


**HUMAN RESOURCES POLICIES AND PROCEDURES**

<b>Original Date</b> : November 27, 1988	<b><u>SUBJECT:</u></b> <b>CODE OF CONDUCT (formerly Policy regarding conflicts of interest and professional ethics)</b>	
1 <sup>st</sup> revision: March 20, 1995 2 <sup>nd</sup> revision: October 18, 2002 3 <sup>rd</sup> revision: August 5, 2005 4 <sup>th</sup> revision: March 13, 2006 5 <sup>th</sup> revision: September 24, 2007 6 <sup>th</sup> revision: January 11, 2011 7 <sup>th</sup> revision: April 16, 2012 8 <sup>th</sup> revision: November 17, 2016	<b>No 14</b> <span style="float: right;"><b>HR Section</b></span>	
<b>Presented by</b> : geneviève bich <b>Approved by</b> : > Human Resources Committee > Board of Directors > President and Chief Executive Officer 	<b>Date</b> : September 25, 2018  <b>Date</b> : September 25, 2018 <b>Date</b> : September 25, 2018 <b>Date</b> : September 25, 2018	<b><u>CIRCULATION:</u></b> > Intranet – HR Policies and Procedures <input checked="" type="checkbox"/> <b><u>DISTRIBUTION:</u></b> > All employees  <b><u>EFFECTIVE DATE:</u></b> <b>September 25, 2018</b>

**N.B. Use of the masculine gender throughout this document includes the feminine gender and is to be understood as meaning “person”.**

**1. STATEMENT**

- 1.1. METRO’s Code of Conduct (the “**Code**”) reflects our commitment to abide by, and promote, the highest standards of ethics and integrity in all our dealings with our Employees, our customers, our affiliated and franchised stores, our suppliers, our shareholders and the communities in which we live and work.
- 1.2. As a METRO Employee, you must at all times respect and abide by our Code and Company policies and procedures as well as with all applicable laws and regulations.

**2. SCOPE**

- 2.1. Our Code applies to all Employees of METRO. It applies in the performance of your duties as well as in all situations (e.g., attendance at special events, professional associations, conferences, etc.) where you could be considered a METRO representative.
- 2.2. Our Code defines parameters to guide you but does not address all the situations you may face. Should you be faced with, or be aware of, a situation or difficult business decision that is not addressed in our Code, you must consult with, or report it through, any of the following:
  - Your supervisor
  - The Human Resources Department
  - The Speak Up Program: 1-877-700-STOP (7867)

- 2.3. It is your responsibility to ensure that you act according to the standards of our Code and uphold it in all your dealings with other Employees, our customers, our affiliated and franchised stores, our suppliers, our shareholders and the communities in which we live and work.

### 3. **DEFINITIONS (Art. 1.0)**

#### 3.1. Company Assets

- 3.1.1. Include but are not limited to all information in all formats, records, property, funds, contracts, business opportunities, equipment, vehicles, tools, materials, computers, software, hardware, information systems, intellectual property, buildings, offices, office equipment and supplies, cellular and wireless devices that belong to, or are used by, the Company or on its behalf.

#### 3.2. Confidential Information

- 3.2.1. Confidential Information is defined as all proprietary, strategic, financial, commercially or competitively sensitive, technical, personal or private information, or any information concerning the current or future operations and positioning of METRO, its Directors, Executives, and Employees, as well as its customers, affiliated or franchised stores, and suppliers.

- 3.2.2. Examples of Confidential Information include, but are not limited to:

- Merchandising/marketing strategies and promotional plans
- Pricing and inventory lists
- Customer lists
- Supplier lists
- Store layout plans and planograms
- Supplier arrangements
- Financial information including sales, volumes, profits, inventory statistics
- Contracts between the Company and third parties
- Security arrangements and reports
- Human Resources programs
- Employee information
- Software and hardware information
- Negotiations
- New products and services
- Proprietary technology

### 3.3. Conflicts of Interest

Any situation, whether real, perceived or apparent, potential or contingent, in which an Employee may be inclined to favour, directly or indirectly, his private or business interests or those of Family, friends, colleagues or anyone else to the detriment of METRO's interests. Situations that may affect an Employee's loyalty and judgment also constitute a Conflict of interest.

### 3.4. Director

Any person who is a member of the Board of Directors of Metro Inc.

### 3.5. Employee

Any person working for METRO under an employment agreement, or a collective agreement, including all Executives.

### 3.6. Executive

Any Vice President, Senior Vice President, Executive Vice President and the President and Chief Executive Officer of METRO.

### 3.7. Family

Includes extended family, a spouse, including a common law spouse, children and step-children, parents and siblings, grandparents and grandchildren, and other relatives by blood or marriage.

### 3.8. Gender

Use of the masculine gender throughout this document includes the feminine gender and any other sexual orientation.

### 3.9. METRO (or "Company")

Means Metro Inc. and all its direct and indirect subsidiaries and affiliates.

## 4. **RULES OF CONDUCT**

### 4.1. *Duty of Care and Loyalty and Acting in the Best Interest of METRO*

4.1.1. All Employees must act with care, honesty, diligence, efficiency, commitment, loyalty and fairness to safeguard METRO's interests, Company Assets, and reputation for quality, dependability and integrity as well as their own reputation as a METRO Employee. Each Employee must ensure he is in a position to provide the necessary time and effort to meet his obligations.

## **The Workplace**

### 4.2. **Company Policies**

4.2.1. All Employees are required to read, understand and comply with all Company policies, including the policies referenced in our Code.

### 4.3. **Respect in the Workplace**

4.3.1. METRO is committed to providing a work environment that respects human rights and ensures every Employee is treated with dignity and respect in an environment free of violence, harassment and discrimination. METRO is also committed to diversity, which is an unwavering respect for each other's uniqueness, and as such promotes and supports a diverse and inclusive workplace.

4.3.2. Employees must uphold these principles in dealing with other Employees, our customers, our affiliated or franchised stores, our suppliers and any other person they may come in contact within the course of their duties. These dealings extend to the use of e-mail, Internet, social media and all other means of communication.

### 4.4. **Safety in the Workplace**

4.4.1. A safe and healthy working environment is of primary importance to METRO and is a joint responsibility. METRO implements, promotes and constantly updates policies and programs designed to foster our Employees', our customers' and the general public's health and safety.

4.4.2. Employees are expected to take responsibility for their health and safety, to safeguard the health and safety of others and to comply with all legal and Company standards.

### 4.5. **Employee Privacy**

4.5.1. METRO is committed to respecting its Employees' privacy. Employee personal information will be collected, used and disclosed by lawful means and in accordance with any applicable METRO privacy policies, for its stated purpose and as necessary for relevant business needs and will be duly protected. Personal information is information, in any format, about an identifiable individual such as personnel files and other documents collected, used and disclosed to provide Employees with services or support. Personal information does not include the name, title, business address, business email address, business telephone number, mail, email and voicemail of an Employee. Only authorized persons are permitted to access personal information and as such, all requests for Employee information or Employee references must be addressed to the Human Resources Department.

## **Business Practices**

### 4.6. Legal Compliance

- 4.6.1. METRO must comply at all times with all applicable laws and regulations. Consequently, all Employees in the course of their duties must abide by all federal, provincial and municipal laws and regulations that apply to METRO's business or to themselves.
- 4.6.2. Employees shall not cause METRO to do or omit to do things or be involved in any dealing or be a party to any agreement, transaction or contract, written or verbal, that violates any law or regulation in effect or that could bring discredit to METRO.

### 4.7. Conflicts of Interest

- 4.7.1. All Employees shall avoid insofar as possible, placing themselves in situations of Conflict of interest. When such a situation cannot be avoided, the Employee in question shall inform his immediate supervisor without delay and if required, complete and sign a Declaration Form. The immediate supervisor shall inform his supervisor and the Human Resources Department of the circumstances of the Conflict of interest and the situation shall be handled in accordance with the procedure found in section 11 of our Code.
- 4.7.2. 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. Similarly, Employees shall avoid holding an interest in, or in any way being a part of, such a business. Where a situation of this nature may arise, it must be immediately disclosed on the Declaration Form and submitted to the Human Resources Department for review with the appropriate Executive.
- 4.7.3. When making decisions, Employees shall not allow themselves to be influenced by any real or perceived personal advantage.
- 4.7.4. Employees shall not influence transactions with suppliers for personal reasons.
- 4.7.5. Employees shall not enter into a contract on METRO's behalf with a member of their Family, a friend or any entity in which they hold a financial or legal interest and shall not be part of any discussion or negotiation leading to such contract.

4.7.6. Members of the same Family should not work on the same team at METRO. An Employee must not report directly to a Family member. Where these situations may arise or if an Employee reports indirectly to a Family member, they must be immediately disclosed on the Declaration Form and submitted to the Human Resources Department for review with the appropriate Executive. The Company will seek to remedy the situation and assess various options and/or put controls in place to manage the situation.

#### 4.8. Gifts, Favours, and Privileges

4.8.1. Employees shall not, in the course of their duties, solicit or accept any gift or favour, whether or not it is for their personal use, from any person or organization having business dealings with METRO, with the exception of the common business practices described below. Any and all exceptions are subject to the appropriate Executive's prior written approval.

4.8.2. The term "favour" generally means any privilege that affects, or creates the appearance that it could affect, the judgment or conduct of an Employee in the course of his duties or damage METRO's credibility. Any privilege not identified as a common business practice in the industry in which METRO operates is deemed a favour that must be refused unless approved in writing beforehand by the appropriate Executive.

4.8.3. Occasional privileges linked to an Employee's official duties are considered common business practices in the industry in which METRO operates. Business meals, items of nominal value including items bearing a supplier's logo or gift baskets, ad hoc invitations to local sporting or cultural events are examples of privileges linked to an Employee's official duties. These privileges must be of nominal value and non-repetitive in nature and must not cast doubt on the Employee's integrity.

4.8.4. If the Employee's job function requires sampling, then limited product samples required for the job function may be accepted and are not considered a favour. However, such samples may not be accepted or kept for personal use or consumption. The Employee may share extra or unnecessary samples generally with other colleagues if they are perishable, or return them to the provider.

4.8.5. Should a gift outside these common business practices be offered, an Employee may accept it only on the condition of having the appropriate Executive's written approval beforehand.

4.8.6. A gift of cash or equivalent (such as gift certificates, gift cards) shall never be accepted. An exception may be made in cases where the gift of cash or equivalent is granted by a supplier in the context of a formal sales incentive program and as a result of an Employee or group of Employees reaching certain sales targets in connection with such supplier's products. Such an exception must receive the appropriate Executive's written approval beforehand and such approval can only be granted if there is no risk of creating the appearance that it could affect the judgment or conduct of an Employee in the course of his duties or damage METRO's credibility.

4.8.7. Employees shall not seek, or behave in a way that suggests that they are seeking, a privilege for themselves, their Family, a friend, a colleague or anyone else, on the basis of a business dealing or relationship.

#### 4.9. External Activities

4.9.1. Employees shall avoid any positions, associations or other external activities that may interfere with, or adversely affect, the performance of their duties or the exercise of their judgment in the best interest of METRO. Employees must also follow the Policy on Communications and Public Activities with respect to serving on a board of directors or executive or advisory committee or in another official external position that could be related in any way to their position at the Company, to Company activities or involve communications about the Company that would be public in nature.

#### 4.10. Solicitation of donations and sponsorships

4.10.1. No donations or corporate or individual sponsorships may be solicited (including soliciting fellow Employees through any means) without prior written authorization from the Employee's Vice President, or the President and Chief Executive Officer or the Company gift and donation committee, as applicable.

#### 4.11. Competition

4.11.1. We welcome and encourage fair and open competition and we are committed to treating competitors with due respect. By doing so, we honour the competitive spirit that motivates us to perform at our best.

4.11.2. Behaving competitively means that we:

- do not portray a competitor to the public or to a customer in an inaccurate, misleading, disparaging or unfair manner or in a way contrary to laws that govern competitive business practices; and

- exercise care when commenting publicly on such topics as a competitor's financial situation, business practices, management, reliability or ownership.
- 4.11.3. We have every right to gather information about the marketplace in which we operate through legal and ethical means. This includes information about our competitors, their products and services, technology, prices, advertising, and so on. However, we do not engage in industrial espionage, buy proprietary information or induce employees or former employees of our competitors to disclose proprietary or confidential information of his current or former employer. If you become aware that confidential or proprietary information about a competitor is circulating through METRO, you must not use such information and must immediately report it to your immediate supervisor or the Human Resources Department.

## **Company Assets and Information**

### 4.12. Confidential Information

- 4.12.1. Unauthorized disclosure of Confidential Information can severely damage the Company. Employees must protect and safeguard all Confidential Information and are prohibited from collecting, using or disclosing Confidential Information except as authorized by the Company beforehand and in the ordinary course of the performance of their duties at METRO.
- 4.12.2. All internal information concerning the business and affairs of the Company constitutes Confidential Information, except information that has been publicly disclosed through a media release or some other public disclosure approved by the Company.
- 4.12.3. Unauthorized disclosure of Confidential Information by any means of communication is not only a violation of our Code but may also constitute insider trading (trading securities of the Company with knowledge of undisclosed material Confidential Information) which may be illegal. Additional requirements regarding the safeguard and use of material Confidential Information are found in the *Information Policy* of the Company.
- 4.12.4. Confidential Information shall be used, protected and destroyed, including shredding if applicable, according to Company procedures and policies.
- 4.12.5. These obligations survive the end of an Employee's duties and/or employment relationship.



#### 4.13. Company Assets

4.13.1. Company Assets must be protected against theft, vandalism, sabotage and unauthorized use, disposition, sale, copying, disclosure, consumption or destruction at the workplace and at home. If you leave the Company, these Company Assets must be returned. The Company does not permit the use of Company Assets, time, facilities or resources for activities other than authorized Company business. We do, however, authorize normal and reasonable use of Company Assets which is not Company business related (ex.: people using office computer to conduct some personal research/transactions, accessing personal email, etc.) as long as it does not interfere in any way with the Employee's ability to meet his obligations.

#### 4.14. Software

4.14.1. Employees shall not in the course of their duties copy software used by METRO if the software license does not provide for copying.

4.14.2. Employees shall not in the course of their duties use any software for which METRO is not included as a user under the software license.

#### 4.15. Internet, E-mail and Social Media

4.15.1. While using METRO equipment, Employees shall not knowingly view, transmit, create, print, retrieve, download or store any communications of a discriminatory, defamatory, obscene, offensive, threatening or harassing nature, or may be harmful (virus), or any other material that is inappropriate in our business environment.

4.15.2. Employees shall not disclose on the internet, by e-mail, through social media or any other means of communication, Confidential Information concerning METRO or belonging to the Company.

4.15.3. Employees choosing to use social media must do so in a responsible manner and must never publish comments of a discriminatory, defamatory, obscene, threatening, offensive or harassing nature regarding the Company, its Employees or any of METRO's stakeholders.

4.15.4. The provisions found in this section also apply to voice mail, text messaging and all other means of communication.

4.15.5. Employees must at all times follow the *Policy on Communications and Public Activities* with respect to communications that may affect the Company, its Employees and stakeholders.

#### 4.16. Financial and Corporate Information

4.16.1. All financial books, records and accounts must accurately reflect financial transactions and events. They must conform to International Financial Reporting Standards (IFRS) as updated from time to time. No document or record shall be falsified for any reason, and Employees must report any misstatements they find immediately to their supervisor or follow the procedure outlined in the *Policy regarding complaints on accounting, internal accounting controls or auditing matters* that deals with the submission, receipt, retention and treatment of complaints in regard to accounting, internal accounting controls and auditing matters. For more information on the submission and treatment of such complaints please refer to that Policy.

#### 4.17. Recoupment of Executive Compensation (Claw back)

4.17.1. The Board of Directors of Metro Inc. may, at its sole discretion, to the full extent permitted by law and to the extent it determines that it is in METRO'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 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 on, 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 Employee's 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 METRO.

4.17.2. For the purposes of this Section, the term “performance-based incentive compensation” means any compensation based on performance including without limitation any compensation granted or payable under the Annual Incentive Plan (bonus) and the Long-Term Incentive Plan (options or performance share units) of METRO and the term “Executive” means any of METRO’S present or former Vice president, Senior Vice President, President and President and Chief Executive Officer.

4.18. Securities Transactions and Insider Trading

4.18.1. Employees must follow all policies and procedures issued by the Board of Directors of Metro Inc. regarding material Confidential Information and transactions in METRO securities, including the *Information Policy*.

4.18.2. It is prohibited for all Employees to directly or indirectly short sell METRO stock (or stock options) or trade in Put or Call options on METRO stock.

**5. SPECIFIC RESPONSIBILITIES**

5.1. Employees

5.1.1. All Employees are required to:

- read and understand our Code as well as applicable policies
- comply with our Code and any and all directives or instructions that may be given regarding its application, including signing the Declaration Form
- immediately declare Conflict of interest situations or problems to their supervisor
- immediately disclose a change in their personal situation pertaining to their Declaration Form when it occurs
- immediately report to their supervisor and the Human Resources Department their involvement in a civil, regulatory or criminal matter that has the potential to affect their job
- report any irregular business practices and any breach of our Code by an Employee to their supervisor, and
- refrain from retaliating against a person who, in good faith, reports a breach of our Code or cooperates in an investigation.

- 5.1.2. Any Employee who knows of a problem or situation with regard to our Code must inform his immediate supervisor or the Human Resources Department or, alternatively, advise the Company using the Speak Up Program. If the Employee or supervisor deems that the situation cannot be remedied, the Employee or supervisor must inform his Executive or the Human Resources Department.
- 5.1.3. When in doubt about our Code's interpretation or the proper way to deal with a particular situation, Employees should contact their supervisor or the Human Resources Department.

## 5.2. Supervisory personnel

- 5.2.1. In addition to their duties as Employees, all supervisory personnel must make sure Employees on their team understand and comply with our Code and ensure that all situations brought to their attention are dealt with appropriately.

## 5.3. Executives

- 5.3.1. In addition to their duties as Employees and supervisors, all Executives are required to apply our Code within their department.
- 5.3.2. They must also make sure Employees on their team understand and comply with our Code, including the completion of the Declaration Form, and ensure that all situations brought to their attention are dealt with appropriately.

## 5.4. Human Resources

- 5.4.1. The Human Resources Department, in conjunction with the Legal Department, is responsible for drafting and updating our Code as well as the Acknowledgement Form and Declaration Form, for issuing any directives, instructions or communications and ensuring Employee training.
- 5.4.2. The Human Resources Department may consult with the Internal Audit Department, if necessary, on the application of our Code and notify that Department of any situation requiring special controls or which could qualify as a complaint under, or a breach of, the *Policy regarding complaints on accounting, internal accounting controls or auditing matters*.
- 5.4.3. The Human Resources Department is also responsible for managing any and all processes related to our Code, including but not limited to its incorporation in the Employee orientation process, its regular review by Employees and its update, as required, every three years.

Board of Directors of Metro Inc.

- 5.4.4. Any changes to our Code or key processes relating to it must be presented to, and approved by, the Human Resources Committee of the Board of Directors of Metro Inc. as well as by the Board of Directors of Metro Inc.
- 5.4.5. Notwithstanding anything else to the contrary in this Code, the Human Resources Committee of the Board of Directors of Metro Inc. is responsible for monitoring compliance with the Code by Senior Management Executives and for granting any waivers from our Code for the benefit of said Senior Management Executives.
- 5.4.6. For the purpose of this Section, the following people are considered to be Senior Management Executives: the President and Chief Executive Officer and all Metro Inc. Executives.

**6. POST EMPLOYMENT TERMINATION PROHIBITIONS**

- 6.1. For two full years after the termination of their employment, all Employees are prohibited from taking any part, without express prior written approval from METRO, in any dealings, negotiations, transactions or other operations to which METRO is a party and about which the Employees have Confidential Information.
- 6.2. All Employees are prohibited, after their employment termination, from disclosing or using any Confidential Information that they may have, or from giving anyone advice based on Confidential Information about METRO or another body or entity with which they had material direct ties while working at METRO.
- 6.3. In their dealings after leaving METRO, all Employees are prohibited from taking any undue advantage flowing from their former duties at METRO.

**7. NON-SOLICITATION**

- 7.1. Without the prior written authorization from METRO, no Employee may, in the course of his duties and for a period of two full years after leaving the Company:
- Divert or try to divert directly or indirectly, in any way whatsoever, any business from METRO to a competing entity;
  - Solicit, do business or try to do business, directly or indirectly, in any way whatsoever, with any METRO client or customer in order to affect the goodwill or commercial interest between METRO and its clients or customers in any way whatsoever; or

- Solicit or hire, directly or indirectly, in any way whatsoever, one or more METRO Employees or consultants, or encourage them to leave METRO to work for someone else.

## **8. COMPLIANCE WITH OUR CODE**

- 8.1. Any Employee who violates the provisions of our Code is subject to immediate disciplinary action up to and including dismissal, and may be subject to legal proceedings to recover any loss that the Company may have incurred as a result of such violation. A violation of the provisions of our Code that is also a breach of the law may result in prosecution of the Employee by the applicable authorities.
- 8.2. A violation of our Code includes, but is not limited to, breaches that are described herein, encouraging other Employees to violate our Code, refusing to cooperate during an investigation related to a suspected or known violation, retaliation against an Employee who reports a violation, failure to report or withholding relevant information regarding a violation.

## **9. NON-RETALIATION**

- 9.1. METRO will not tolerate retaliation of any kind against an Employee who, in good faith, brings forward a concern or complaint in relation to our Code or who cooperates in an investigation.

## **10. SPEAK UP PROGRAM (Don't Just Be a Witness)**

- 10.1. The 1-877-700-STOP (7867) number, available 24 hours a day, 7 days a week, makes it possible for Employees who have witnessed illegal acts (fraud, vandalism, theft or other) or breaches of Company policies (including this Code), or want to make a complaint regarding accounting, internal accounting controls or auditing matters to advise the Company. The information provided will be treated as strictly confidential, subject to legal requirements.

## **11. PROCEDURES**

- 11.1. Upon hiring, all Employees must sign a form acknowledging receipt, reading and understanding of our Code (the "**Acknowledgement Form**"), as well as complete a form in which Employees will disclose any potential Conflict of interest and confirm compliance with our Code (the "**Declaration Form**").
- 11.2. Employees must also complete a Declaration Form as may be required by METRO from time to time or immediately after any change in their personal situation occurs or if any potential Conflict of interest occurs.
- 11.3. All completed Declaration Forms must be submitted to the appropriate Executive for approval. Once approved, the forms must be returned to the Human Resources Department.

- 11.4. When a Declaration Form is not approved, the Human Resources Department will recommend measures to be taken to address the concerns.
- 11.5. Cases that are not resolved at the previous stage as well as cases of inaccurate Declaration Forms are forwarded to the Vice President, Human Resources and the Vice President, General Counsel and Corporate Secretary of Metro Inc. who will work with the appropriate Executive to identify the measures to be taken.