

Loblaw Companies Limited

Annual Meeting of Shareholders

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CORPORATE PARTICIPANTS

Galen Weston

Loblaw Companies Limited — Chairman and Chief Executive Officer

Sarah Davis

Loblaw Companies Limited — President

Nick Henn

Loblaw Companies Limited — Senior Vice President and General Counsel

Tara Speers

Loblaw Companies Limited — Shareholder

Shawn Dalrymple

Loblaw Companies Limited — Shareholder

Emma Pullman

BC Government and Service Employees Union — Capital Stewardship Officer

PRESENTATION

Operator

Good morning. I would like to welcome you to the Loblaw Companies Limited Annual Meeting of Shareholders. I will now turn the call over to Galen Weston, Executive Chairman.

Galen Weston — Chairman and Chief Executive Officer, Loblaw Companies Limited

Good morning, and welcome to the 65th Annual General Meeting of Loblaw Companies Limited. I'm Galen Weston, the Executive Chairman of the Company.

Every year we look forward to this meeting and the opportunity it provides to speak with our shareholders. Again, this year, the ongoing COVID-19 pandemic and lockdown restrictions in place mean that we find ourselves unable to gather in person. And while this meeting of shareholders will certainly be different than most previous years, our team has worked hard to replicate, as best we can, our regular meeting environment in a virtual format.

Joining me this morning via webcast are Sarah Davis, our President; Darren Myers, our Chief Financial Officer; and Nick Henn, our Senior Vice President, General Counsel.

The nominee directors, auditors, and other members of the Loblaw management team are also attending remotely, either via teleconference or by webcast.

I would now like to call to order this Annual Meeting of Shareholders of Loblaw Companies Limited.

I will begin today's meeting by outlining how voting and questions will be addressed in this virtual format. Usually, and this year is no exception, the majority of shareholders submit their proxies or voting instructions in advance of the meeting. Under our normal practice, shareholders or their proxies who wish to vote at the meeting would be required to attend the meeting in person. Instead, voting during today's

meeting will be conducted through this online platform. And when we are ready to table an item of business for a vote, you will see voting options appear on your screen.

If you voted in advance of the meeting and do not wish to revoke your previously submitted proxies, then you do not need to do anything. The scrutineers will tabulate all of the votes cast during the meeting, and we will report on the results of each resolution towards the end of the meeting.

Another manner in which this virtual meeting will be different is with respect to questions, which will be accepted through the online platform. To submit a question, click on the Q&A messaging icon at the top of the online platform window. When submitting a question, please identify whether it relates to a motion being considered as part of the formal business of the meeting, or whether it is general in nature.

We will address questions directly related to a particular motion at the appropriate time of the meeting and save general questions until the end of the meeting. Questions with common themes may be grouped together for efficiency. Please note that if you are logged into the virtual meeting as a guest, you will not be able to ask a question. Only registered shareholders may do so.

Nick Henn will read the questions aloud when requested, and either I or a member of the management team will respond. We will make every effort to answer all your questions during today's Q&A period. However, in the interest of time, we will limit that portion of the meeting to 20 minutes and will address any unanswered questions in a timely manner afterwards.

Before we proceed with the formal elements of the meeting, I'd like to take a moment to reflect on 2020. If you recall, we started last year's AGM with a sense of uncertainty and urgency, as we didn't know what the pandemic had in store. But as we often do, we jumped into action. As the year unfolded, we got the job done.

In the face of many challenges, we kept our colleagues safe and well while feeding and caring for the nation amid the most unpredictable circumstances. With customer service and colleague engagement scores at record highs, it's clear our actions and contributions through 2020 struck the right chord.

Today, I believe we're turning the corner. It feels as though our company has come a very long way and supported Canadians with every step. We've been directed by good decision-making and propelled by our people.

We leaned heavily on our values, which have been honed over generations, and I've been touched in recent weeks by the response to my father's passing and the stories shared by colleagues, customers, suppliers, and shareholders, all of which remind me that my dad remains very present in our company's culture, and my family has appreciated that support.

As I return to the President's role at Loblaw, those values and the experiences of the last year are reminders of the impact we have and our opportunity to contribute.

For the past several years, the cover of our annual report has offered three words, a simple statement of our purpose: Live life well. I'm not sure that phrase has ever meant more than it did in 2020. It was also a major focal point and source of pride for our President, Sarah Davis, who spent much of the year promoting and celebrating the ways our teams have helped Canadians through the pandemic.

Today is Sarah's last day with the Company, and before I welcome her to address the meeting, I want to thank her for her contributions over the last 14 years at Loblaw.

During that time, she played a central role in transforming the Company into an omni-channel food, health, and wellness retailer. As President, among many other things, Sarah established the Company's leadership in data and analytics. And convinced that our customers' experience will never be

better than our colleagues' experience, she has been a tireless advocate for both. Through a combination of empathy and openness coupled with a deep, unyielding toughness, she has been both a champion and a friend to many, including me.

As you saw with yesterday's release of a strong first quarter results, Sarah leaves the organization well positioned for the future.

Thank you, Sarah. The floor is yours.

Sarah Davis — President, Loblaw Companies Limited

Today is my 14th Annual General Meeting and my fifth as President and, as you've heard, my final day before retirement. I hope you'll understand that I'm feeling a bit reflective. 2020 was certainly a year worth reflecting on. Loblaw was given the historic opportunity to demonstrate our company purpose, to help Canadians live life well, and we delivered.

Our team of 200,000 dedicated colleagues worked together to keep supply lines open, trucks running, food and necessities on the shelves, pharmacies stocked and ready to serve, and most of all, we kept Canadians fed and well. This was no easy task, and we owe the team our appreciation.

Over the course of the year, we adjusted most of what we do behind the scenes. More visibly, we dramatically scaled our e-commerce services for customers who wanted convenience, or wished to avoid shopping in person. And we invested nearly \$0.5 billion to make sure people were safe to work and shop in our stores.

All the while, we were authentic and transparent, communicating more than ever with our customers and our colleagues. We told them about business decisions like new safeguards, operational changes or restrictions, and offered up a range of new programs, like free home delivery, new conveniences, and mental health services for the Canadian public, our colleagues, and their families.

We prioritized people, our colleagues, and our customers. We felt that was the right thing to do in the short term and for the long term. Our focus was on safety, providing lower prices, and extending services to help Canadians through what may end up being the toughest year of their lives. That came at a cost.

On this basis, I'm proud of our 2020 financial results. Revenue grew 7.1 percent, with same-store sales up 8.6 percent in Food and 4.9 percent in Drugs. This growth was uneven, with dramatic swings in our mix of products and operational challenges across our businesses. With very high sales, we held profits flat and held back buybacks and dividend increases into late in the year.

With this as a backdrop, you will hear a motion today that asks whether we invested enough in our colleagues. The idea that we put company or shareholder profits over support for our frontline colleagues is simply untrue. We have chosen to invest in protections and support for people, including hundreds of millions in frontline pay and bonuses.

We have also kept our customers front of mind. In fact, when Canadians needed us most, our strategy felt more relevant than ever. It all starts with our core retail business, with nearly 2500 stores nationwide. In many cases, they are the hub of their communities, critical to keeping people fed and well. Today, the stores are managing COVID costs better, operating well under modified conditions, and adapting to pandemic-related pressures in key categories, such as beauty.

We have great conviction in our core, and we entered 2021 with the wind at our backs with strong Q1 results and our growth pillars past and continued investment powered great progress in 2020.

In everyday digital retail, we began 2020 as leaders in e-commerce. With increasing consumer demand for online services, we quickly ramped our services and tripled the business, delivering nearly \$3 billion in sales, and we're not slowing down.

Yesterday, we announced that in Q1, our digital business had record sales, record fill rates, and record speeds, at the same time delivering record customer satisfaction scores.

In our Connected Healthcare pillar, we have an unrivaled long-term opportunity to become the front door for community care, in person and virtually.

Though Shoppers Drug Mart was already one of the nation's most trusted names, Canadians turn to us more and more through the pandemic. Our pharmacy services, like convenient vaccinations and health consultations, grew 30 percent in 2020. That doesn't include the 700,000 COVID vaccinations we've administered in 2021. Fundamental investments in training our pharmacists, digitizing our pharmacies, and building up services have begun to pay off for our customers and our business.

Finally, in payments and rewards, we continued to see great early performance from our PC Money Account, which launched in 2020. It's a beautifully simple product that rewards Canadians for everyday banking activities and is just one of the new ways we're using PC Optimum to the benefit of our customers and our business.

Recently, PC Optimum was named among the nation's top 10 most influential brands, the only homegrown Canadian brand. In adding us to the list, the researchers said, and I quote, "Caring for consumers has become a higher priority than ever and PC Optimum delivered, connecting Canadians to things they need most."

I couldn't agree more. It's a great summary statement on what we're trying to do in our stores and online for our customers. We are absolutely caring for Canadians and addressing their greatest needs. We are helping them live life well.

At the end of a challenging year, I lean heavily on two important pieces of data. First, our customer satisfaction levels, and second, our colleague engagement scores. Both climbed to record levels in 2020. Our business is ultimately about people.

To our customers, colleagues, suppliers, leadership team, and our board, I thank you all for your past support and your future commitment to this great company.

I would now like to welcome Galen back to address the meeting.

Galen Weston

Thank you, Sarah. I'll now proceed with the formal part of the meeting. I would ask Nick Henn to act as secretary of the meeting. Computershare Investor Services Inc. is acting as scrutineer of the meeting by way of its representatives, Patty Sigiannis and Louise Waltenbury.

Only shareholders of record at the close of business on March 15, 2021, or their proxies are entitled to take part in and vote at this meeting. To make the best use of our time, certain shareholders have been asked to move and second the motions, which are called for in the Notice of the Meeting.

A copy of the Notice of the Meeting and proof of its mailing has been filed with the Company. The scrutineer's report indicates that a quorum is present, and I now declare that this annual meeting has been properly called and is duly constituted for the transaction of the business for which it has been called.

Today's agenda will consist of a submission of the Company's 2020 annual financial statements, followed by four resolutions: First, to elect the Board of Directors for next year; second, to appoint the Company's external auditor for fiscal 2021; third, to consider an advisory resolution on the Company's approach to executive compensation; and fourth, to consider a shareholder proposal that was received.

We will deal with the formal items of business first, and at the conclusion of that business we will move to our question-and-answer period and the announcement of voting results.

On behalf of those speaking today, I'd like to note that today's remarks may include forward-looking statements. Details regarding forward-looking statements can be found in the Company's 2020 annual report and first quarter 2021 report to shareholders. Actual results could differ materially from the forecast projections and conclusions in the forward-looking statements made today.

I should note that during the meeting, we may pause from time to time to review messages from Nick Henn as we coordinate from a distance. Thank you for your patience as we do so.

I would now like to place before the meeting the consolidated financial statements of the Company, together with the notes and auditor's report to shareholders for the year ended January 2, 2021. These are included in the annual report, which was provided to shareholders and can also be retrieved from Loblaw Companies Limited website or SEDAR.

Nick, were there any questions or comments submitted in connection with the financial statements?

Nick Henn — Senior Vice President and General Counsel, Loblaw Companies Limited

No, Galen. We've not received any questions on the financial statements.

Galen Weston

Okay. Thank you. A strong governance structure starts with the Board of Directors. The board is responsible for supervising the Company's management on behalf of shareholders. Our board is committed to high standards of accountability, integrity, and ethics, and we believe that these hallmarks of good governance are fundamental to the Company's success and to safeguarding the long-term interests of its shareholders.

Our board plays a critical role in overseeing the Company's strategy, risk management processes, and leadership development. The board also carries out several important duties directly and through its

committees, including evaluating the Company's internal controls over financial reporting and overseeing executive compensation and succession planning.

With us today over webcast are your director nominees. This proposed slate of director nominees is well qualified to carry out the board's mandate with deep leadership experience and strong strategic thinking. Those traits are complemented by impressive qualifications and expertise in retail, digital, risk management, finance, and strategy.

We'll now move to the nomination and election of directors. Our management proxy circular contains detailed biographies setting out the valuable qualifications and diverse backgrounds of the director nominees proposed. Twelve directors are to be elected.

I'm pleased to report that based on proxies received by the scrutineer in advance of the meeting, each director nominee received votes in favour from at least 96 percent of votes cast.

We will now consider the election of directors. To facilitate the introduction of the nominees, we refer you to the slide on the webcast. I declare the polls open on all resolutions.

Nick, were there any questions or comments submitted in connection with the nomination and election of directors?

Nick Henn

No, Galen. We've not received any questions related to this item.

Galen Weston

Thank you. Could I please have a nomination for the election of directors then?

Tara Speers — Shareholder, Loblaw Companies Limited

My name is Tara Speers, and I am a shareholder. Mr. Chairman, I nominate the following person for election as directors of the Company to hold office until the next Annual Meeting of Shareholders, or

until their successors are duly elected or appointed: Paviter S. Binning , Scott B. Bonham, Warren Bryant, Christie J.B. Clark, Daniel Debow, William A. Downe, Janice Fukakusa, M. Marianne Harris, Claudia Kotchka, Beth Pritchard, Sarah Raiss, Galen G. Weston.

Shawn Dalrymple — Shareholder, Loblaw Companies Limited

My name is Shawn Dalrymple, and I am a shareholder. Mr. Chairman, I second the motion.

Galen Weston

Thank you. I will now call on Tara to move that the nominations be closed.

Tara Speers

Mr. Chairman, I now move that nominations be closed.

Shawn Dalrymple

Mr. Chairman, I second the motion.

Galen Weston

Thank you. I'll ask shareholders or their appointees to cast their votes through the online portal. As a reminder, if you've already voted or sent in your proxy, there is no need to do anything unless you wish to change your vote.

We will now move to our next item of business, the appointment of the auditor.

Nick, were there any questions or comments submitted in connection with the appointment of the auditor?

Nick Henn

No, Galen. We've not received any questions related to this item.

Galen Weston

Thank you. I'll now entertain a motion for the reappointment of the auditor of the Company, and the authorization of the directors to fix the auditor's remuneration.

Tara Speers

Mr. Chairman, I move that KPMG LLP be reappointed auditors of the Company until the next Annual Meeting of Shareholders of the Company, and that the directors be authorized to fix the auditor's remuneration for the 2021 fiscal year.

Shawn Dalrymple

Mr. Chairman, I second the motion.

Galen Weston

Thank you. If you've not already done so, I will ask the shareholders or their appointees to cast their votes through the online portal.

The next item of business is the advisory resolution regarding the Company's approach to executive compensation. The resolution is more fully described on Page 18 of the Company's Management Proxy Circular.

Nick, were there any questions or comments submitted in connection with this advisory resolution?

Nick Henn

No, Galen. We've not received any questions related to this item.

Galen Weston

Thank you. I'll now entertain a motion to approve on an advisory basis the Company's approach to executive compensation.

Tara Speers

Mr. Chairman, I move that the advisory resolution regarding the Company's approach to executive compensation, as more fully described on Page 18 of the Management Proxy Circular, be approved.

Shawn Dalrymple

Mr. Chairman, I second the motion.

Galen Weston

Thank you. If you've not already done so, I will ask shareholders or their appointees to cast their votes through the online portal.

The next item of business to consider is the shareholder proposal submitted by the BC Government and Services Employees Union. At this time, I recognize Miss Emma Pullman, representative of the BC Government and Service Employees Union, to present this proposal and make a motion that it be put to a vote.

Miss Pullman, please go ahead.

Emma Pullman — Capital Stewardship Officer, BC Government and Service Employees Union

Thank you, Galen. BC GEU's shareholder proposal asks Loblaw's board to prepare and publish a report examining capital and risk management practices during the pandemic. In particular, we focus on Loblaw's decision to purchase \$261 million in shares from its majority shareholder while ending frontline hero pay after just three months during the pandemic. The amount of this share repurchase could have funded hero pay for an additional five months. Furthermore, we ask why the board and risk and compliance committee did not deliberate on this decision to end hero pay.

Research shows that grocery store employees are at heightened risk for COVID-19, with those in customer-facing roles 5 times as likely to test positive as their colleagues in other positions.

In response to our proposal, Loblaw described how its board and risk and compliance committee is responsible for identifying and managing risk at the Company. While we appreciate this, we find it hard to reconcile Loblaw's response on risk to the statements made by its President at the House of Commons hearings in 2020. Sarah Davis gave a clear and explicit description of how the decision to end hero pay was made.

Davis said, and I quote, "It was never brought to our board." End quote. She said she made the decision to end hero pay with her management team. Only one of these statements can be true. Either the board was apprised of the decision to end hero pay and was comfortable with it, or management made the decision without consulting the board. Loblaw can't have it both ways.

Between the lack of disclosure in capital management and the discrepancy on the board's role in ending pandemic pay, we feel there's more than enough to support a vote in favour of our proposal to have the board examine these issues and provide further rationale and disclosure.

In the months since we've filed this proposal, Loblaw's own competitors have reinstated hero pay, acknowledging the vital and often dangerous work these workers do each day. Loblaw has not. And right now, according to Loblaw's own self-reported data, there are hundreds of cases of COVID-19 among workers, with case numbers at or close to the highest we have seen at any point during the pandemic.

We are, unfortunately, not out of the worst of the pandemic yet, and we cannot forget the frontline workers at Loblaw stores that have shown up every single day to keep us fed, clothed, and safe during the pandemic. We are so grateful for their ongoing working commitment.

We feel the board must explain why it felt that using capital to repurchase shares as opposed to continuing hero pay was in the best interest of all Loblaw shareholders.

And with that resolved, shareholders request that the board prepare and publish a report examining capital and risk management practices during the pandemic in terms of balancing the interest of Loblaw stakeholders and monitoring and assessing actions that could cause Loblaw undue reputational risk.

Thank you.

Galen Weston

Thank you, Miss Pullman. Would somebody second the motion, please?

Shawn Dalrymple

Mr. Chairman, to facilitate the business of the meeting, I second the motion.

Galen Weston

Thank you. I'd like first to repeat what Sarah and I have said many times over the past 14 months. We are also immensely proud of our colleagues and particularly our frontline workers who've ensured that our grocery stores and pharmacies remain open and stocked so that we can continue to meet the needs of the communities we serve.

As Sarah clearly outlined, Loblaw has invested hundreds of millions of dollars to recognize, appreciate, and protect our people on the front line and continues to do so, including through our recently announced colleague appreciation bonus.

Contrary to what is set out in the proposal, the board was fully engaged in and supportive of the Company's response to COVID-19. Management's actions were made with the input and endorsement of the board, including the decisions taken regarding pandemic pay.

I would direct your attention to Schedule B of the Company's Management Proxy Circular, which describes in detail the position of the board on this matter. The Board of Directors recommends that shareholders vote against this shareholder proposal.

Nick, were there any questions or comments submitted in connection with the shareholder proposal?

Nick Henn

No, Galen. We've not received any questions related to this shareholder proposal.

Galen Weston

Thank you. So if you have not already done so, I will ask shareholders or their appointees to cast their votes through the online portal.

Thank you. This brings us to the end of voting on the items of business before the meeting and I, therefore, declare the polls closed.

As we approach the end of today's remarks and prepare to open the meeting for questions, I'd like to share some final perspective as we look ahead.

With Sarah's retirement, we also announced the departure of our CFO, Darren Myers, who has been a valued financial steward for our company. During his tenure, Darren championed capital discipline across the organization and contributed to Loblaw's enormous progress against its process and efficiency agenda.

Most importantly, his collaborative leadership style increased engagement in the finance function and improved the Company's management system by building connections throughout the organization. I have very much enjoyed working with Darren and thank him for his many contributions and wish him continued success.

With this, Richard Dufresne and I look forward to returning as CFO and President tomorrow. You should expect to hear more from us in the upcoming months as we dig in and shape the path forward for Loblaw. We'll do this from a position of strength with a strong management board, core business momentum, and a strong suite of assets.

These include Canada's leading e-commerce network, which has scaled up to bring food and wellness products to our customers in every community across the country; a combination of virtual and bricks-and-mortar health care resources that is unmatched; and a mix of payments and rewards, which continue to reinforce our customers' loyalty and engagement across the Company. Together, they represent an exciting platform for growth that we are only just beginning to unlock.

As always, before we go, I want to encourage you to visit our online Corporate Social Responsibility Report, which is available today. In spite of the many challenges of 2020, we made great progress on the items that matter most to our customers and shareholders. We dramatically accelerated our reduction of food waste and carbon emissions. We helped formulate and introduce new global packaging standards to eliminate plastic waste. We increased female representation in our executive ranks and succession pipelines while expanding and improving our support for colleagues from diverse communities.

All of these actions reflect our long-standing belief that businesses have both an opportunity and a responsibility to have a positive impact in the communities they serve. It's that belief which has led Loblaw to consistently be at the forefront of tackling important issues, and we're proud of our track record on CSR.

As a growing number of organizations and investors are seeing this imperative more clearly than ever before, new standards have emerged for how we report against them, including integrated

environmental, social, and governance frameworks. That's why in today's report you'll see that we are demonstrating clearer accountability by employing ESG reporting standards in line with the Global Reporting Initiative, Sustainable Accounting Standards Board, and the UN Sustainable Development Goals.

As we build upon our CSR leadership in the areas of environment, community, and sourcing, we are committed to being equally ambitious in the social and governance measures. As we make headway in these areas, as well as in advancing our strategy and maintaining our momentum in the core business, we are pleased with our progress and motivated by what's next.

And in closing, I'd like to recognize the commitment of our colleagues and our shareholders who underpin these efforts and thank them for their support during 2020, as well as the year ahead.

I'll now open the meeting for questions.

To submit a question or a comment, click on the Q&A messaging icon at the top of the online platform window. As I mentioned earlier, we will try and make every effort to answer all questions. However, in the interest of time, we will limit the question-and-answer period to 20 minutes. Any unanswered questions will be addressed after the meeting by members of our management team. Questions with common themes may be grouped together for efficiency.

Nick, are there any questions?

Q&A

Nick Henn

Galen, we've received no questions.

Galen Weston

Thank you. We have received the voting results from the scrutineer on the four items of business. On the election of directors, the voting results show that each director nominee received votes in favour from at least 96 percent of votes cast. Accordingly, I declare that the proposed director nominees have been duly elected to hold office until the next Annual Meeting of Shareholders, or until they resign, or their successors are duly elected or appointed.

On the appointment of the auditors, voting results show that over 99 percent of the votes cast were in favour of the reappointment of KPMG LLP as auditor of the Company. I declare that KPMG LLP is reappointed as auditor of the Company, and that the directors are authorized to fix the auditor's remuneration.

On the advisory vote on the Company's approach to executive compensation, approximately 95 percent of the votes cast were in favour of the Company's approach to executive compensation. I declare this motion to be passed.

On the shareholder proposal, the voting results show that approximately 94 percent of the votes cast were against the proposal. As there are a greater number of votes against than in favour, this motion is not carried and the shareholder proposal is not passed.

The final voting results will be available after the meeting and posted on the Company's SEDAR profile at www.sedar.com.

As there is no further business, can I have a motion to terminate the meeting?

Tara Speers

Mr. Chairman, I move that the meeting terminate.

Shawn Dalrymple

Mr. Chairman, I second the motion.

Galen Weston

I now declare the meeting terminated. On behalf of the Company and the Board of Directors, I'd like to thank you for taking the time today to join us online or over the phone. I wish all the best to you and your families and hope you stay safe and healthy.

Operator

This concludes today's conference call. Thank you for participating. You may now disconnect.