: • if, during the optionee's service with the Company or an affiliated entity, or during the two-year period following the termination of such optionee's service, the optionee participates in a business operating in the grocery or pharmacy industry in either the province of Québec or the province of Ontario, thereby competing with the Company; or • if, during or after the optionee's service with the Company or an affiliated entity, the optionee no longer complies with the provisions of the Code of conduct of the Company.

Notes:

(1) The expression "market price" means the closing price of a round lot of shares traded on the TSX on the trading day immediately preceding the date of the grant of the Option.

(2) This table does not reflect the proposed changes to the Option Plan more fully set out in section "Replenishment of the Share reserve for the Company's Stock Option Plan and amendments to the Company's Stock Option Plan" at page 10 of this Circular.

PERFORMANCE SHARE UNIT PLAN (PSU PLAN)

The following table details the terms and conditions of the PSU Plan. This table is only a summary of the principal terms and conditions of the PSU Plan. The full text of the PSU Plan can be found on the Company's corporate website (corpo.metro.ca).

Approval of grants	By the Board of Directors.
Management and changes to the PSU Plan	By the Human Resources Committee.
Establishment of goals	By approval of the Board of Directors after evaluation and recommendation of the Human Resources Committee.
Vesting date of PSUs	Determined on the grant date and shall not exceed three (3) years following said grant date.
Rights of PSU holders	Each PSU entitles its holder, subject to the achievement of performance goals determined by the Board of Directors, to one (1) Share of the Company or, at the sole discretion of the Company, to a cash equivalent, or a combination of both. It is possible to postpone any payment of PSUs that become vested during a trading prohibition period, as those periods are determined in accordance with the Information Policy of the Company, for a period of 15 business days following the expiry of such trading prohibition period.
Dilution	None; PSUs are settled in Shares purchased on the secondary market and/or paid in cash.
Transfer and cession	None, except in the case of death of the holder.
Expiry of PSUs	When the holder's employment is terminated for whatever reason.
Retirement or permanent disability	Entitled, on such vesting date, to a number of PSUs that is proportionate to the number of days between the grant date and the retirement date or the date at which the participant was declared permanently disabled and the total number of days between the grant date and the PSUs' vesting date, while taking into account the extent to which the performance goals have been met.
Long-term leave of absence	Entitled, on such vesting date, to a number of PSUs that is proportionate to the number of days between the grant date and the date at which the leave of absence started and the total number of days between the grant date and the PSUs' vesting date, while taking into account the extent to which the performance goals have been met.
Death	The Company will pay to the holder's estate, within 60 days of his or her death, a number of PSUs calculated in the same manner as if the holder had retired. The Human Resources Committee will thus have to determine whether the performance goals would have otherwise been achieved at the vesting date and to what extent.
Change of control	All PSUs will vest and will have to be paid within 120 days of the change of control, and the Human Resources Committee will thus have to determine whether the performance goals would have otherwise been achieved at the vesting date and to what extent.
Termination of rights of a PSU holder	Immediately upon the occurrence of one (1) of the two (2) following events: • if, during the PSU holder's service with the Company or an affiliated entity, or during the two-year period following the termination of such PSU holder's service, the PSU holder participates in a business operating in the grocery or pharmacy industry in either the province of Québec or the province of Ontario, thereby competing with the Company; or • if, during or after the PSU holder's service with the Company or an affiliated entity, the PSU holder no longer complies with the provisions of the Code of conduct of the Company.

6.4 Pension plan benefits

DEFINED BENEFIT PLANS TABLE

The following table illustrates the annual benefits payable at the normal age of retirement (established at the age of 65) under the combined base and supplemental plans, according to the final average salary and years of credited service under these plans. There is no defined contribution pension plan for the NEOs.

Name	Number of years of credited service(1)	Annual benefits payable ($) At year-end	At age 65	Accrued value at start of year ($)	Compensatory change ($)(2)	Non-Compensatory change ($)(3)	Accrued value at year-end ($)
Eric R. La Flèche	31.1(4)	914,700	1,000,000	12,861,000	549,000	(2,173,000)	11,237,000
François Thibault	10.2	111,000	196,000	1,659,000	153,000	(277,000)	1,535,000
Carmine Fortino	8.1	73,200	82,700	928,000	151,000	(142,000)	937,000
Marc Giroux	13.3	132,700	266,600	2,150,000	245,000	(523,000)	1,872,000
Alain Champagne	3.4	26,000	26,000	378,000	167,000	(335,000)	210,000

Notes:

(1) As at September 24, 2022, Messrs. Eric R. La Flèche, François Thibault, Carmine Fortino, Marc Giroux and Alain Champagne had 31.7, 10.2, 8.1, 13.3 and 3.4 years of service respectively with the Company. 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 of credited service.

(2) The variations attributable to compensatory elements represent the value of the projected retirement benefits earned during the period beginning September 25, 2021 and ending September 24, 2022, considering any gain or loss related to salary variation. The amounts indicated are consistent with the information presented in note 20 to the 2022 Consolidated Financial Statements.

(3) The variations attributable to non-compensatory elements include accrued interests on obligations at the beginning of the financial year, other realized gains and losses incurred, the amendments to actuarial assumptions as well as the contributions paid by the NEO during the period beginning September 25, 2021 and ending September 24, 2022. Mr. Champagne's gains and losses include the effect of him leaving the Company at the end of the fiscal year.

(4) Including 1.3 year under the management and professional plan for Mr. Eric R. La Flèche which is considered for the purposes of the supplemental plan.

TERMINATION OF EMPLOYMENT OR CHANGE OF CONTROL BENEFITS

This section describes the benefits for NEOs in the event of termination of employment or change of control. In addition to the standard provisions of the Option Plan and the PSU Plan applicable, Messrs. La Flèche and Fortino each have an employment contract providing for payments or specific benefits in the event of a change of control or termination of employment. The terms of the Option Plan and the PSU Plan with respect to change of control or termination of employment are described in the section "Additional information on the long-term incentive plans" at page 51 of this Circular.

The following tables describe the applicable provisions under the employment contracts of Messrs. Eric R. La Flèche and Carmine Fortino respectively:

Eric R. La Flèche

Event	Severance Salary	Severance AIP	Options	PSUs
Termination with just and sufficient cause	—	—	As per Option Plan	As per PSU Plan
Termination without just and sufficient cause or constructive dismissal (other than following a change of control)	2X	2X Bonus of current financial year or 2X average of preceding 3 years(1)	Vesting and exercise continue for 2 years after event date(2)	Continued vesting of PSUs until end of performance period with settlement prorated to the number of days worked over the period(2)
Resignation (President and Chief Executive Officer must provide 120-day notice)	—	—	As per Option Plan(2)	As per PSU Plan(2)
Retirement	—	—	As per Option Plan(2)	As per PSU Plan(2)
Termination without just and sufficient cause or constructive dismissal within 24 months of change of control (double trigger)	2X	2X Bonus of current financial year or 2X average of preceding 3 years(1)	All Options granted become vested and exercisable	All PSUs granted become vested Achievement of Performance goals estimated by Human Resources Committee

Notes:

(1) At the election of the President and Chief Executive Officer.

(2) Subject to compliance with i) non-competition and non-solicitation provisions during employment and two (2) years after event date; and ii) the Code of conduct during employment and until Options and PSUs expire. All Options and PSUs granted under the Option Plan and PSU Plan, whether vested or unvested, expire in the event of non-compliance.

Carmine Fortino

Event	Severance		Options	PSUs	Other
	Salary	AIP			
Termination with just and sufficient cause	—	—	As per Option Plan	As per PSU Plan	—
Termination without just and sufficient cause or constructive dismissal	1X + 1 month per additional year of service after 3 years (max 1.5X)	Bonus of current financial year pro-rated and bonus during severance period	As per Option Plan(1)	As per PSU Plan(1)	All employee benefits continue during the indemnity period
Resignation (Mr. Fortino must provide 12-week notice)	—	—	As per Option Plan(1)	As per PSU Plan(1)	—
Retirement	—	—	As per Option Plan(1)	As per PSU Plan(1)	—
Change of control	1X + 1 month per additional year of service after 3 years (max 1.5X)(2)	Bonus of current financial year pro-rated and bonus during severance period(2)	As per Option Plan	As per PSU Plan	All employee benefits continue during the indemnity period(2)

Notes:

(1) Subject to compliance with i) non-competition and non-solicitation provisions during employment and two (2) years after event date; and ii) the Code of conduct during employment and until Options and PSUs expire. All Options and PSUs granted under the Option Plan and PSU Plan, whether vested or unvested, expire in the event of non-compliance.

(2) Only in the event of termination without just and sufficient cause or constructive dismissal (double trigger).

The following table is a summary of estimated incremental payments (in $) to NEOs and the estimated value (in $) of Share-based awards as well as Option-based awards the vesting of which is accelerated in the event of termination of employment or change of control as if such event had occurred on September 24, 2022:

Name	Event	Severance Salary	Severance AIP	Options	PSUs[1]	Other	Total
Eric R. La Flèche	Termination with just and sufficient cause	—	—	—	—	—	—
	Termination without just and sufficient cause or constructive dismissal	2,080,000	2,966,080	4,122,105[2]	2,510,781[3]	—	11,678,966
	Resignation	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—
	Change of control + termination within 24 months (double trigger)	2,080,000	2,966,080	6,679,829	4,439,030	—	16,164,940
François Thibault	Termination with just and sufficient cause	—	—	—	—	—	—
	Termination without just and sufficient cause or constructive dismissal	—[4]	—[4]	—	—	—	—
	Resignation	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—
	Change of control	—	—	1,310,167	1,584,670	—	2,894,836
Carmine Fortino	Termination with just and sufficient cause	—	—	—	—	—	—
	Termination without just and sufficient cause or constructive dismissal	876,237	1,254,667	—	—	183,200	2,314,104
	Resignation	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—
	Change of control	876,237[5]	1,254,667[5]	1,343,892	1,609,114	183,200[5]	5,267,109
Marc Giroux	Termination with just and sufficient cause	—	—	—	—	—	—
	Termination without just and sufficient cause or constructive dismissal	—[4]	—[4]	—	—	—	—
	Resignation	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—
	Change of control	—	—	903,130	1,512,036	—	2,415,166
Alain Champagne	Termination with just and sufficient cause	—	—	—	—	—	—
	Termination without just and sufficient cause or constructive dismissal	—[4]	—[4]	—	—	—	—
	Resignation	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—
	Change of control	—	—	910,410	1,560,924	—	2,471,334

Notes:

(1) Based on the closing price on September 23, 2022 ($69.84).
(2) The Options continue to vest for a period of two (2) years but we have used the value thereof as if accelerated on September 23, 2022.
(3) Since the PSUs continue to vest until the end of the performance period prorated to the number of days worked, we have used the value thereof at Level 2, as if accelerated on September 23, 2022.
(4) In accordance with applicable law.
(5) Only in the event of termination without just and sufficient cause or constructive dismissal (double trigger).

All NEOs are subject to provisions of non-competition, non-solicitation, non-disparagement and confidentiality in accordance with the Option Plan, the PSU Plan, the Code of conduct as well as in the case of Messrs. La Flèche and Fortino, in accordance with their employment contract.

Change of control is defined in the Option Plan, PSU Plan and the employment contract of Mr. La Flèche, substantially as follows: i) the sale of the whole or a substantial part of the business of the Company to a person who is not an affiliate of the Company; ii) the merger or the consolidation of the Company or any other operation or transaction with a Company or corporate entity which is not an affiliate of the Company, if the control of the surviving or resulting entity is thereby passed to one or several shareholders who are not affiliates of the Company; or iii) any change in the Share ownership of the Company or any other transaction resulting in control of the Company being granted to a person, or a group of persons, or persons acting in concert, or corporate entity associated or affiliated with any such person or group of persons. Without limiting the generality of the foregoing, a person or a group of persons holding a number of Shares and/or other securities which, directly or following conversion thereof, entitles or would entitle the holders thereof to cast 50% or more of the votes attaching to all the Shares of the Company entitled to vote in the election of directors of the Company, is deemed to be in a position to exercise control of the Company.

6.5 Other key policies of the Company

The Company has adopted various policies in order to meet regulatory requirements it is subjected to. These policies apply to all of the employees of the Company.

EMPLOYEE CODE OF CONDUCT

The Company's Code of Conduct applies to all employees of the Company, including executives. The Code of Conduct:

i) puts an emphasis on the duties of care, loyalty, confidentiality, non-solicitation of employees and duty to act in the best interest of the Company;

ii) aims at fostering a safe and respectful work environment exempt from any form of harassment;

iii) establishes rules regarding certain business practices, including gifts, invitations and solicitations; and

iv) sets out rules of conduct with respect to conflicts of interest.

The Code of Conduct integrates the compensation clawback policy and the no-hedging policy which are summarized in section "Summary of the Company's compensation policies and practices and associated risks" at page 33 of this Circular. The full text of the Code of Conduct can be found on SEDAR (sedar.com) and on the Company's corporate website (corpo.metro.ca).

INFORMATION POLICY

The purpose of the Company's Information Policy is to ensure that all Company communications aimed at the general investing public are correct, timely and widely distributed in accordance with all applicable legal and regulatory requirements. A committee was established to, among other things, review the information and authorize its disclosure before it is released to the public. When the committee deems information to be important, it authorizes disclosure unless disclosure of that information can seriously harm the interests of the Company, in which case the information is kept confidential. A decision to keep the information confidential is reviewed periodically by the committee.

The Company's Information Policy provides that the employees and directors of the Company are subject to trading prohibition periods with respect to trading the securities of the Company when important information is not publicly disclosed. In addition, any director or officer of the Company shall continue to be bound by these trading prohibition periods during an additional period of three (3) months following termination of service.

The Information Policy also contains information on circumstances in which employees and directors of the Company may not trade on the Company's Shares even if they are not under a trading prohibition period.

Any employee of the Company who commits a breach of the Information Policy is subject to disciplinary measures, including dismissal without prior notice.

7. Governance

The Board of Directors believes that good corporate governance is important and the Company imposes on its directors, officers and employees rigorous rules of ethics.

The Company complies in all material respects 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 forth in Exhibit I to this Circular.

The Governance Committee chaired by Ms. Maryse Bertrand develops and monitors the Company's policy on corporate governance. A copy of the mandate of the Governance Committee can be found in Exhibit G to this Circular.

Additional information on the Board of Directors and its committees is set out in the "Role of the Board of Directors and its Committees" section found on page 24 of this Circular.

7.1 Shareholder engagement

The Board of Directors has adopted a written policy regarding shareholder engagement as it believes that constructive engagement with the Company's shareholders is important for good corporate governance and transparency. Under the terms of this policy, the Board welcomes shareholder inquiries and comments relating to the following matters ("Board Matters"):

- Corporate governance practices and disclosure;
- Corporate responsibility and environmental, social and governance matters;
- Board performance;
- Executive performance, compensation and succession planning; and
- Board and Committee composition and succession planning.

Matters not directly related to the foregoing are most appropriately addressed by management through the Company's Investor Relations team. All shareholder inquiries and comments relating to Metro's business and operations, financial results, strategic direction and similar matters should be directed to the Company's Investor Relations team at finance@metro.ca.

The Board has designated the Corporate Secretary as its agent to receive communications addressed to the Board or any director. Shareholders or other stakeholders may communicate with the Board by writing to the Corporate Secretary at secretaire.corpo@metro.ca.

The Chair of the Board or the Chair of the Governance Committee will consider each request and determine how to proceed. Any subsequent communication or meeting will be limited to the predetermined topics identified in the communication or meeting's agenda.

The Board, under the Shareholder Engagement Policy and through the Governance Committee, establishes annually a program to engage directly with key shareholders to discuss Board Matters. This program allows the Chair of the Board and the Chair of the Governance Committee, together with the Chair of any other relevant committee of the Board if necessary, to exchange views regularly with shareholders on relevant governance topics and trends, receive feedback on the performance of the Company and the Board with respect to Board Matters and discuss potential areas of improvement, if any. In June 2022, the Chair of the Board and the Chair of the Governance Committee met with three (3) significant shareholders of the Company in order to discuss recent governance developments. Various subjects were discussed during these meetings, including board renewal, governance matters, ESG matters, diversity, virtual meetings of shareholders and capital allocation.

The text of the policy is available on the Company's corporate Internet website (corpo.metro.ca).

8. Other business

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 at the Meeting, the form of proxy or, as the case may be, the voting instruction form confers discretionary authority upon the Proxyholders to vote on such matters.

9. Shareholder proposals for the 2024 annual meeting

Proposals for any matters that persons entitled to vote at the 2024 annual general meeting of the Shareholders wish to raise at said meeting must be received by the Company by September 11, 2023, at the latest.

10. Additional information

Financial information about the Company can be found in the Consolidated Financial Statements and in the Management's Discussion and Analysis for the most recent financial year of the Company forming part of the Annual Report. This Circular as well as the Annual Information Form and the Annual Report are available on SEDAR (sedar.com) as well as on the Company's corporate website (corpo.metro.ca).

The Company will promptly provide a copy of any such document free of charge to shareholders of the Company who send a written request to the following address: 11011, Maurice-Duplessis Blvd, Montréal (Québec) H1C 1V6, to the attention of the Finance Department.

11. Directors' approval

The content and transmission of this Circular have been approved by the directors of the Company.

Montréal, December 9, 2022

Simon Rivet
Corporate Secretary

Exhibit A – Option Plan - Additional information and proposed changes

Governance of the Option Plan

To ensure the sound management of the Option Plan, the Company has put in place various measures:

Grant process

- The Company makes an annual grant.
- The Option Plan does not allow for the exercise price of Options to be below market value of the Shares.
- The exercise price of the Options may not be reduced without shareholder approval.
- All grants are approved by the Board of Directors on the recommendation of the Human Resources Committee.

Share ownership guidelines

- The President and Chief Executive Officer must hold Shares and PSUs of a value equal to at least five (5) times his annual base salary.
- Executive Vice Presidents and other officers who have an equivalent role are required to hold Shares and PSUs of a value equal to at least twice their annual base salary.
- Senior Vice-Presidents and other officers who have an equivalent role are required to hold Shares and PSUs of a value equal to at least one and a half (1.5) times their annual base salary.
- Other executives are required to hold Shares and PSUs of a value equal to at least one (1) time their annual base salary.

Eligibility criteria

- Since 2016, only senior management is eligible to receive Option grants to limit the dilutive effect of the Options.
- The Option Plan does not allow for any financial assistance for participants.
- Participants who no longer comply with the Company's Code of Conduct during or after their employment with the Company lose all rights to their Options.

Staggered vesting

- All Options granted start vesting two (2) years after the grant and vest over a period of five (5) years at the rate of 20% per year.
- Options that have been granted expire after the fifth (5th) year following the date at which they become exercisable for the first time.

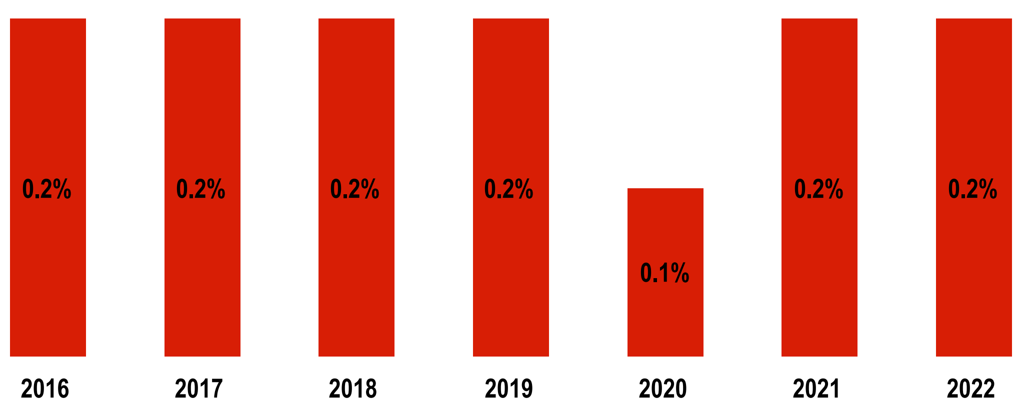
More information on the Option Plan is available in the "Additional information on the long-term incentive plans" section on page 51 of this Circular.

Dilution

The Option Plan has a limited dilutive effect on the Company's issued and outstanding shares. As of September 24, 2022 Options granted represented 0.88% of the Company's issued and outstanding shares. Since 2016, the Company has maintained a burn rate of 0.2% or under. In addition, the Company has put in place safeguards to ensure a limited dilutive effect. Information on these measures can be found in the "Stock Option Plan (Option Plan)" section at page 51 of this Circular.

Annual burn rate in the past seven (7) years

The following graph shows the Option Plan's annual burn rate for the past seven (7) years:



Proposed changes to the text of the Option Plan

Following a review of the text of the Option Plan, the Board of Directors and management are recommending that the following two (2) subsections be added to section 11.1 of the Option Plan listing the modifications for which shareholder approval is required:

"(x) any amendment to remove or exceed the insider participation limits set forth in Section 4 of the plan; and

(xi) any amendment to Section 11 of the plan."

The Board of Directors and management believe these changes to be minor and to the benefit of the shareholders.

The complete text of the proposed changes to the Option Plan is available on the Company's corporate website (corpo.metro.ca/en/investor-relations/annual-general-meeting.html).

Exhibit B – Option Plan resolution

RESOLUTION APPROVING THE REPLENISHMENT OF THE RESERVE AND CERTAIN AMENDMENTS TO THE OPTION PLAN

BE IT RESOLVED, as an ordinary resolution of the shareholders of Metro Inc., (the "**Corporation**"):

THAT the number of authorized and non-issued common shares that shall be reserved for the purposes of the Stock Option Plan adopted by the Board of Directors in December 1987 and last amended on November 16, 2021 (the "**Plan**"), be replenished by 2,500,000 common shares, remaining below the maximum of 30,000,000 common shares as per the terms of Section 4 of the Plan.

THAT Section 11.1 of the Plan listing the modifications for which shareholder approval is required be amended in order to add two (2) new subsections which shall read as follows:

(x) any amendment to remove or exceed the insider participation limits set forth in Section 4 of the plan; and

(xi) any amendment to Section 11 of the plan.

THAT any officer of the Corporation be, and is hereby authorized and directed, for and on behalf of the Corporation, to finalize, sign or deliver all documents, to enter into any agreements and to do and perform all acts and things as such individual, in his or her discretion, deems necessary or advisable in order to give effect to the intent of this resolution and the matters authorized hereby, including compliance with all securities laws and regulations and the rules and requirements of the Toronto Stock Exchange, such determination to be conclusively evidenced by the finalizing, signing or delivery of such document or agreement or the performing of such act or thing.

Exhibit C – Shareholder proposals

Proposal 1

The proposal below was submitted, on an advisory basis, by Mr. Simon Lewchuk, Manager, Corporate Engagement & Advocacy, at the Shareholder Association for Research & Education ("SHARE"), on behalf of the Régime de retraite de l'Université de Montréal ("RRUM"), 7077 Avenue du Parc, Montréal (Québec) H3N 1X7, a holder of Shares of the Company, for consideration at the Meeting. On the date RRUM submitted its proposal, RRUM had held 54,338 Shares for a period of at least six (6) months.

RESOLVED: Shareholders request that Metro Inc. adopt near- and long-term science-based greenhouse gas emissions reduction targets, inclusive of Scope 3 emissions from its full value chain, which are aligned with the Paris Agreement's 1.5°C goal requiring net-zero emissions by 2050 or sooner and to effectuate appropriate emissions reductions prior to 2030. The targets should:

- Be publicly disclosed at least 180 days prior to the next annual shareholders meeting;
- Follow the guidance of advisory groups such as the Science-Based Targets Initiative;
- Be supported by an enterprise-wide climate action plan outlining the steps the company will take to achieve net zero emissions.

WHEREAS:

In 2018, the Intergovernmental Panel on Climate Change advised that greenhouse gas emissions must be halved by 2030 and reach net zero by 2050 to limit warming to 1.5°C, prevent the worst consequences of climate change, and meet the goals of the Paris Agreement. Subsequent UN reports have warned that the world is "way off track" in its efforts to achieve these targets, and on "a fast track to disaster".

The physical and financial risks posed by climate change to long-term investors are systemic, portfolio-wide, unhedgeable and undiversifiable. The actions of companies that fail to align to limiting warming to 1.5°C pose material risks to those companies, the financial system as a whole, and to investors' entire portfolios.

Metro is exposed to significant operational, financial, reputational and regulatory risks associated with climate change. For example, Metro notes in its 2021 CDP Climate Change report (for which it received a 'C') that physical risks associated with climate change, "could impact our supply chain network, resulting in increased food and energy prices, as well as supply chain disruptions".

Against the backdrop of these climate-related vulnerabilities and need for urgent and ambitious action, Metro's recent climate commitments are woefully inadequate. While Metro has a goal to reduce its Scope 1 and 2 emissions by 37.5% by 2035, it is not aligned with the global 1.5-degree Paris goal. The company has also not disclosed a time-bound plan to measure and set reduction targets for its full Scope 3, or value chain, emissions which are likely to represent Metro's greatest contribution to climate change.

Metro lags peer companies in its greenhouse gas emission disclosures and targets. In 2022, both Loblaw Companies Ltd. and Empire Company Ltd./Sobeys announced commitments to achieve net-zero Scope 1 and 2 emissions by 2040 and net-zero Scope 3 emissions by 2050 in line with the Science Based Targets Initiative. Sobeys' recent GHG emissions inventory revealed that Scope 3 emissions make up a staggering 97% of its total emissions.

The Board and management recommend voting "AGAINST" the proposal for the following reasons:

METRO recognizes the critical role that businesses play in addressing climate change. METRO also recognizes that climate change is a systemic risk to society and the economy, and is committed to addressing climate-related risks.

In January 2022, METRO unveiled its third Corporate Responsibility Plan 2022-2026 which covers its food and pharmacy operations. Among other things, METRO is committed to reducing its greenhouse gas ("GHG") emissions by 37.5% by 2035 compared to 2020.

The 37.5% target is the mathematical result of an average GHG emissions reduction of 2.5% per year over 15 years. We set this target with reference to the two-degree (2°C) scenario as defined by the Science-Based Target initiative ("SBTi").

We are, of course, aware of the importance of limiting the global temperature increase to 1.5°C. Such a target corresponds to an average reduction in GHG emissions of 4.2% per year, an objective that METRO is currently unable to confirm as feasible with the information available to date. In the interest of meeting shareholder expectations and doing our fair share for the climate, METRO is committed to rigorously assessing the feasibility and costs of achieving the net-zero targets of SBTi, published in November 2021, as announced on October 18, 2022.

This preliminary step to a possible commitment to a SBTi target is essential in order to make a decision based on a rigorous approach.

In addition, METRO believes that managing climate change also requires resilience and adaptation. Climate-related risks are significant and require special management attention. The increased frequency and intensity of critical events may disrupt supply chains and distribution channels, resulting in uncertainty and financial impacts. We aim to increase the resilience of our business to address physical and transitional climate risks through integration of climate risk management into our governance, strategy, risk management and metrics, as recommended by the Task Force on Climate-related Financial Disclosure ("TCFD").

On October 18, 2022, METRO announced that it had become a TCFD Supporter, becoming the first Canadian food and drugstore retailer to make such a public commitment. This year, we are enhancing disclosure to our shareholders and other stakeholders regarding potential risks and opportunities related to climate change.

We firmly believe that this combined approach to climate mitigation and resilience will create value for all our stakeholders and society.

In light of the foregoing, the Company recommends that the shareholders vote "AGAINST" this proposal.

Proposal 2

The proposal below was submitted, on an advisory basis, by Ms. Juana Lee, Engagement Advocacy Specialist, at SHARE, and Ms. Sarah Couturier-Tanoh, Manager, Corporate Advocacy, at SHARE, on behalf of the Atkinson Foundation, 130 Queens Quay East, West Tower, Unit 900, Toronto, ON M5A 0P6, a holder of Shares of the Company, for consideration at the Meeting. On the date the Atkinson Foundation submitted its proposal, the Atkinson Foundation had held 7,133 Shares for a period of at least six (6) months.

Resolved, Shareholders request the Board of Directors of Metro Inc. ("Metro" or the "Company") to publish a report, at reasonable cost and omitting proprietary information, with the results of an independent Human Rights Impact Assessment ("Assessment") identifying and assessing the actual and potential human rights impacts on migrant workers from the Company's business activities in its domestic operations and supply chain in Canada.

Supporting Statement

Migrant workers are the backbone of the Canadian food system. In 2021, more than 61,000 migrant workers made up the agricultural and agri-food sectors. In 2017, one in five workers employed in crop production was a migrant worker. In Ontario, that same year, 41.6% of the agricultural workers were migrant workers.

Despite Canada's dependence on migrant workers in the agricultural sector, migrant workers continue to face increasingly hazardous and precarious working conditions. The COVID-19 pandemic has only worsened such conditions. For example, research has found that "migrant workers employed in high-income countries during the pandemic were often deemed 'essential workers,' yet they generally endured high-risk work environments without the health, safety, and economic measures that would protect them should they be exposed to COVID-19." Stakeholders, including workers, have documented abuse in the Canadian supply chain including: wage theft, racial profiling, inadequate housing, exploitation and discrimination.

During the pandemic, workers have also seen a dramatic and dangerous intensification in work. According to the Migrant Workers Alliance for Change, migrant workers in Canada reported "working for weeks without a day off, being forced to work long hours, and suffering increased strains, injuries and sickness due to increased pace of work." Despite the severity of the human rights abuses alleged in the Canadian agricultural sector, Metro's current policies and commitments are insufficient in mitigating salient risks to migrant workers. For example, while Metro has a Suppliers Code of Conduct for Responsible Procurement ("CoC"), it does not disclose how its CoC is enforced and how effective its monitoring systems are. This lack of disclosure prevents investors from assessing the effectiveness of its CoC to address risks to migrant worker rights.

Purchasers that do not have adequate strategies in place to mitigate impacts to migrant workers operating in their supply chain may face significant material, reputational, sourcing, legal, and regulatory risks.

Shareholders expect Metro to demonstrate a higher level of commitment and due diligence regarding migrant workers' rights in its supply chain in order for shareholders to performance [*sic.*] their due diligence in accordance with their fiduciary duty.

An independent Assessment would help Metro identify any adverse impacts of its domestic activities to 1) ensure the fundamental rights of migrant workers in its supply chain are respected and protected; 2) ensure alignment of its existing policies and practices with the *UN Guiding Principles on Business and Human Rights.*

The Board and management recommend voting "AGAINST" the proposal for the following reasons:

METRO recognizes the importance of respecting workers in our supply chain, whether those workers are local or migrant.

METRO took a holistic approach to responsible procurement by adopting a Supplier Code of Conduct for responsible procurement (the "Code") in 2017, which includes respect for workers as one of its principles. This covers all workers in our supply chain, regardless of their status (seasonal, casual, part-time, full-time, local or migrant).

Under this Code, METRO expects its suppliers to provide products and services that are based on practices that ensure workers are treated with dignity, respect and equity in a healthy and safe work environment that provides decent conditions and is free of abuse. Compliance with the labour laws and regulations that apply in the jurisdiction in which the supplier operates is a minimum requirement of METRO.

This Code is part of the business agreements between METRO and its suppliers; compliance with its requirements is mandatory for all METRO partners.

As part of its third Corporate Responsibility Plan 2022-2026, released in January 2022, METRO is committed to requiring suppliers to comply with the supply chain working conditions as set out in its Code.

In 2022, we therefore initiated a process to find an effective method of surveying workers' working conditions to assess whether suppliers of private label products, meat, poultry and fish products as well as fruits and vegetables are complying with the Code's requirements in this regard. As a result, we conducted a pilot project to survey the working conditions of over 400 suppliers. We learned from this exercise that we needed to improve the process for conducting these surveys and interpret the results more effectively so that we could increase the number of suppliers we assess each year. We plan to continue this work in fiscal 2023.

METRO believes that suppliers are currently bound to comply with the provisions of the Code, including respecting local and migrant workers, and that its efforts to find an effective survey method will enable it to assess supplier compliance with the supply chain working conditions set forth in our Code.

In addition, the federal bill S-211 - *Fighting Against Forced Labour and Child Labour in Supply Chains Act* is currently under consideration. Following the passage of this bill, companies with operations in Canada will be required to report publicly on an annual basis on the measures taken to prevent and mitigate the risk of forced or child labour in their supply chain. The work undertaken this year by METRO in support of its commitment in the 2022-2026 Corporate Responsibility Plan related to working conditions will allow it to meet this potential obligation and to have a better visibility and understanding of its supply chain.

In light of the foregoing, the Company recommends that the shareholders vote "AGAINST" this proposal.

Exhibit D – Mandate of the Board of Directors

1. **Purpose**

The Board of Directors (the "**Board**") is elected by the shareholders and is responsible for overseeing the management of the business and affairs of the Company in all respects.

2. **Scope**

The responsibilities of the Board extend to Metro Inc., its affiliated entities and their divisions. In this mandate, the word "Company" refers to Metro Inc., its affiliated entities and their divisions.

3. **Composition and Organization**

3.1 The Board determines its composition, size and the qualifications of its members taking into account applicable legal requirements and best practices.

3.2 Directors must have the knowledge, experience, skills and expertise and meet the expectations as determined by the Board from time to time.

4. **Duties and Responsibilities**

In addition to decisions requiring the Board's approval pursuant to the law or the Company's articles and by-laws, the Board assumes the responsibility for the following matters, either directly or through one of its committees:

4.1 Strategic planning and risk oversight

4.1.1 the approval of the Company's strategic plan and the oversight of its execution, the Board reviewing on an annual basis such plan to take into consideration relevant opportunities and risks;

4.1.2 the oversight and monitoring of the principal risks associated with the Company's activities to ensure the Company has appropriate systems, programs and practices to manage these risks;

4.2 Human resources

4.2.1 the appointment of the Company's senior executive officers;

4.2.2 the oversight of the Company's compensation philosophy and related practices;

4.2.3 the approval of objectives relevant to the President and Chief Executive Officer, the Executive Vice-President, Chief Financial Officer and Treasurer, and the Executive Vice-President and Chief Operating Officer;

4.2.4 the evaluation of the performance of the President and Chief Executive Officer with respect to objectives and the tracking of progress against such objectives of the Executive Vice-President, Chief Financial Officer and Treasurer and the Executive Vice-President and Chief Operating Officer;

4.2.5 the approval of the compensation of the Company's senior executive officers;

4.2.6 the oversight of the succession plans of the Company's senior executive officers;

4.2.7 the establishment of rules of ethics for the directors, officers and employees of the Company and ensuring their application;

4.2.8 the monitoring of any major labour relations or human resources issues;

4.3 Audit matters

4.3.1 the review and approval of a policy dealing with the Company's disclosure of material financial information to shareholders and the public at large as well as the oversight of its application;

4.3.2 the review and approval of the Company's audited annual and interim financial statements, the MD&A, and all press releases relating to the financial statements;

4.3.3 the review and approval of all material disclosure documents, including the Annual Report, Annual Information Form and the Management Proxy Circular;

4.3.4 the oversight and monitoring of the integrity of the Company's internal control and management information systems;

4.3.5 the appointment, subject to approval by shareholders, and, when deemed advisable, the termination of the external auditor;

4.3.6 the appointment and, when deemed advisable, the replacement, reassignment or termination of the individual leading the internal audit function; and

4.3.7 the review of the qualifications, performance and independence of the external auditor and the internal audit function.

4.4 Corporate responsibility

4.4.1 the oversight of the Company's activities with respect to the Company's corporate purpose and corporate responsibility, which includes environmental, social and governance matters (ESG), and the approval of the Company's Corporate Responsibility Plan and related disclosure;

4.5 All other important decisions

4.5 the approval of all other important decisions including those relating to material investments and transactions;

5. **Corporate governance**

With regards to corporate governance, the Board:

5.1 develops the Company's approach to corporate governance and its corporate governance principles; and

5.2 ensures that the Company complies with the relevant corporate governance guidelines and disclosure requirements.

6. **Board Structure and Composition**

With regards to the structure of the Board and its composition, the Board:

6.1 identifies and recommends to the shareholders the nominees proposed to be elected as directors;

6.2 is responsible for succession planning at the Board level and elaborates a selection process for new directors;

6.3 develops and provides an orientation and education program for new directors as well as a continuing education program for all directors.

6.4 determines and approves director compensation;

6.5 reviews the indemnification procedure regarding directors' liability as well as directors' liability insurance coverage;

6.6 self-assesses its own effectiveness as well as that of its committees and of individual directors; and

6.7 establishes the committees or subcommittees which it considers advisable for the performance of the Board's duties and responsibilities and approves their mandate.

7. **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 with the short- and medium-term goals, as well as the interests of the employees, the customers and the stakeholders of the Company.

8. **Outside consultant**

The Board of Directors has the authority to retain, at the expense of the Company, any outside consultant necessary to allow it to carry out its duties.

Exhibit E – Mandate of the Human Resources Committee

1. **Purpose of the Committee**

The primary objective of the Human Resources Committee (the "Committee") is to assist the Board of Directors of Metro Inc. (the "Board") in fulfilling its oversight responsibilities by:

1.1 overseeing the Company's compensation philosophy and related practices as well as the annual compensation of the Company's executive officers;

1.2 overseeing the succession plans of the Company, particularly as they pertain to executive officers;

1.3 approving various policies and monitoring their application;

1.4 monitoring health and safety results and practices; and

1.5 monitoring any major labour relations or human resources issues.

2. **Scope**

The responsibilities of the Committee extend to Metro Inc., its affiliated entities, and their divisions. In this mandate, the word "Company" refers to Metro Inc., its affiliated entities, and their divisions.

3. **Composition and Organization**

With regards to the composition and organization of the Committee:

3.1 The Committee is composed of a minimum of 3 members of the Board who are all independent directors. A member of the Audit Committee sits as a member of the Committee.

3.2 Each member of the Committee has direct experience that is relevant with human resources and senior management compensation matters.

4. **Compensation philosophy and practices**

With regards to compensation philosophy and practices, the Committee:

4.1 approves or, as the case may be, recommends to the Board policies regarding human resources management and compensation;

4.2 reviews risk identification and management relating to compensation policies and practices and reviews disclosure in this respect; and

4.3 receives and examines reports regarding pension funds from management and the Company's pension committees and, in turn, report on a yearly basis to the Board.

5. **Executive compensation**

With regards to executive compensation, the Committee:

5.1 reviews and recommends to the Board policies and practices on management compensation including base salary, Short Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP);

5.2 reviews and approves objectives relevant to the President and Chief Executive Officer, the Executive Vice-President, Chief Financial Officer and Treasurer, and the Executive Vice-President and Chief Operating Officer;

5.3 evaluates the performance of the President and Chief Executive Officer with respect to objectives and tracks progress against such objectives for the Executive Vice-President, Chief Financial Officer and Treasurer and the Executive Vice-President and Chief Operating Officer;

5.4 makes recommendations to the Board regarding the compensation of the President and Chief Executive Officer, the Executive Vice-President, Chief Financial Officer and Treasurer, and the Executive Vice-President and Chief Operating Officer;

5.5 monitors the performance of the other NEOs and of the other Senior Vice-Presidents and makes recommendations to the Board with respect to their compensation (base salary, STIP and LTIP grants); and

5.6 reviews and approves the executive compensation information to be included in the annual disclosure documents prescribed by legal and regulatory authorities.

6. **Executive succession planning**

With respect to succession planning for executive officers, the Committee:

6.1 makes recommendations to the Board as to the appointment of the President and Chief Executive Officer and senior executives (Metro Inc. vice-presidents, including the executive and senior vice-presidents); and

6.2 reviews the succession plans for the President and Chief Executive Officer, senior officers and other executives yearly, ensures following-up on the action plans and makes appropriate recommendations to the Board.

7. **Policies regarding the ethical conduct of senior executives and employees**

With respect to the ethical conduct of senior executives and employees, the Committee:

7.1 approves or, as the case may be, recommends to the Board policies regarding the ethical conduct of senior executives, managers and employees; and

7.2 ensures that the policies and procedures regarding the ethical conduct of senior executives, managers and employees are being applied.

8. **Health and Safety**

The Committee monitors the Company's health and safety activities and results.

9. **Diversity and inclusion**

With respect to diversity and inclusion, the Committee:

9.1 approves the policy dealing with employee diversity and inclusion; and

9.2 monitors the application of such policy.

10. **Reporting**

The Chair of the Committee regularly reports to the Board on the business of the Committee at such time and in such manner as the Board may otherwise require.

11. **External consultants**

With respect to any external consultants, the Committee:

11.1 has the authority to retain, at the expense of the Company, any external consultant necessary to allow it to carry out its duties;

11.2 must pre-approve services, other than services the external consultant provides to the Committee, to be rendered by the external consultant to the Company at the request of management; and

11.3 may delegate to its Chair the power to pre-approve all services to be provided by the external consultant to the Company at the request of management. Nevertheless, the Chair, if this power is delegated to them, must disclose to the Committee, on an informational basis, all such preapproved decisions at the next Committee meeting.

Exhibit F – 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 stakeholders in order to fulfill their responsibilities described herein and to assist the Board of Directors (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's 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 by management of the Company of the material risks that may affect the Company, their evolution and the implementation by management of the Company of appropriate measures to manage and monitor 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 interim financial statements.

1.4. The internal auditor is responsible for evaluating, through a systematic and methodical approach, the Company's risk management and control processes as well as making proposals to improve their effectiveness.

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 activities and advise it about its recommendations.

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 and/or financial outlook information.

4.1.2 The Committee reviews with the management of the Company and the external auditor the accounting policies and their 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 management of the Company 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 the management of the Company the conclusions of the work supporting the certifications to be filed with the authorities.

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

4.3. Internal Audit

4.3.1. The Committee oversees and approves the appointment, replacement, reassignment or resignation 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 with the Senior Director of the Internal Audit Department to review the results of the internal audit activities, including all material risk assessments and audit reporting as well as 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 function and the external auditor.

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 external auditor's reports sent to it directly which include the reports on its audit of the Company's annual financial statements, the reports on its review of the Company's interim financial statements as well as the reports on its review of the Non-IFRS financial measures found in the quarterly or annual financial disclosure to determine whether such measures comply with the Company's Policy on Non-IFRS Financial Measures. 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 meets with the external auditor to discuss the problems encountered during the audit, in particular the existence, if any, 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 the authority, pre-approves all non-audit services that are given to the external auditor. The Committee may also adopt policies and procedures concerning the pre-approval of non-audit services that are given to the external auditor. It monitors the fees paid with respect to such mandates.

4.4.5. The Committee makes sure that the external auditor has received 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 management's reaction and response to the deficiencies identified.

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 a participating firm in the Canadian Public Accountability Board ("CPAB") and that the firm respects any sanctions and restrictions imposed by CPAB. The Committee takes into account the opinions of the management of the Company and internal audit function in assessing the qualifications, performance and independence of the external auditor. In particular, the Committee examines each year the quality of the work performed by the external auditor in order to facilitate an informed recommendation with regards to the appointment of the audit firm which will act as external auditor of the Company.

4.4.8. At least once a year or at any other time indicated below, the external auditor i) reports to the Committee on the internal quality control procedures that it has implemented; ii) reports to the Committee as to its internal evaluation of the quality of work of the members of the firm involved in the audit of the Company; iii) reports to the Committee as to its registration as a participant in CPAB and its authorization to conduct external audits of Canadian reporting issuers; iv) provides the members of the Committee in a timely manner with any reports, opinions, information and findings from CPAB which the external auditor may or must provide copy of to the Committee, including any annual public report on the quality of audits performed by public accounting firms as well as any significant findings emerging from any inspection of the audit file of the Company, the content of which the external auditor must discuss with the members of the Committee.

4.4.9. 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.

4.5. Compliance with legal and regulatory requirements

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.

4.6. Risk Management

4.6.1. The Committee reviews the material risks identified by the management of the Company . It examines the effectiveness of the measures put in place to manage these risks by questioning the management of the Company on the way in which the risks are managed and by obtaining opinions from management regarding the degree of integrity of the risk management systems and on acceptable thresholds;

4.6.2. The Committee regularly reviews the risk management policies for material risks recommended by the management of the Company and regularly obtains from the management of the Company reasonable assurance on the compliance with the Company's risk management policies for material risks. The Committee also reviews reports on material risks.

4.7. Miscellaneous

4.7.1. 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.

4.7.2. The Committee has the authority to engage any advisor it deems necessary to assist it in the performance of its duties, as well as to determine the compensation of such advisor and obtain the necessary funds to pay such fees.

4.7.3. 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 reporting process.

Exhibit G – Mandate of the Governance and Corporate Responsibility Committee

1. **Purpose of the Committee**

The primary objective of the Committee is to assist the Board of Directors of Metro Inc. (the "Board") in fulfilling its oversight responsibilities by:

1.1. developing and recommending to the Board corporate governance guidelines for the Corporation and making recommendations to the Board with respect to corporate governance practices;

1.2. overseeing the Company's activities and disclosure on corporate responsibility and environmental, social and governance ("ESG") matters;

1.3. establishing processes and criteria to ensure Board renewal; and

1.4. developing processes to evaluate Board performance.

2. **Scope**

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**

The Committee is composed of a minimum of 3 members of the Board who are all independent directors.

4. **Corporate Governance**

With regards to general governance matters, the Committee:

4.1. develops and monitors Company policy on corporate governance and ensures the Company's compliance with the corporate governance guidelines and standards of the legislative and regulatory authorities;

4.2. oversees the preparation of the Company's Statement of Corporate Governance Practices for annual disclosure as required by the legislative and regulatory authorities;

4.3. regularly reviews the indemnification procedure regarding directors' liability and directors' liability insurance coverage;

4.4. develops and provides an orientation and education program for new directors as well as a continuing education program for all directors. The program covers, among other things, the nature of the Company's operations, its strategies and what it expects from the directors;

4.5. oversees the application of the Code of ethics of the Directors, including whether conflicts of interest are properly identified, reviewed and resolved;

4.6. monitors, reviews and provides guidance in respect of potential conflicts of interest and makes recommendations to the Board as to the actions to be taken, if necessary, with respect to any situation giving rise to a conflict of interest;

4.7. reviews the committee and Board mandates as well as Committee Chair and Board Chair mandates and makes recommendations on any changes deemed appropriate;

4.8. ensures that the policies relating to communications with shareholders and communication of material information to the public in general are updated as needed and that Company discharges its responsibilities under these policies; and

4.9. receives and rules on requests of directors seeking to engage outside advisors at the Company's expense.

5. **Corporate responsibility**

With regards to corporate responsibility, the Committee:

5.1. oversees the Company's activities with respect to the Company's corporate purpose and corporate responsibility which includes environmental, social and governance matters (ESG);

5.2. reviews the Company's disclosure on these matters; and

5.3. reviews the Company's corporate responsibility plans and reports.

6. **Board renewal, composition and succession planning**

With respect to Board renewal, composition and succession planning, the Committee:

6.1. is responsible for succession planning of the Board and elaborates the selection process for new directors;

6.2. establishes processes to identify and recommend candidates to the Board for election as directors of Metro Inc. by seeking persons who have the required knowledge, experience, integrity and availability and who meet the selection criteria set from time to time by the Committee to fill the position of director;

6.3. considers each candidate's profile in light of the competencies and skills that each current director possesses, the competencies and skills that the Board, as a whole, should possess and finally the requirements that the Board considers relevant such as independence, absence of conflicts of interest, diversity and others;

6.4. maintains an up-to-date directors' skills matrix;

6.5. makes recommendations to the Board with respect to the appropriate number of directors to compose the Board;

6.6. proposes to the Board the nomination of committee members and committee Chairs, upon recommendation from the Chair of the Board;

6.7. establishes processes and criteria for the selection of the director who will serve as Chair of the Board; and

6.8. makes recommendations to the Board on the directors' compensation based on their involvement, duties, the risks they assume and on best Canadian practices.

7. Board performance

With regards to Board performance, the Committee:

7.1. supports the Chair of the Board in the conduct of an assessment of the effectiveness of the Board, its committees and its committee Chairs with respect to their mandate;

7.2. reviews and recommends approval by the Board of the questionnaire on Board and director effectiveness on a yearly basis;

7.3. reviews the results of the Board and director effectiveness questionnaire;

7.4. submits a report and the analysis of the themes from said report to the Board; and

7.5. assesses the process, the effectiveness and/or the need for change in the composition of the Board, its committees or their Chairs.

8. Reporting

The Chair of the Committee reports regularly to the Board on the business of the Committee at such time and in such manner as the Board may otherwise require.

9. Outside advisor

The Committee has the authority to retain, at the expense of the Company, any outside advisor necessary to allow it to carry out its duties.

Exhibit H – 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 Corporation 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 Corporation should demonstrate as well as of the expectations with respect to such directors.

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

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

3. **KNOWLEDGE** The directors of the Corporation 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 Corporation's performance. They must also continually expand their knowledge of the Corporation's operations and the major trends in the business sector in which the Corporation operates.

4. **CONTRIBUTION** The directors of the Corporation 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 Corporation and objectives that it must achieve.

5. **TEAMWORK** The directors of the Corporation 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 Corporation 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 Corporation 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 Corporation must always act in the best interests of the Corporation, 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.

Exhibit I – Statement of corporate governance practices

Canadian Securities Administrators Corporate Governance Guidelines and Disclosure Requirements	Observations
Board of Directors	
1. The board should have a majority of independent directors.	1. At the end of fiscal 2022, the Board of Directors was comprised of a majority of independent directors, in that out of the 14 directors who served on the Board of Directors at one time or another during fiscal 2022, 11 were considered independent directors. In order to determine if a director is independent, the Board of Directors reviews information provided by the directors or the nominees in a questionnaire which is annually completed by them. During fiscal 2022, the independent directors serving on the Board at one time or another were: Mses. Lori-Ann Beausoleil, Maryse Bertrand, Stephanie Coyles, Christine Magee and Line Rivard and Messrs. Pierre Boivin, Claude Dussault, Russell Goodman, Marc Guay, Christian W.E. Haub and Brian McManus. Mr. Eric R. La Flèche cannot be considered independent because he holds a senior executive position with the Corporation. Mr. François J. Coutu cannot be considered independent because he held a senior executive position with the Jean Coutu Group, a subsidiary of the Corporation, within the last three (3) years, is a shareholder and an executive of companies which own pharmacies operating under the Jean Coutu Group banners and therefore carries a business relationship with the Corporation, and has one of his family members, Mr. Jean-Michel Coutu, who is a senior executive of the Jean Coutu Group. Mr. Michel Coutu also cannot be considered independent as one of his family members, his brother Mr. François J. Coutu, was, within the last three (3) years, a senior executive of the Jean Coutu Group, a wholly-owned subsidiary of the Corporation and his son became the President of the Jean Coutu Group effective September 26, 2022. If, following the Meeting on January 24, 2023, the nominees proposed by the Corporation are elected, the Board of Directors will continue to be comprised of a majority of independent directors, in that nine (9) of the 12 proposed nominees will be independent directors, namely the following director nominees: Mses. Lori-Ann Beausoleil, Maryse Bertrand, Stephanie Coyles and Christine Magee and Messrs. Pierre Boivin, Russell Goodman, Marc Guay, Christian W.E. Haub and Brian McManus.
2. If a director is presently a director of any other reporting issuer, identify both the director and the other issuer.	2. The information pertaining to the directors who serve on the board of another reporting issuer can be found on pages 12 to 20 of this Circular. The Board of Directors has adopted a policy limiting the number of directorships of its directors to a maximum of four (4) public companies, including the Company. In addition, no more than two (2) directors of the Company shall hold a director seat on the same board of another public company at the same time. Therefore, the Governance Committee of the Company takes into consideration the external directorships of potential director nominees and does not propose a slate of directors for election by shareholders if the election of those directors would result in more than two (2) simultaneous situations where two (2) directors hold a director seat on the same board of another public company. A director of the Company must obtain the prior approval of the Governance Committee before submitting his or her candidacy as director of another public company.
3. The chair of the board should be an independent director.	3. The role and responsibilities of the Chair of the Board of Directors are described in Exhibit J to this Circular. Mr. Pierre Boivin, Chair of the Board of Directors, is an independent director.
4. The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.	4. A meeting of the directors without management present, chaired by the Chair of the Board, takes place at the end of each regular meeting of the Board of Directors. In addition, a meeting of the independent directors, chaired by the Chair of the Board, also takes place at the end of each regular meeting of the Board of Directors.
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 written mandate in which it acknowledges its stewardship responsibility. The text of said mandate can be found in Exhibit D to this Circular. Every year, the Governance Committee reviews the mandate of the Board of Directors to determine if it requires updating, and in such case, makes the recommendations to this effect to the Board of Directors.

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 of Directors has adopted a written mandate for the position of Chair of the Board of Directors, the text of which is included in Exhibit J to this Circular. The Board of Directors has also adopted a mandate for the position of Chair of each Board committee, the text of which is included in Exhibit K to this Circular. The mandate of the President and Chief Executive Officer is described in the Company's By-Laws. The President and Chief Executive Officer reports to the Board of Directors and his responsibilities include: i) directing and managing all of the Company's business, subject however to the powers vested exclusively to the Board of Directors or its shareholders; ii) without limiting the generality 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 same; and iii) performing all other tasks which may be assigned to him from time to time by the Board of Directors of the Company. At the beginning of each financial year, the President and Chief Executive Officer's objectives are approved by the Board of Directors, upon recommendation of the Human Resources Committee.
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 a training and orientation program intended for new members of the Board of Directors. Pursuant to this program, new directors are provided with reports on the Company's business operations and internal affairs. New directors meet with the Chair of the Board of Directors and the President and Chief Executive Officer to discuss the operations of the Company and the Company's expectations towards each director. The Chair of the Board of Directors also informs new directors about the Company's corporate governance practices and, in particular, the role of the Board of Directors, its committees and each director. This program also allows new directors to meet with the committee chairs, to visit the Company's distribution centers, food stores and pharmacies and to meet key management team members. Once this training and orientation program is completed, the Chair of the Governance Committee obtains feedback from the new directors to ensure they feel adequately prepared to carry on their duty as directors of the Company. The Company acknowledges that a board of directors' good performance stems from directors who are well informed. As such, the Company provides each director with a handbook that contains relevant documentation and information about the Company, including the Information Policy and the Directors' Code of Ethics. At each meeting of the Board of Directors, the directors have the opportunity to hear presentations given by executive officers on various topics regarding the Company's operations. The directors also take part, periodically, in organized visits of the Company's facilities, including distribution centers as well as its retail network. The Governance Committee reviews and suggests matters upon which information sessions for Board members would be appropriate. Board members also have the opportunity to share their interest in that regard. This year, directors received educational and informational briefings on various operational, financial and strategic topics including retail innovation, marketing, real estate, customer loyalty programs and the COVID-19 pandemic. In addition, two (2) formal educational sessions took place and focused on the real estate market and on how investors view the grocery industry in Canada, which allowed Board members to keep themselves up to date on these fast-changing aspects of the business. Most directors attended these sessions. These briefings and sessions were presented by internal speakers and outside experts in the applicable fields. Each year, Board members and executives also attend a strategic planning session. The Company ensures that all directors are members of the Institute of Corporate Directors (ICD) and pays their ICD membership fees.

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 of Directors has adopted a code of ethics for directors (the "Directors' Code of Ethics") and a Code of Conduct for executives and employees. These codes are available on SEDAR (sedar.com) and on the Company's corporate website (corpo.metro.ca). These codes address the elements recommended in Policy Statement 58-201 of Corporate Governance Guidelines of the Canadian Securities Administrators ("Policy Statement 58-201"). These codes also have provisions prohibiting employees and directors of the Company from short selling, directly or indirectly, the Company's securities or Options or trading in put or call options relating to the Company's Shares, as well as provisions providing for the clawback of executives' compensation in the event of a restatement or misconduct (for further details on these provisions, please refer to the "Summary of the Company's compensation policies and practices and associated risks" section on page 33 of this Circular).The Board has also adopted a "Director Resignation Policy" which requires a director to offer his or her resignation to the Chair of the Board of Directors, same being subject to the approval of the Board of Directors, in the event that: i) such director no longer meets the legal requirements or those set forth by the Board of Directors; ii) there is a material change in the director's function, employment or assignment; or iii) such director has breached or noted 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 Governance Committee is responsible for overseeing compliance with the Directors' Code of Ethics. This committee is also responsible for reviewing the Directors' Code of Ethics to make sure that it is up to date and that it covers all regulatory requirements and corporate governance matters. The Human Resources Committee is responsible for overseeing compliance with the Code of Conduct applicable to senior executives and employees of the Company. The Company's Vice-President, Human Resources, makes recommendations to the Human Resources Committee whenever the Company's senior management deems that amendments need to be made to the Code of Conduct. Furthermore, every year, or otherwise when needed, she reports to the Human Resources Committee on any non-compliance with the Code of Conduct by senior executives of the Company. No waivers have been sought for directors or senior executives during fiscal 2022 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 Directors' Code of Ethics provides a definition of a conflict of interest that includes a non-exhaustive list of situations, real or apparent, where directors may be inclined to favour their interests over the interests of the Company, or where their loyalty or judgement may be affected. Directors must report to the Chair of the Board and to the Chair of the Governance Committee any real or apprehended situation that could give rise to a conflict of interest as soon as they become aware of the situation. The Governance Committee shall review any situation involving a conflict of interest or situation that could give rise to a conflict of interest and make recommendations to the Board. If a member of the Governance Committee is involved in the situation potentially giving rise to a conflict of interest, such member must be excluded from the Governance Committee's proceedings and the discussions relating to the matter. In addition, the Code of conduct specifies, among other things, that executives and employees must avoid situations of conflict of interests. Moreover, the Code of conduct specifies that: "Employees shall avoid situations where they may become involved, directly or indirectly, in a business similar to, or in competition with, METRO's or in any entity that does or seeks to do business with METRO". Every year, the directors and senior executives of the Company must declare all conflicts of interest in a questionnaire, and must furthermore notify the Company of any subsequent change in their situation. The Company's Vice-President, General Counsel and Corporate Secretary, reviews the directors' questionnaires and reports back to the Governance Committee about all actual or potential breaches of the Directors' Code of Ethics regarding conflicts of interest. The Company's Vice-President, Human Resources, executes the same duties with respect to actual or potential conflicts of interest of any senior executives by informing, whenever necessary, the Human Resources Committee.

11. The board must take steps to encourage and promote a culture of ethical business conduct.	11. The rules of conduct applicable to employees found in the Code of Conduct specify, among other things, that all executives and employees must act with care, honesty, diligence, efficiency, commitment, loyalty and fidelity in order to ensure that the Company maintains a reputation of quality, dependability and integrity. The Code of Conduct 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, not only does the Code of Conduct requires employees to avoid all conflicts of interest throughout their work but it also requires them not to accept gifts unless same qualifies as a business practice defined in the Code of Conduct. When hired, all employees must sign a form pursuant to which they acknowledge having read the Code of Conduct and undertake to comply with same. They must also sign a disclosure of private interests form, which is updated on a regular basis. All new candidates to the position of director receive a copy of the Directors' Code of Ethics, acknowledge in writing that they have read and understood said Code of Ethics and undertake to respect same. The list of competencies and expectations of directors provides that the 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 Governance Committee is responsible for succession planning of the Board of Directors and recommending nominees to the Board of Directors for the position of directors of the Company. The Governance Committee is comprised of five (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 of Directors has adopted a mandate for the Governance Committee as well as an administrative resolution governing the procedure of all committees. The Governance Committee, pursuant to these documents, carries all of the responsibilities recommended in Policy Statement 58-201, and its mandate further provides that it has the authority to retain the services of an external advisor, if need be. Every year, the Governance Committee reviews its mandate to determine if it requires updating and in such case, makes recommendations to this effect to the Board of Directors. For further details, the text of the Governance Committee's mandate is included in Exhibit G to this Circular.
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 of Directors has established and adopted the "List of competencies and expectations of Directors", the text of which is included in Exhibit H to this Circular. In addition, the Governance Committee has also established a skills and experience matrix of the directors currently serving on the Board of Directors. This matrix showing the skills and experience of the nominees for the positions of director can be found on page 13 of this Circular. The Governance Committee ensures that the choice of nominees takes into account the competencies, experience and skills that the Board of Directors should overall possess, and reports back to the Board of Directors accordingly.
15. The board should also consider the appropriate size of the board, with a view to facilitating effective decision-making by the board.	15. The Board of Directors examines its size on a yearly basis. Regarding the upcoming year, the Board of Directors has concluded that it would remain efficient with 12 members. The Board of Directors considers that its composition allows a diversity of point of views without hindering its 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 Board of Directors recognizes the importance of ensuring proper succession planning for its directors. Both the Chair of the Board and the Governance Committee are in charge of Board succession planning. The Governance Committee reviews the experience and expertise needs of the Board on an annual basis. The Chairs of the Board and the Governance Committee review annually the retirement dates of all directors according to the Board Retirement Policy to ensure succession is planned accordingly both at the Board and at the Committee levels. The Governance Committee establishes processes for Board succession planning, including the use of the services of recruitment specialists who identify possible director candidates for vacancies on the Board. These recruitment specialists can focus on particular skills and profile, including diversity, identified by the Governance Committee. The Governance Committee reviews the competence, experience and skills of each of the nominees for the position of director and recommends to the Board of Directors the nominees who best meet the required profile at the time of nomination. The Chair of the Board and the Chair of the Governance Committee meet with potential director nominees together to discuss their interest and the contributions they could bring to the Board of Directors. The Chairs of the Audit and Human Resources Committees also meet with the potential director nominees. After these first meetings, if found suitable, potential director nominees will meet with the President and Chief Executive Officer of the Company. These discussions are reported to the Governance Committee which decides whether to recommend or not the potential director nominee. The Governance Committee and the Chair of the Board make their recommendations to the Board of Directors which then chooses a nominee while taking into account, among other things, the list of competencies and expectations of directors that can be found in Exhibit H to this Circular and the availability of the candidates. The Board of Directors also takes into consideration the profiles of each director already serving on the Board of Directors, the needs of the Board in certain expertise, and aims to foster diversity, particularly in terms of competence, experience, skills, background and personal attributes, including age, gender, sexual orientation, ethnicity, being a member of a visible minority, being a member of Indigenous People and having a disability. The Board of Directors has adopted, upon recommendation of the Governance Committee, a Board Chair Selection Policy which serves to establish a process for planning the succession of the Chair of the Board as well as the selection process for the nomination of a new Chair of the Board.
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. The Governance Committee ensures that the Board of Directors possesses all the required competencies, experience and skills. It also ensures that all nominees for the position of director possess all required competencies, experience and skills to complete the Board's team and carry out the Board's mandate efficiently.
Compensation 18. The board should appoint a compensation committee composed entirely of independent directors.	18. The Human Resources Committee is comprised of five (5) directors, all of whom are independent.
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 of Directors has adopted a mandate for the Human Resources Committee as well as an administrative resolution governing the procedure of all committees. The Human Resources Committee, pursuant to these documents, carries all of the responsibilities recommended in Policy Statement 58-201, and its mandate further provides that it has the authority to retain the services of an external advisor, if need be. Every year, the Human Resources Committee reviews its mandate to determine if it requires updating and in such case, makes recommendations to this effect to the Board of Directors. For further details, the text of the Human Resources Committee's mandate is included in Exhibit E to this Circular.

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 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 "Executive Compensation Discussion and Analysis" section, which can be found on pages 31 to 46 of this Circular, indicates the manner in which the Human Resources Committee performs its tasks.
Operations of the Board of Directors	
21. Identify the standing committees of the board other than the audit, nominating and compensation committees, and describe their function.	21. The standing committees of the Board of Directors are: the Human Resources Committee, the Audit Committee and the Governance Committee. The texts of these committees' mandates are included in Exhibits E, F and G to this Circular.
22. The board, its committees and each individual director should be regularly assessed regarding his, her or its effectiveness and contribution.	22. The Board of Directors has designed a comprehensive effectiveness assessment for itself, the committees and the directors under the supervision of the Governance Committee. This assessment occurs on an annual basis using questionnaires that are reviewed every year by the Governance Committee. These questionnaires cover a variety of subjects including but not limited to corporate governance, and include both quantitative and qualitative questions. The regular assessment consists of a six-part questionnaire completed by each director. The first part consists of an evaluation of the corporate governance practices of the Board of Directors as a whole and of the effectiveness and performance of the Board and the Board committees. The second, third and fourth parts are more open-ended and seek additional comments that may not have been addressed in the first part. The fifth part consists of an assessment by each director of the other directors' performance. Finally, the sixth part is a self-assessment of the performance of the director. Every three (3) years, a detailed questionnaire replaces the regular questionnaire and only includes qualitative questions. The fiscal 2022 evaluation was performed using this detailed questionnaire. During the assessment process, the Governance Committee also ensures that the mandate of each committee of the Board of Directors is carried out and assesses the manner in which the Chair of the Board of Directors and the Chairs of each committee fulfill their duties. The Chair of the Board meets with each director individually on an annual basis to discuss the performance and contributions of the director to the Board and its committees. These individual discussions are also an opportunity to address the Board's effectiveness and possible improvements. These meetings also allow the Chair of the Board to obtain feedback from directors on his performance as Chair of the Board and on the performance of the other directors. The Chair reports on the progress of these discussions to the Governance Committee. Performance evaluation results are reviewed by the Governance Committee. The Chair of the Governance Committee submits a complete report of this analysis to the Board of Directors. In light of the foregoing, the Chair of the Board of Directors, with the help of the Governance Committee, assesses the process, the effectiveness and/or the need for change in the composition of the Board of Directors, its committees or their Chairs. Following this analysis, management is advised of the relevant recommendations for improvements, in particular with respect to training and development programs for directors, which require its involvement. A review of the Board and committee mandates is performed on an annual basis to ensure that the Board and its committees are fulfilling their mandate and that these mandates reflect the current responsibilities and activities of the Board and its committees.

Exhibit J – Mandate of the Chair of the Board of Directors

The mandate of the Chair of the Board of Metro Inc. (the “Corporation”) sets out the responsibilities of the Chair of the Board and what is expected of him or her. These responsibilities and expectations are in addition to the Chair of the Board’s responsibilities pursuant to applicable legislation, the responsibilities and powers assigned to the Chair of the Board pursuant to the Corporation’s articles and by-laws as well as those which may be specifically assigned to the Chair of the Board from time to time by the Board of Directors.

The Chair of the Board of the Corporation is responsible for the overall leadership of the Board of Directors and has the following responsibilities:

Effectiveness of the Board

- Ensuring that the members of the Board of Directors work as a team, in an effective and productive manner, and demonstrating the necessary leadership to achieve this objective;
- Ensuring that the Board of Directors has the administrative support necessary to perform its work;
- Ensuring that directors receive accurate, timely, complete, relevant, honest and clear information to perform their duties;
- Upholding rigorous standards of preparation for Board meetings so that all directors have read the materials in advance to ensure effective discussions and decision-making.

Management of the Board

- Ensuring that the Board of Directors fulfills its mandate;
- Chairing the meetings of the Board of Directors and the meeting of directors without management being present;
- Establishing with the President and Chief Executive Officer the agenda for each meeting of the Board of Directors;
- Taking 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 potential nominees for the position of director of the Corporation have been identified by the Governance and Corporate Responsibility Committee, meeting with such potential nominees to explore their interest and aptitude to sit on the Corporation’s Board of Directors;
- Meeting at least once a year with Board members to seek their feedback on Board and committee effectiveness and other matters;
- Attending the meetings of Board committees and providing comments and advice to members of these committees, as needed
- Recommending Committee members and Chairs for their appointment.

Senior executives, shareholders and other stakeholders of the Corporation

- Fostering a strong working relationship between the Board of Directors and senior management. Specifically, the Chair periodically meets with the President and Chief Executive Officer to discuss issues relating to governance and the Corporation’s operations and results, and keeps the President and Chief Executive Officer informed of any comments and advice from directors;
- Chairing meetings of shareholders;
- Together with the President and Chief Executive Officer, fostering effective communications and strong relationships between the Corporation and key stakeholders including investors and shareholders;
- Ensuring that the Board participates in the Corporation’s strategic planning process.

Exhibit K – Mandate of committee chairs

The mandate of the chairs of Metro Inc.'s Board committees sets out the responsibilities of each committee chair and what is expected of him. The chair of a committee has the following responsibilities:

EFFICIENCY OF THE COMMITTEE

- the Chair 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;
- the Chair ensures that the committee has the administrative support necessary to perform its work;
- the Chair ensures that the directors receive the appropriate information to perform their duties.

MANAGEMENT OF THE COMMITTEE

- the Chair ensures that the committee fulfills its mandate;
- the Chair chairs the meetings of the committee;
- the Chair establishes with the Chair of the Board and the President and Chief Executive Officer the agenda for each meeting of the committee;
- the Chair 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 Chair periodically provides the Board with a report on the work and all the decisions or recommendations of the committee.

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