Loblaw Companies Limited

MANAGEMENT PROXY CIRCULAR

LOBLAW COMPANIES LIMITED

ANNUAL MEETING OF SHAREHOLDERS

MAY 2, 2024

THIS DOCUMENT CONTAINS:

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

MANAGEMENT PROXY CIRCULAR

Loblaw Companies Limited

March 19, 2024

Dear Fellow Shareholder,

On behalf of the Board and management of Loblaw Companies Limited (the "Corporation" or "Loblaw"), I am pleased to invite you to our Annual Meeting of Shareholders which will be held on Thursday, May 2, 2024, at 11:00 a.m. (Eastern Daylight Time). This year's meeting will be held as a virtual meeting, by way of a live webcast. Shareholders will be able to listen, participate and vote at the meeting in real time through a web-based platform.

The Notice of Annual Meeting of Shareholders and related materials are enclosed.

This Management Proxy Circular describes the business to be conducted at the meeting. It also contains information on our corporate governance practices and our approach to executive compensation. At the meeting, shareholders will be voting on important matters and we hope that you take the time to review these meeting materials and exercise your vote. You may vote either by attending the virtual meeting or by completing and sending in your proxy form or voting instruction form. Please refer to the enclosed materials as they contain relevant information for voting on the business to be conducted at the meeting.

We hope you will be able to join us at our meeting, which will occur by live webcast at https://web.lumiagm.com/210250392. This meeting is an opportunity to listen to and ask questions of the people who are responsible for the performance of the Corporation. Additional information on how to attend the virtual meeting is enclosed and a webcast will be archived on our website afterward.

We thank you for your continued support of Loblaw and look forward to your attendance at this year's meeting.

Yours truly,

"Galen G. Weston"

Galen G. Weston
Chairman

Loblaw Companies Limited

MANAGEMENT PROXY CIRCULAR

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Loblaw Companies Limited

Notice of Annual Meeting of Shareholders

The 2024 Annual Meeting of Shareholders of Loblaw Companies Limited (the "Meeting") will be held on Thursday, May 2, 2024, at 11:00 a.m. (Eastern Daylight Time) for the following purposes:

1. to receive the consolidated financial statements for the financial year ended December 30, 2023, and the external auditor's report thereon;
2. to elect the directors (see "Election of the Board of Directors" in the Management Proxy Circular (the "Circular") for additional details);
3. to appoint the external auditor and to authorize the directors to fix the external auditor's remuneration (see "Appointment of the External Auditor" in the Circular for additional details);
4. to vote on the advisory resolution on the approach to executive compensation;
5. to vote on the shareholder proposal set out in Schedule B of the Circular; and
6. to transact such other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Only shareholders of record at the close of business on March 11, 2024 will be entitled to vote at the Meeting.

The Meeting will be held in a virtual meeting format. Shareholders will be able to listen to, participate in and vote at the Meeting in real time through a web-based platform.

You can attend the Meeting by joining the live webcast online at https://web.lumiagm.com/210250392. You will need the latest version of Chrome, Safari, Microsoft Edge or Firefox. **Please do not use Internet Explorer as it is not a supported browser for the Meeting.** You should allow ample time to join the Meeting to check compatibility and complete the related procedures. See "How do I attend and participate in the Meeting?" in the Circular for detailed instructions on how to attend and vote at the Meeting.

Notice and Access

Loblaw Companies Limited (the "Corporation") is using the "notice and access" procedure adopted by the Canadian Securities Administrators for the delivery of the Circular and the annual consolidated financial statements and management's discussion and analysis for the year ended December 30, 2023 (the "Annual Report" and, together with the Circular, the "Meeting Materials") to the shareholders. Under the notice and access procedure, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of paper copies of the Circular and/or Annual Report, you are receiving this Notice of Meeting which contains information about how to access the Circular and/or Annual Report electronically. The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities. Shareholders who have consented to electronic delivery of materials are receiving this Notice of Meeting in an electronic format.

In compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, the Corporation, certain of its subsidiaries, and George Weston Limited publicly filed their initial joint Modern Slavery Report for the 2023 fiscal year (the "**Modern Slavery Report**").

The Circular and form of proxy (or voting instruction form) for the common shares of the Corporation (the "Common Shares") provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Circular before voting.**

Shareholders with questions about the notice and access procedure can call Computershare Investor Services Inc. ("Computershare") toll free at 1-866-964-0492 or by going to: www.computershare.com/noticeandaccess.

Websites Where the Circular, Annual Report and Modern Slavery Report are Posted

The Circular, Annual Report, and Modern Slavery Report can be viewed online on the Corporation's website, www.loblaw.ca, or under the Corporation's SEDAR+ profile at www.sedarplus.ca.

Non-Registered and Registered Shareholders

If you would like a paper copy of the Circular and/or the Annual Report, you should first determine whether you are: (i) a non-registered shareholder; or (ii) a registered shareholder.

- You are a non-registered shareholder (also known as a beneficial shareholder) if you own Common Shares indirectly and your Common Shares are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a non-registered shareholder if your Common Shares are held in a brokerage account of any type.

- You are a registered shareholder if you hold a paper share certificate or a direct registration system (DRS) statement and your name appears directly on the share certificate(s) or DRS statement.

How to Obtain Paper Copies of the Circular and/or Annual Report

All shareholders may request that paper copies of the Circular and/or the Annual Report be mailed to them at no cost for up to one year from the date that the Circular was filed on SEDAR+.

If you are a non-registered shareholder, a request may be made by going to www.proxyvote.com and entering the 16-digit control number located on your voting instruction form and following the instructions provided. Alternatively, you may submit a request by calling Broadridge Investor Communications Corporation ("Broadridge") at 1-877-907-7643, or outside Canada and the United States, at 303-562-9305 (English) or 303-562-9306 (French). A request must be received by April 19, 2024 (i.e., at least seven business days in advance of the date and time specified in your voting instruction form as the voting deadline) if you would like to receive the Circular and/or the Annual Report in advance of the voting deadline and Meeting date.

If you hold a paper share certificate or certificates and your name appears directly on the share certificate(s), and, if you would like to receive the Circular and/or the Annual Report: (i) in advance of the voting deadline and Meeting date, then a request may be made by calling Computershare at 1-866-962-0498; or (ii) after the Meeting date and within one year from the date the Circular was filed on SEDAR+, then a request may be made by calling Computershare at 1-800-564-6253. A request must be received by April 19, 2024 (i.e., at least seven business days in advance of the date and time specified in your proxy form as the voting deadline) if you would like to receive the Circular and/or the Annual Report in advance of the voting deadline and Meeting date.

How to Obtain Paper Copies of the Modern Slavery Report

All shareholders may request that paper copies of the Modern Slavery Report be mailed to them at no cost by submitting an email request to investor@loblaw.ca.

Voting

Non-registered shareholders

Non-registered shareholders are entitled to vote through Broadridge or their intermediary, as applicable, or during the Meeting by online ballot through the live web-based platform. Non-registered shareholders should exercise their right to vote by following the instructions of Broadridge or their intermediary, as applicable, as indicated on their voting instruction form. Voting instruction forms will be provided by Broadridge or your intermediary. Voting instruction forms may be returned as follows:

INTERNET:	www.proxyvote.com
TELEPHONE:	1-800-474-7493 (English) or 1-800-474-7501 (French)
MAIL:	Data Processing Centre, P.O. Box 3700, STN. INDUSTRIAL PARK, Markham, Ontario L3R 9Z9

Broadridge or your intermediary, as applicable, must receive your voting instructions at least one business day in advance of the proxy deposit date noted on your voting instruction form. If you are a non-registered shareholder and you wish to attend and vote at the Meeting (or have another person attend and vote on your behalf), you must complete the voting instruction form in accordance with the instructions provided. These instructions include the additional step of registering the person you have designated to attend the Meeting (either yourself or the person you designated to attend on your behalf) with our transfer agent, Computershare, after submitting the voting instruction form. Failure to register the proxyholder you have designated to attend the Meeting with Computershare will result in such proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

Registered shareholders

Registered shareholders are entitled to vote by proxy or during the Meeting by online ballot through the live webcast platform. Registered shareholders who are unable to attend the Meeting should exercise their right to vote by signing and returning the form of proxy, or voting in advance via the internet, in accordance with the directions on the form. Computershare must receive completed proxies no later than 5:00 p.m. (Eastern Daylight Time) on April 30, 2024 or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays) before the date of the adjourned or postponed Meeting.

BY ORDER OF THE BOARD OF DIRECTORS,

"Nick Henn"

Nick Henn
Executive Vice President, Chief Legal Officer and Secretary
March 19, 2024
Toronto, Ontario

1 About the Meeting

VOTING INFORMATION

ABOUT THIS CIRCULAR AND RELATED PROXY MATERIALS

Loblaw Companies Limited (the "Corporation" or "Loblaw") is providing you with this Management Proxy Circular (this "Circular") and other proxy materials in connection with the 2024 Annual Meeting of Shareholders (the "Meeting") of the Corporation to be held on Thursday, May 2, 2024, at 11:00 a.m. (Eastern Daylight Time). The Meeting will be held in a virtual meeting format, by way of a live webcast, in order to maximize shareholder attendance and reduce the environmental impact while still providing a meaningful opportunity for Shareholders to engage with Loblaw. Shareholders will be able to listen, participate, vote, and ask questions at the meeting in real time through a web-based platform.

This Circular describes the items to be voted on at the Meeting as well as the voting process, and provides information about director and executive compensation, the Corporation's corporate governance practices and other relevant matters.

Please see the "Questions and Answers on the Voting Process" section below for an explanation of how you can vote on the matters to be considered at the Meeting, whether or not you decide to attend the Meeting.

Unless otherwise indicated, the information contained in this Circular is given as of March 11, 2024 and all dollar amounts used are in Canadian dollars.

NOTICE AND ACCESS

The Corporation is using the notice and access procedure that allows the Corporation to furnish proxy materials, which includes the annual consolidated financial statements and management's discussion and analysis for the year ended December 30, 2023 (the "2023 Annual Report"), over the internet instead of mailing paper copies to shareholders. Under the notice and access procedure, the Corporation will deliver proxy-related materials by: (i) posting this Circular, the 2023 Annual Report and other proxy-related materials on a website other than SEDAR+, in this case www.loblaw.ca; and (ii) sending the Notice of Meeting informing holders of common shares of the Corporation ("Common Shares") that this Circular, the 2023 Annual Report and proxy-related materials have been posted on the Corporation's website and explaining how to access them.

In compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, the Corporation, certain of its subsidiaries, and George Weston Limited have publicly filed their initial joint Modern Slavery Report for the 2023 fiscal year. The Modern Slavery Report can be viewed online on the Corporation's website, www.loblaw.ca, or under the Corporation's SEDAR+ profile at www.sedarplus.ca. All shareholders may request that paper copies of the Modern Slavery Report be mailed to them at no cost by submitting an email request to investor@loblaw.ca.

On or about April 1, 2024, the Notice of Meeting and the relevant voting document (a form of proxy or a voting instruction form) will be sent to shareholders. The Notice of Meeting contains basic information about the Meeting and the matters to be voted on, provides instructions on how to access the proxy materials, and explains how to obtain a paper copy of this Circular and/or the 2023 Annual Report.

QUESTIONS AND ANSWERS ON THE MEETING

Q: Who can attend and vote at the Meeting?

A: Registered shareholders and duly appointed proxyholders who log in to the Meeting online will be able to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Circular. Shareholders who wish to appoint a proxyholder to represent them at the Meeting (including non-registered shareholders who wish to appoint themselves as proxyholder to attend, participate and vote at the Meeting) must submit their duly completed proxy or voting instruction form AND register the proxyholder with the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("Computershare") as described below. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with Computershare will result in that proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, provided that they are connected to the internet. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

Q: How do I attend and participate in the Meeting?

A: How you vote depends on whether you are a registered or a non-registered shareholder. Please read the voting instructions below that are applicable to you.

In order to attend the Meeting, registered shareholders, duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder) and guests (including non-registered shareholders who have not duly appointed themselves as proxyholder) must log in online as set out below.

- Step 1: Log in online at https://web.lumiagm.com/210250392. You will need the latest version of Chrome, Safari, Microsoft Edge or Firefox. **Please do not use Internet Explorer as it is not a supported browser for the Meeting.** You should allow ample time to join the Meeting to check compatibility and complete the related procedures.
- Step 2: Follow the instructions below:

Registered Shareholders: Click "Login" and then enter your control number and password "**loblaw2024**" (case sensitive). The control number located on the form of proxy or in the email notification you received from Computershare is your control number. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.

Duly appointed proxyholders: Click "Login" and then enter your control number and password "**loblaw2024**" (case sensitive). Proxyholders who have been duly appointed and registered with Computershare as described in this Circular will receive a control number by email from Computershare after the proxy voting deadline has passed.

Guests: Click "Guest" and then complete the online form.

It is recommended that shareholders and duly appointed proxyholders submit their questions as soon as possible during the Meeting so they can be addressed at the right time. There are two ways to ask questions through the online platform during the Meeting. Questions may be submitted in writing by clicking on the "Q&A" messaging icon at the top of the online platform window. Questions may also be asked verbally. To ask a verbal question, click on the "Request to Speak" icon on 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. The Chair of the Board 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. Other questions will be addressed during the question period after the business of the meeting has been completed. Questions on the same topic or otherwise related will be grouped, summarized and addressed at the same time.

Registered shareholders and duly appointed proxyholders can also attend the Meeting and ask questions via telephone at 1-855-381-6466. To ask a question via telephone, please press *1 on your keypad. Please note you must be a shareholder or a duly appointed proxyholder to ask a question. Please note that you cannot cast votes over the telephone line.

For additional details on how to join or attend 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 Corporation's website at www.loblaw.ca.

Non-registered shareholders who have not duly appointed themselves as proxyholders may listen to the Meeting as guests. Guests will not be permitted to ask questions or vote at the Meeting.

QUESTIONS AND ANSWERS ON THE VOTING PROCESS

Q: What items of business am I voting on?

A: You will be voting on:

- the election of directors;
- the appointment of the external auditor and authorization of the directors to fix the external auditor's remuneration;
- an advisory resolution on the Corporation's approach to executive compensation; and
- the shareholder proposal set out in Schedule B of the Circular.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a holder of Common Shares as at the close of business on March 11, 2024, which is the record date of the Meeting. Each Common Share is entitled to one vote.

Q: How do I vote?

A: How you vote depends on whether you are a registered or a non-registered shareholder. Please read the voting instructions below that are applicable to you.

Q: Am I a registered shareholder?

A: You are a registered shareholder if you hold Common Shares in your own name and you have a share certificate or direct registration system (DRS) statement. As a registered shareholder, you are identified on the share register maintained by Computershare as being a shareholder.

Q: Am I a non-registered or beneficial shareholder?

A: Most shareholders are non-registered shareholders. You are a non-registered shareholder if your Common Shares are held in an account in the name of an intermediary, such as a bank, broker or trust company. As a non-registered shareholder, you do not have Common Shares registered in your name, but your ownership interest in Common Shares is recorded in an electronic system. As such, you are not identified on the share register maintained by Computershare as being a shareholder. Instead, the Corporation's share register shows the shareholder of your Common Shares as being the intermediary or depository through which you own your Common Shares.

The Corporation distributes copies of the proxy-related materials in connection with the Meeting to intermediaries so that they may distribute the materials to the non-registered shareholders. Intermediaries often forward the materials to non-registered shareholders through a service company (such as Broadridge Investor Communications Corporation). The Corporation pays for an intermediary to deliver the proxy-related materials to all non-registered shareholders.

Q: How do I vote if I am a registered shareholder?

A: If you are a registered shareholder, you may vote your Common Shares by proxy or during the Meeting by online ballot through the live webcast platform.

1. **Voting at the Meeting**

If you wish to vote your Common Shares at the Meeting, you are not required to complete or return the form of proxy sent to you. Your vote will be taken and counted at the Meeting through the live webcast platform.

2. **Voting by Proxy**

You can vote by proxy whether or not you attend the Meeting. To vote by proxy, please complete the enclosed form of proxy (also available online at www.investorvote.com) and return it by either of the following means:

a by mail, courier or hand to Computershare at the address listed below; or

b by going online at www.investorvote.com.

You may authorize the management representatives named in the enclosed proxy form to vote your Common Shares, or **you may appoint another person or company to be your proxyholder.** The names already inserted on the form of proxy are Galen G. Weston, Chairman of the Corporation, and Nick Henn, Executive Vice President, Chief Legal Officer and Secretary of the Corporation. Unless you choose another person or company to be your proxyholder, you are giving these persons the authority to vote your Common Shares at the Meeting.

To appoint another person or company to be your proxyholder, you must insert the other person's or company's name in the blank space provided. That person or company must attend the Meeting to vote your Common Shares by online ballot through the live webcast platform. If you do not insert a name in the blank space, the management representatives named above are appointed to act as your proxyholder. You may also use a different form of proxy than the one included with the materials sent to you.

If you wish to appoint another person or company to be your proxyholder, you must complete the additional step of registering such proxyholder with Computershare at www.computershare.com/LoblawCompaniesLimited after submitting your form of proxy. Failure to register the proxyholder with Computershare will result in the proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Please note that in order for your vote to be recorded, your proxy must be received by Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 or online by no later than 5:00 p.m. (Eastern Daylight Time) on April 30, 2024, or two business days before reconvening any adjourned or postponed Meeting.

Q: How will my shares be voted?

A: On the form of proxy, you can indicate how you want your proxyholder to vote your Common Shares or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Common Shares to be voted on a particular issue (by marking FOR, AGAINST or WITHHOLD, as applicable), then your proxyholder must vote your Common Shares accordingly. If you have not specified on the form of proxy how you want your Common Shares to be voted on a particular issue, then your proxyholder can vote your Common Shares as your proxyholder sees fit.

Unless contrary instructions are provided, Common Shares represented by proxies appointing management of the Corporation as the proxyholder will be voted:

- **FOR the election of the directors;**
- **FOR the re-appointment of PricewaterhouseCoopers LLP ("PwC") as the external auditor of the Corporation and the authorization of the directors to fix the external auditor's remuneration;**
- **FOR the advisory resolution on the Corporation's approach to executive compensation; and**
- **AGAINST the Shareholder Proposal set out in Schedule B of this Circular.**

Q: How do I vote if I am a non-registered shareholder?

A: If you are a non-registered shareholder, you may vote your Common Shares in one of the following ways:

1. **Through your intermediary**

A voting instruction form will be included with the materials sent to you. The purpose of this form is to instruct your intermediary on how to vote on your behalf. Please follow the instructions provided on the voting instruction form.

2. **Attend the Meeting**

If you wish to vote your Common Shares during the Meeting by online ballot through the live webcast platform, you should take these steps:

- Step 1: Insert your name in the space provided on the voting instruction form provided by your intermediary and sign and return it in accordance with the instructions provided. By doing so, you are instructing your intermediary to appoint you as proxyholder. You are not required to complete the other parts of the form, as you will be voting at the Meeting.
- Step 2: Register yourself as a proxyholder with Computershare at www.computershare.com/LoblawCompaniesLimited by no later than 5:00 p.m. (Eastern Daylight Time) on April 30, 2024, or two business days before reconvening any adjourned or postponed Meeting. Failure to register yourself as a proxyholder with Computershare will result in you not receiving a control number to participate in the Meeting and you would only be able to attend the Meeting as a guest.

3. **Designate another person to be appointed as your proxyholder**

You can choose another person (including someone who is not a shareholder of the Corporation) to vote for you as a proxyholder. If you appoint someone else, that person must attend the Meeting to vote for you. If you wish to appoint a proxyholder, you should insert that person's name in the space provided on the voting instruction form provided to you by your intermediary and sign and return it in accordance with the instructions provided. By doing so, you are instructing your intermediary to appoint that person as proxyholder. You are not required to complete the other parts of the form, as your proxyholder will be voting at the Meeting. You must also register your proxyholder with Computershare at www.computershare.com/LoblawCompaniesLimited by no later than 5:00 p.m. (Eastern Daylight Time) on April 30, 2024, or two business days before reconvening any adjourned or postponed Meeting. Failure to register the proxyholder you have designated to attend the Meeting on your behalf with Computershare will result in the proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend as a guest.

United States Beneficial holders: To attend and vote at the Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, you must submit a copy of your legal proxy to Computershare. Requests for registration should be directed to: Computershare, 100 University Avenue; 8th Floor; Toronto, Ontario; M5J 2Y1 or by email to: uslegalproxy@computershare.com.

Q: Can I revoke my proxy or voting instructions?

A: If you are a **registered shareholder**, you may revoke your proxy by taking one of the following steps:

- you may submit a new proxy to Computershare before 5:00 p.m. (Eastern Daylight Time) on April 30, 2024, or two business days before any adjourned or postponed Meeting is reconvened;

- you (or your attorney, if authorized in writing) may sign a written notice of revocation addressed to the Secretary of the Corporation and deposit it at the registered office of Computershare at any time up to and including the last business day preceding the day of the Meeting or any reconvening of an adjourned or postponed Meeting, at which the proxy is to be used;
- you (or your attorney, if authorized in writing) may sign a written notice of revocation and deliver it to the Chair of the Meeting on the day of the Meeting or the reconvening of an adjourned or postponed Meeting, at which the proxy is to be used; or
- you may vote during the Meeting by submitting an online ballot through the live webcast, which will revoke your previous proxy.

If you are a **non-registered shareholder**, you should contact your intermediary through which you hold Common Shares and obtain instructions regarding the procedure for the revocation of any voting or proxyholder instructions that you have previously provided to your intermediary.

Q: What if there are amendments or if other matters are brought before the Meeting?

A: Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or any adjourned or postponed Meeting. As of the date of this Circular, management of the Corporation is not aware of any such amendments or other matters to be presented at the Meeting; however, if any such matter is presented, your Common Shares will be voted in accordance with the best judgment of the proxyholder you appointed. If you have not specifically appointed a person as proxyholder, a management representative (Galen G. Weston, Chairman of the Corporation or Nick Henn, Executive Vice President, Chief Legal Officer and Secretary of the Corporation) will be your proxyholder, and your Common Shares will be voted in accordance with the best judgment of the management representative.

GENERAL INFORMATION

Q: How many shares are entitled to be voted?

A: As of March 11, 2024, there were 309,852,327 Common Shares outstanding. Each Common Share is entitled to one vote on each matter to be voted upon at the Meeting.

Q: Who counts the vote?

A: Votes cast in advance by way of proxy and votes cast at the Meeting through the live webcast platform will be counted by representatives of Computershare who will be appointed as scrutineers at the Meeting.

Q: Who is soliciting my proxy?

A: Management of the Corporation is soliciting your proxy. Proxies will be solicited primarily by mail, but employees and agents of the Corporation may also use electronic means. Intermediaries will be reimbursed for their reasonable charges and expenses in forwarding proxy materials to non-registered shareholders.

The Corporation will bear the cost of all proxy solicitations on behalf of management of the Corporation.

Q: Can I access the annual disclosure documents electronically?

A: The Corporation's 2023 Annual Report, which includes its annual financial statements and notes, this Circular, the Annual Information Form, and the Modern Slavery Report are available for review on its website at www.loblaw.ca or under the Corporation's SEDAR+ profile at www.sedarplus.ca.

Q: Who do I contact if I have questions?

A: If you have any questions, you may call Computershare at 1-800-564-6253 for further information.

SHARE CAPITAL AND PRINCIPAL SHAREHOLDER

As of March 11, 2024, the record date for the Meeting, there were 309,852,327 Common Shares issued and outstanding. George Weston Limited ("Weston") beneficially owned, directly and indirectly, a total of 162,825,925 Common Shares, representing approximately 52.5% of the then outstanding Common Shares. Weston is controlled by Mr. Galen G. Weston. As of March 11, 2024, Mr. Weston also directly and indirectly owned 473,636 Common Shares, representing approximately 0.15% of the outstanding Common Shares. To the knowledge of the Corporation, no other person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the outstanding Common Shares.

BUSINESS TO BE TRANSACTED AT THE MEETING

The following business will be transacted at the Meeting:

1. **RECEIVE THE FINANCIAL STATEMENTS**

   Management will present the annual audited consolidated financial statements at the Meeting and shareholders or their proxyholders will be given an opportunity to discuss the financial results with management.

2. **ELECTION OF THE BOARD OF DIRECTORS**

   Twelve director nominees are proposed for election to the board of directors of the Corporation (the "Board"). Shareholders or their proxyholders will vote on the election of the directors.

3. **APPOINTMENT OF THE EXTERNAL AUDITOR**

   The Board, on the advice of its Audit Committee, recommends the re-appointment of PricewaterhouseCoopers LLP as the Corporation's external auditor. Shareholders or their proxyholders will vote on the re-appointment of the external auditor and the authorization of the Board to fix the external auditor's remuneration.

4. **VOTING ON THE APPROACH TO EXECUTIVE COMPENSATION**

   Shareholders or their proxyholders will vote on the advisory resolution on the Corporation's approach to executive compensation, as discussed in more detail under the "Advisory Resolution on Approach to Executive Compensation" section of this Circular.

5. **SHAREHOLDER PROPOSAL**

   Shareholders or their proxyholders will vote on the shareholder proposal set out in Schedule B of this Circular.

RECEIVE THE FINANCIAL STATEMENTS

The Corporation's audited consolidated financial statements for the year ended December 30, 2023, together with the external auditor's report thereon and management's discussion and analysis (the "2023 MD&A"), will be placed before the shareholders at the Meeting. These documents are included in the Corporation's 2023 Annual Report. Copies of the 2023 Annual Report in English or French may be obtained from the Secretary of the Corporation upon request. The 2023 Annual Report in English or French is also available under the Corporation's SEDAR+ profile at www.sedarplus.ca or on the Corporation's website at www.loblaw.ca.

ELECTION OF THE BOARD OF DIRECTORS

The Board has determined that 12 director nominees will be elected at the Meeting. All of the 12 nominees are currently directors of the Corporation and all of the nominees have established their eligibility and willingness to serve on the Board for the next annual term. Management does not believe that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the proxyholder may vote for another nominee at the proxyholder's discretion. At the Meeting, the nominees will be voted on individually, and in accordance with applicable Canadian securities legislation, the voting results for each nominee will be publicly disclosed. The persons named in the enclosed form of proxy intend to vote for the election of the director nominees. Each director will be elected to hold office until the next annual meeting of shareholders or until such office is earlier vacated.

The director nominee profiles, starting on page 9, tell you about each director nominee's experience and other important information to consider, including how much equity they own in the Corporation, and any other public company boards they sit on. The director nominees have been selected based on their sound leadership and professional reputation and their collective ability to address the broad range of issues the Board considers when overseeing the Corporation's business and affairs. As a group, the director nominees complement each other in respect of their respective skills and experiences and diversity of perspectives.

Independence

Ten of the 12 director nominees are independent. None of these independent director nominees have ever served as an executive of the Corporation or any of its subsidiaries nor do they have relationships with the Corporation that would interfere with the exercise of their independent judgment.

Skills

Each director nominee has a wealth of experience in leadership, governance and strategic planning and collectively they possess the skills and expertise that enable the Board to carry out its responsibilities. The skills matrix set out below is used to assess the Board's overall strengths and to assist in the Board's ongoing renewal process, which balances the need for experience and knowledge of the Corporation's business with the benefit of board renewal and diversity. Although the director nominees have a breadth of experience in many areas, the skills matrix lists 11 important qualifications determined by the Board and highlights five key skills for each director nominee. The matrix is not intended to be an exhaustive list of each director nominee's skills.

Skills	Bonham	Broader	Clark	Debow	Downe	Fukakusa	Harris	Holt	Kotchka	Raiss	Weston	Wright
Executive Leadership/Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial Expertise / Accounting and Financial Reporting	✓	✓	✓	✓	✓	✓	✓					
Risk Management/Compliance			✓		✓	✓	✓				✓	✓
HR/Compensation			✓		✓				✓	✓	✓	✓
Governance		✓	✓			✓	✓	✓		✓		✓
Environmental and Social							✓		✓			✓
Retail/Consumer/Marketing		✓		✓				✓	✓		✓	
Digital/Technology	✓			✓	✓			✓		✓		
Health & Wellness (Pharmacy & Drug)				✓						✓		
Real Estate	✓					✓					✓	
US Market	✓	✓						✓	✓			

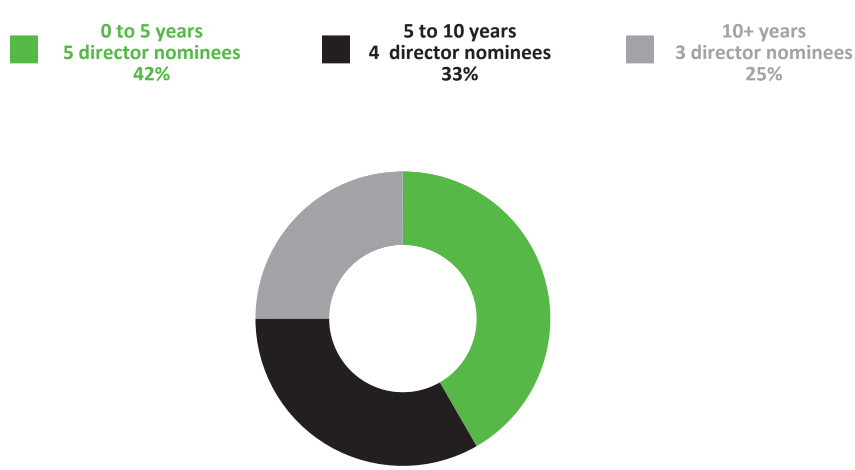
Each director nominee was nominated in large part because of the nominee's key leadership attributes. The director nominees have demonstrated informed judgment, knowledge of important business issues and a commitment to operational excellence. Every director is expected to act ethically and with integrity. Directors must understand the Corporation's strategic objectives and reflect its values. Directors are expected to prepare for and actively participate in Board and committee meetings. They must understand the Corporation's corporate governance policies and practices and comply with the Corporation's Code of Conduct (the "Code").

Tenure and Diversity

The Board has a diversity policy and tenure guidelines. The tenure guidelines provide that the Chairman and the Governance, Employee Development, Nominating and Compensation Committee (the "Governance Committee") will undertake an assessment of a director's continued participation on the Board upon the director reaching the age of 75, and annually thereafter, or upon a change in the director's principal occupation. The average tenure of the director nominees is 6.8 years. The following diagram shows director nominee tenure broken down by the applicable time periods set out below:

Director Nominee Tenure

(By # of individuals and as % of Total Board)



The Corporation does not have term limits for directors because the Board believes that its existing renewal process is working effectively, as demonstrated by the tenure statistics above, and the high calibre of director nominees who have joined the Board in the past several years.

The Corporation has a target that, by the end of 2024, people who identify as women comprise at least 40% of the Board's directors and that people who identify as visible minorities will comprise at least 25% of the Board's directors. The Corporation's progress toward these targets as of the date of this Circular is as set forth below:

Target Group	Number	Percentage	Target(1)	Target Met
Director nominees who identify as women	5	42%	40%	Yes
Director nominees who identify as visible minorities	2	17%	25%	In progress

(1) Timeline to achieve the target is the end of 2024.

Further details on the Corporation's director tenure guidelines and board diversity policy can be found on pages 7 and 41, respectively, of this Circular.

Majority Voting

The directors are elected annually by the shareholders. The Corporation has established a majority voting policy. Under the policy, the Governance Committee reviews and considers the voting results for each director nominee after the Meeting. Any nominee proposed for election as a director in an uncontested election who does not receive a majority of votes cast in favor of their election must immediately tender their resignation to the Chairman. In such circumstances, the Governance Committee will expeditiously consider the director's resignation and (absent exceptional circumstances) make a recommendation to the Board to accept the resignation. The Board will have 90 days from the date of the Meeting to make a final decision and will promptly announce that decision (including, if applicable, the reasons for rejecting the resignation) through a news release. Any such resignation will take effect on acceptance by the Board. Any director who tenders their resignation will not participate in any meeting of the Board or any committee of the Board at which the resignation is considered. This policy applies only to uncontested elections of directors where the number of nominees is equal to the number of directors to be elected.

Voting Results from the 2023 Annual Meeting of Shareholders

In 2023, each director who stood for election at the Annual Meeting of Shareholders received votes in favor from at least 95% of the votes cast. Below are the voting results for the election of directors at the Corporation's Annual Meeting of Shareholders held on May 4, 2023:

Nominee	Votes For (#)	Votes For (%)	Votes Against (#)	Votes Against (%)
Scott B. Bonham	268,387,201	99.78 %	602,964	0.22 %
Shelley G. Broader	268,584,485	99.85 %	405,680	0.15 %
Christie J.B. Clark	266,167,086	98.95 %	2,823,079	1.05 %
Daniel Debow	267,650,587	99.50 %	1,339,578	0.50 %
William A. Downe	256,634,704	95.41 %	12,355,461	4.59 %
Janice Fukakusa	266,681,860	99.14 %	2,308,305	0.86 %
M. Marianne Harris	267,111,770	99.30 %	1,878,395	0.70 %
Kevin Holt	268,757,164	99.91 %	233,001	0.09 %
Claudia Kotchka	267,709,013	99.52 %	1,278,396	0.48 %
Sarah Raiss	267,715,802	99.53 %	1,271,957	0.47 %
Galen G. Weston	261,275,271	97.13 %	7,712,388	2.87 %
Cornell Wright	266,929,632	99.24 %	2,057,677	0.76 %

Director Interlock Policy

The Board has established a Director Interlock Policy with the aim of ensuring that interlocking director relationships will not adversely affect the relevant directors' independent judgment. The Board determines that a prohibited interlock occurs when more than two Board members serve together on the board of another public entity. The Director Interlock Policy prohibits such an interlock unless otherwise approved by the Governance Committee. The Governance Committee reviews each interlock and determines if the interlock adversely affects the ability of the relevant directors to exercise their independent judgment. The policy does not apply to the Chairman of the Board or any management directors. There are currently no prohibited interlocks among the directors or among the director nominees.

Director Profiles

The following is a summary of relevant biographical and compensation information of each director nominee including a description of the nominee's background and experience, year first elected or appointed as a director, age, meeting attendance, other boards on which the nominee sits, public board interlocks with other director nominees, and director fees received. "Director Fees Received" includes compensation received as a director of the Corporation and its subsidiaries. The equity holdings of each director nominee of the Corporation as of March 11, 2024 and March 13, 2023, respectively, consisting of Common Shares and Deferred Share Units ("DSUs") are also indicated. "Total Market Value of Common Shares and DSUs" for non-management directors is calculated for 2023 based on the closing price of the Common Shares on the Toronto Stock Exchange ("TSX") on March 11, 2024, which was $149.46, and for 2022 based on the closing price of the Common Shares on the TSX on March 13, 2023, which was $114.59.

The Corporation's representatives named in the accompanying form of proxy intend to vote **FOR** the nominees listed below:

Scott B. Bonham
Atherton, California, United States

Age 62

Loblaw Board Details:
Director since 2016
Independent

Mr. Bonham is a corporate director and a Co-Founder of Intentional Capital Corp., a real estate asset management company, former Co-Founder of GGV Capital, a venture capital firm, and former Vice President of Capital Group Companies.

Mr. Bonham holds a B.Sc. (Honours) in electrical engineering from Queen's University and an M.B.A. from Harvard Graduate School of Business.

In addition to his public board membership listed below, Mr. Bonham is a board member of the Canadian Institute for Advanced Research and the DenmarkBridge, an initiative connecting Danish companies to Silicon Valley.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	18/18	100%	2023	$260,000
Audit Committee	5/5			2022	$260,000
Risk and Compliance Committee	4/4				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	—	23,018	23,018	$3,440,270	$960,000	Yes
2022	—	20,513	20,513	$2,350,585		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Boards
The Bank of Nova Scotia	2016 to present	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
Magna International Inc.	2012 to 2021		

Shelley G. Broader
Naples, Florida, United States

Age 59

Loblaw Board Details:
Director since 2022
Independent

Ms. Broader, a corporate director, is the former President and Chief Executive Officer of Chicos FAS, Inc. Prior to her role at Chicos, Ms. Broader held various executive positions at Walmart Inc., including President and Chief Executive Officer of Walmart EMEA Ltd. and Walmart Canada. Ms. Broader is also former President and Chief Operating Officer of The Michaels Companies, Inc.

Ms. Broader holds a B.A. (Communications) from Washington State University.

In addition to her public board membership listed below, Ms. Broader serves as a director of IFCO Systems US LLC and sits on the U.S. Advisory Board of Amoobi SA. Ms. Broader was formerly a director of Walmart Canada Corporation and Walmart Mexico.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board[(1)]	8/8	17/17	100%	2023	$260,000
Audit Committee	5/5			2022	$36,350
Risk and Compliance Committee	4/4				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy[(2)]
2023	—	2,508	2,508	$374,846	$960,000	Yes
2022	—	299	299	$34,262		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Boards
Inspire Medical Systems Inc.	2020 to present	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
Dutch Bros Inc.	2021 to 2023		
Raymond James Financial, Inc.	2008 to 2020		
Chico's FAS, Inc.	2015 to 2019		

(1) Ms. Broader did not attend one Board meeting due to a conflict of interest.

(2) Ms. Broader has until November 2027 to satisfy her ownership target under the Director Share Ownership Policy. Please see the section "Director Share Ownership Policy" starting on page 16 for more details.

Christie J.B. Clark, F.C.P.A., F.C.A.
Toronto, Ontario, Canada

Age 70

Loblaw Board Details:
Director since 2011
Independent

Mr. Clark, a corporate director, previously held a variety of positions at PwC including that of Chief Executive Officer from 2005 to 2011. Prior to being elected as Chief Executive Officer, Mr. Clark was a National Managing Partner and a member of the firm's Executive Committee from 2001 to 2005.

Mr. Clark graduated from Queen's University with a B.Comm. and the University of Toronto with an M.B.A. He is a Fellow Chartered Accountant and a Fellow Chartered Professional Accountant.

In addition to his public board memberships listed below, Mr. Clark is a member of the boards of the Canadian Olympic Committee, the Canadian Olympic Foundation, Own The Podium, the Sunnybrook Foundation and an emeritus member of the Advisory Council of The Stephen J.R. Smith School of Business at Queen's University.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Audit Committee (Chair)	5/5	22/22	100%	2023	$294,500
Pension Committee	4/4			2022	$291,500
Risk and Compliance Committee	4/4				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	16,743	14,782	31,525	$4,711,727	$960,000	Yes
2022	16,743	13,338	30,081	$3,446,982		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Public Board Interlocks: Boards
Air Canada	2013 to present	—	—
AtkinsRéalis Canada Inc. (formerly SNC-Lavalin Group Inc.)	2020 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
Choice Properties Real Estate Investment Trust	2013 to 2023		

Daniel Debow
Toronto, Ontario, Canada

Age 50

Loblaw Board Details:
Director since 2020
Independent

Mr. Debow is currently Vice President, Product at Shopify. He was the former founder and Chief Executive Officer of Helpful.com, a video messenger platform for professionals, the co-founder and former Co-Chief Executive Officer of Rypple, a social performance management platform, and a founding team member of Workbrain, a publicly traded workforce management software company.

Mr. Debow holds a B.A. from the University of Western Ontario. He received a J.D./M.B.A. from the University of Toronto, Faculty of Law and Rotman School of Management and an L.L.M. from Stanford Law School.

Mr. Debow is a founding partner of the Creative Destruction Lab at the Rotman School of Management and an adjunct professor at the Faculty of Law at the University of Toronto.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Governance Committee	4/4	17/17	100%	2023	$260,000
Risk and Compliance Committee	4/4			2022	$256,350

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy(1)
2023	—	9,777	9,777	$1,461,270	$960,000	Yes
2022	—	7,464	7,464	$855,300		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Public Board Interlocks: Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
—	—		

(1) Mr. Debow has until April 2025 and January 2027 to satisfy his initial and incremental ownership targets, respectively, under the Director Share Ownership Policy. Please see the section "Director Share Ownership Policy" starting on page 16 for more details.

William A. Downe, C.M.
Winnetka, Illinois, United States

Age 71

Loblaw Board Details:
Independent Lead Director
Director since 2018
Independent

Mr. Downe, a corporate director, is the former Chief Executive Officer of BMO Financial Group from 2007 to 2017, prior to which he was Chief Operating Officer and, from 2001 to 2005, the head of BMO Capital Markets. He also served on the boards of the Bank of Montreal and its subsidiaries, BMO Nesbitt Burns Holding Corporation and BMO Financial Corp.

Mr. Downe holds a Bachelor of Business Administration degree from Wilfrid Laurier University, an M.B.A. from the University of Toronto and has been awarded honorary doctorates from Wilfrid Laurier University, the University of Windsor, Cape Breton University and the University of Toronto.

In addition to his public board membership listed below, Mr. Downe serves as the Chairman of Trans Mountain Corporation, as a Director of Rush University System for Health, and on the Social and Economic Policy Advisory Board of Rand Corporation. Mr. Downe has served as a board member and advisor to numerous public and non-profit organizations including the Business Council of Canada, the International Monetary Conference, the Federal Reserve Board's Federal Advisory Council, Catalyst Inc., the Martin Prosperity Institute at the University of Toronto and St. Michael's Hospital.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	13/13	100%	2023	$329,500
Governance Committee (Chair)	4/4			2022	$326,500

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	25,000	21,425	46,425	$6,938,681	$960,000	Yes
2022	20,515	18,362	38,877	$4,454,915		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Boards
Manpower Group Inc.	2011 to present	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
—	—		

Janice Fukakusa, C.M., F.C.P.A., F.C.A.
Toronto, Ontario, Canada

Age 69

Loblaw Board Details:
Director since 2019
Independent

Ms. Fukakusa, a corporate director, is the former Chief Financial Officer and Chief Administrative Officer of Royal Bank of Canada, positions which she held separately from September 2004 through to January 2017.

Ms. Fukakusa holds the professional designations of Fellow Chartered Professional Accountant (FCPA and CPA) and Chartered Business Valuator. She obtained a Bachelor of Arts from University of Toronto and a Master of Business Administration from Schulich School of Business and holds an Honorary Doctorate of Laws from York University. Ms. Fukakusa is a Member of the Order of Canada.

Ms. Fukakusa is Chancellor of Toronto Metropolitan University.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	18/18	100 %	2023	$280,000
Audit Committee	5/5			2022	$269,050
Risk and Compliance (Chair)	4/4				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	2,900	13,624	16,524	$2,469,677	$960,000	Yes
2022	2,900	11,088	13,988	$1,602,885		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks: Directors	Boards
Cineplex Inc.	2017 to present	—	—
Brookfield Corporation (formerly Brookfield Asset Management Inc.)	2020 to present		
RioCan REIT	2021 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
—	—		

M. Marianne Harris
Toronto, Ontario, Canada

Age 66

Loblaw Board Details:
Director since 2016
Independent

Ms. Harris is a corporate director. In addition to her directorships of the public companies listed below, Ms. Harris is a director of the Public Sector Pension Investment Board, a Crown Corporation. Prior to 2013, she was the Managing Director and President of Corporate and Investment Banking for Merrill Lynch Canada Inc. ("Merrill Lynch") and Head of Financial Institutions Group Americas, Merrill Lynch Pierce Fenner & Smith. Prior to Merrill Lynch, she held various investment banking positions with RBC Capital Markets from 1984 to 2000.

Ms. Harris holds an M.B.A. from the Schulich School of Business, a J.D. (Juris Doctor) degree from Osgoode Hall Law School and a B.Sc. (Honours) from Queen's University.

Ms. Harris is also a director of President's Choice Bank, a member of the Dean's Advisory Council at the Schulich School of Business, and the Advisory Council of the Hennick Centre for Business and Law. Ms. Harris is a former Chair of the board of the Investment Industry Regulatory Organization of Canada (IIROC).

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	22/22	100%	2023	$340,000
Audit Committee	5/5			2022	$322,000
Governance Committee	4/4				
Pension Committee	4/4				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	2,345	25,121	27,466	$4,105,068	$960,000	Yes
2022	2,337	22,502	24,839	$2,846,301		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks[2] Directors	Boards
Sun Life Financial Inc.	2013 to present	Cornell Wright	George Weston Limited
George Weston Limited	2021 to present	Galen G. Weston	George Weston Limited
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			

(1) *The Director Interlock Policy does not apply to Mr. Weston. Please see page 8 for details on the Director Interlock Policy.*

Kevin Holt
Quincy, Massachusetts, United States

Age 65

Loblaw Board Details:
Director Since 2023
Independent

Mr. Holt is the former Chief Executive Officer of Ahold Delhaize USA. He previously served as Chief Operating Officer of Ahold USA, Chief Operating Officer of Delhaize America, Executive Vice President of Delhaize Group, Chief Executive Officer of Delhaize America and in executive roles at Supervalu Inc., Sears Holdings Corporation and Meijer, Inc.

Mr. Holt holds a B.Sc. (Business Economics) from Ferris State University.

Mr. Holt previously served on the boards of Ahold Delhaize USA Inc. and Ahold Delhaize NV. Mr. Holt also served as a director of Food Marketing Institute.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board[(1)]	6/6	10/10	100%	2023	$165,100
Audit Committee[(1)]	2/2				
Risk and Compliance Committee[(1)]	2/2				

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs[(2)]	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	—	1,376	1,376	205,657	$960,000	Yes

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
Ahold Delhaize USA Inc.	2018 to 2023		

(1) *Mr. Holt was elected to the Board and appointed to the Audit and Risk and Compliance Committees effective May 4, 2023.*

(2) *Mr. Holt has until May 2028 to satisfy his ownership target under the Director Share Ownership Policy. Please see the section "Director Share Ownership Policy" starting on page 16 for more details.*

Claudia Kotchka
Los Angeles, California, United States

Age 72

Loblaw Board Details:
Director since 2016
Independent

Ms. Kotchka, a corporate director, is former Vice President, Design Innovation and Strategy at Procter & Gamble.

Ms. Kotchka obtained a B.B.A., Cum Laude, from Ohio University and is a Certified Public Accountant.

Ms. Kotchka serves on the board of the American Red Cross, Los Angeles Region and is Chair of the Mission Committee. She also serves on the board of the International Women's Forum, Southern California. Ms. Kotchka is a former board member of the American Red Cross, Greater Miami and the Keys, and is a former Trustee of the Cooper Hewitt Smithsonian Design Museum. Ms. Kotchka is a member of International Women's Forum and of The Institute of Corporate Directors. She is also a regular guest lecturer on innovation at Stanford University.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Governance Committee	4/4	17/17	100 %	2023	$260,000
Risk and Compliance Committee	4/4			2022	$260,000

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	—	24,376	24,376	$3,643,237	$960,000	Yes
2022	—	21,851	21,851	$2,503,906		

		Public Board Interlocks	
CURRENT PUBLIC BOARD MEMBERSHIPS		Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
—	—		

Sarah Raiss
Calgary, Alberta, Canada

Age 66

Loblaw Board Details:
Director since 2014
Independent

Ms. Raiss, a corporate director, formerly held senior positions at TransCanada Corporation, including Executive Vice President of Corporate Services.

Ms. Raiss has a B.S. in Applied Math and an M.B.A. from the University of Michigan. She is also a Fellow of the Institute of Corporate Directors.

Ms. Raiss became Lead Director for Commercial Metals Company in 2022 and is the former Chair of the Alberta Electric System Operator board of directors. Ms. Raiss was named to the 2015 National Association of Corporate Directors ("NACD") 'Directorship 100' and is also a Board Leadership Fellow of the NACD.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Governance Committee	4/4	16/17	94%	2023	$265,000
Pension Committee (Chair)	3/4			2022	$265,000

EQUITY OWNERSHIP Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	907	48,669	49,576	$7,409,629	$960,000	Yes
2022	907	46,852	47,759	$5,472,704		

		Public Board Interlocks	
CURRENT PUBLIC BOARD MEMBERSHIPS		Directors	Boards
Commercial Metals Company	2011 to present	—	—
RB Global, Inc. (formerly Ritchie Bros. Auctioneers Incorporated)	2016 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			

Galen G. Weston
Toronto, Ontario, Canada

Age 51

Loblaw Board Details:
Director since 2006
Non-Independent

Mr. Weston is Chairman and former President of the Corporation and Chairman and Chief Executive Officer of George Weston Limited. He previously held several senior executive positions with the Corporation and its subsidiaries. Prior to joining the Corporation, he was an investment banking analyst for Salomon Brothers in the U.K.

Mr. Weston graduated from Harvard University with a B.A. and from Columbia University with an M.B.A.

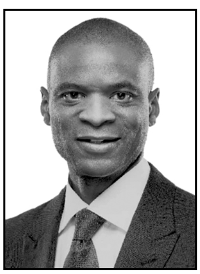
Mr. Weston is Chairman of President's Choice Bank, Chairman of Wittington Investments, Limited ("Wittington") and is President of the Weston Family Foundation. Mr. Weston is the former Chair and trustee of Choice Properties Real Estate Investment Trust ("Choice Properties").

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount(1)
		9/9	100%	2023	$135,000
				2022	$—

EQUITY OWNERSHIP				
Year	Common Shares	DSUs	Total Common Shares and DSUs	The value of Mr. Weston's current eligible holdings is $14,278,038,354. Mr. Weston satisfies the Executive Share Ownership Policy. For details relating to his equity-based share ownership as an executive, please see the table on page 70.
2023	473,636	—	473,636	
2022	473,636	—	473,636	

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks(2)	
		Directors	Boards
George Weston Limited	2016 to present	M. Marianne Harris	George Weston Limited
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)		Cornell Wright	George Weston Limited
Choice Properties Real Estate Investment Trust	2019 to 2021		

(1) Effective as of November 1, 2023, Mr. Weston receives a fee for his role as Board Chair. The Board Chair does not receive a separate Board retainer.
(2) The Director Interlock Policy does not apply to Mr. Weston. Please see page 8 for details on the Director Interlock Policy.



Cornell Wright
Toronto, Ontario, Canada

Age 50

Loblaw Board Details:
Director since 2022
Non-Independent

Mr. Wright is President and a Director of Wittington. Mr. Wright joined Wittington in 2021 following a 20-year career at the law firm of Torys LLP, where he was a leading corporate lawyer. Mr. Wright served as Chair of the firm's Corporate practice and former co-head of the firm's M&A practice. Mr. Wright has a broad range of experience in complex transactional, securities, private equity, regulatory, governance and compliance matters. Mr. Wright is a Fellow of The American College of Governance Counsel.

In addition to his public board memberships listed below, Mr. Wright is a Trustee of University Health Network and a member of the Dean's Advisory Board at the University of Toronto's Rotman School of Management. He is past Chair of the Board of Directors of the National Ballet of Canada.

Mr. Wright holds J.D. and M.B.A degrees from the University of Toronto and a B.A. from McGill University.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Risk and Compliance Committee	4/4	13/13	100%	2023	$250,000

EQUITY OWNERSHIP						
Year	Common Shares	DSUs	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs(1)	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Policy
2023	315	3,529	3,844	$574,524	$960,000	Yes

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks(2)	
		Directors	Boards
BCE, Inc.	2021 to present	M. Marianne Harris	George Weston Limited
Choice Properties Real Estate Investment Trust	2021 to present	Galen G. Weston	George Weston Limited
George Weston Limited	2021 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
—	—		

(1) Mr. Wright has until May 2027 to satisfy the Director Share Ownership Policy.
(2) The Director Interlock Policy does not apply to Mr. Weston. Please see page 8 for details on the Director Interlock Policy.

Meeting Attendance

The following table provides a summary of each director's attendance at Board and committee meetings in 2023:

Name	Board (9 meetings)	Audit Committee (5 meetings)	Governance Committee (4 meetings)	Risk and Compliance Committee (4 meetings)	Pension Committee (4 meetings)	Overall Attendance (#)	Overall Attendance (%)
Scott B. Bonham	9/9	5/5	—	4/4	—	18/18	100%
Shelley G. Broader(1)	8/8	5/5	—	4/4	—	17/17	100%
Christie J.B. Clark	9/9	5/5	—	4/4	4/4	22/22	100%
Daniel Debow	9/9	—	4/4	4/4	—	17/17	100%
William A. Downe	9/9	—	4/4	—	—	13/13	100%
Janice Fukakusa	9/9	5/5	—	4/4	—	18/18	100%
M. Marianne Harris	9/9	5/5	4/4	—	4/4	22/22	100%
Kevin Holt(2)	6/6	2/2	—	2/2	—	10/10	100%
Claudia Kotchka	9/9	—	4/4	4/4	—	17/17	100%
Sarah Raiss(3)	9/9	—	4/4	—	3/4	16/17	94%
Galen G. Weston	9/9	—	—	—	—	9/9	100%
Cornell Wright	9/9	—	—	4/4	—	13/13	100%
Total	**100%**	**100%**	**100%**	**100%**	**92%**		**99%**

(1) Ms. Broader did not attend one Board meeting due to a conflict of interest.

(2) Mr. Holt was elected to the Board and appointed to the Audit and Risk and Compliance Committees effective May 4, 2023.

(3) Ms. Raiss had an excused absence for one meeting of the Pension Committee in 2023 following the passing of her mother.

DIRECTOR COMPENSATION

The Corporation's director compensation program is structured to compensate directors appropriately for their time, commitment and responsibility as Board members and to remain competitive with director compensation practices in Canada. The program is designed to attract and retain committed and qualified directors and to align their compensation with the long-term interests of the shareholders. To achieve these objectives, directors are required to take 100% of their board retainer and committee fees in DSUs until they satisfy the Director Share Ownership Policy, after which a director has the option to receive up to 50% of all fees in cash, with the balance taken in DSUs. The Chairman is not required to take any portion of fees in DSUs. Directors who are employees of the Corporation receive no additional compensation for serving as directors.

Director Deferred Share Unit Plan

A DSU is a right to receive an amount from the Corporation equal to the value of one Common Share. The number of DSUs awarded to a director is equal to the value of the compensation that the director elects or is required to receive in the form of DSUs divided by the volume-weighted average trading price of a Common Share on the TSX for the five trading days prior to the date of the award. DSUs are not paid out until the director ceases to serve on the Board and ceases to hold any position with the Corporation and any company related to the Corporation, thereby providing an equity stake in the Corporation throughout the director's term as a Board member. Dividend equivalents, in the form of additional DSUs that are equal in value to dividends paid on Common Shares, are credited to the director's account on each dividend payment date based on the number of DSUs in the account as of the dividend record date. Following cessation of service with the Corporation and its related entities, payment of DSUs is made in Common Shares purchased on the open market. A Canadian director may elect to defer payment until December 15th of the calendar year following the year in which the director ceases to hold any position with the Corporation and any of its related entities. DSUs do not entitle the director to any voting or other shareholder rights.

Director Share Ownership Policy

The Corporation believes that it is important that directors demonstrate their commitment to the Corporation through share ownership. In that regard, the Corporation has established a Director Share Ownership Policy for non-management directors. Under this Policy, non-management directors are required to hold Common Shares or DSUs with a value of not less than four times the amount of the director's annual retainer. Based on this multiple of the annual retainer, the ownership requirement in 2023 was $960,000. For purposes of this Policy, securities are valued at their market value and directors are required to meet the required level of share ownership within five years of initially being elected or appointed to the Board. To the extent the directors receive an increase in their annual retainer, they have a five-year period from the date of the increase to attain the incremental ownership requirement. Directors elected or appointed to the Board who, at the time of election or appointment, were directors or trustees of either Weston and/or Choice Properties are permitted under the Policy to count their then holdings in Weston and/or Choice Properties towards their target ownership, provided that any such holdings were eligible for inclusion toward the individual's previous ownership requirement at Weston and/or Choice Properties. All directors either meet the required level of share ownership or are in the process of accumulating securities as required under the Policy. For the status of each director nominee under the Policy, see their profiles commencing on page 9 of this Circular. Management directors are not subject to the Policy but instead must satisfy the Executive Share Ownership Policy described on page 69.

2023 Director Compensation Amounts

A summary of the 2023 director compensation amounts is set out below:

Type of Fee	Amount ($)	
Annual Fees		
Total Board Retainer	240,000	
Chair and Committee Fees		
Board Chair	750,000	(1)
Independent Lead Director retainer	50,000	
Audit Committee Chair	30,000	(2)
Governance Committee Chair	30,000	(2)
Risk and Compliance Committee Chair	30,000	(2)
Pension Committee Chair	15,000	(2)
Member of Board committee	10,000	

(1) The Board Chair does not receive a separate Board retainer.
(2) Includes fees received as a Committee member.

Effective November 1, 2023, Mr. Weston ceased being an executive officer of the Corporation and began receiving a fee for his role as Board Chair. Prior to November 1, 2023, Mr. Weston did not receive any remuneration for his role as a director of the Corporation. The details of Mr. Weston's executive compensation are set out in the section of this Circular titled "Compensation Discussion and Analysis".

2023 Director Compensation Table

The following table sets out the compensation elements and total compensation earned by each non-management director in 2023 and the manner in which the compensation was paid:

	Fees Breakdown						Allocation of Total Director Fees		
Name	Board Retainer (1) ($)	Board/ Committee Chair Retainer ($)	Committee Member Retainer ($)	Total Director Fees Earned ($)	All Other Compensation ($)	Total Compensation ($)	Cash ($)	DSUs (2) ($)	Allocation of Fees between Cash and DSUs (%)
Scott B. Bonham	240,000	—	20,000	260,000	—	260,000	—	260,000	100% DSUs
Shelley G. Broader	240,000	—	20,000	260,000	—	260,000	—	260,000	100% DSUs
Christie J.B. Clark	240,000	30,000	24,500 (3)	294,500	—	294,500	147,250	147,250	50% DSUs
Daniel Debow	240,000	—	20,000	260,000	—	260,000	—	260,000	100% DSUs
William A. Downe	240,000	85,000 (4)	4,500 (3)	329,500	—	329,500	—	329,500	100% DSUs
Janice Fukakusa	240,000	30,000	10,000	280,000	—	280,000	—	280,000	100% DSUs
M. Marianne Harris	240,000	—	30,000	270,000	70,000 (5)	340,000	—	270,000	100% DSUs
Kevin Holt(6)	152,400	—	12,700	165,100	—	165,100	—	165,100	100% DSUs
Claudia Kotchka	240,000	—	20,000	260,000	—	260,000	—	260,000	100% DSUs
Sarah Raiss	240,000	15,000	10,000	265,000	—	265,000	132,500	132,500	50% DSUs
Galen G. Weston(7)	—	135,000 (7)	—	135,000	—	135,000	135,000	—	—% DSUs
Cornell Wright	240,000	—	10,000	250,000	—	250,000	—	250,000	100% DSUs
Total ($)	**2,552,400**	**295,000**	**181,700**	**3,029,100**	**70,000**	**3,099,100**	**414,750**	**2,614,350**	

(1) Directors are required to take 100% of their board retainer and committee fees in DSUs until they satisfy the Director Share Ownership Policy, after which they may elect to receive up to 50% of their total fees in cash, with the balance taken in DSUs. The Chairman is not required to take any portion of fees in DSUs.

(2) In accordance with the DSU Plan, amounts reflect the grant date fair value of DSUs based on the volume-weighted average trading price of the Common Shares on the TSX for the five trading days prior to the date of the grant. As well, additional DSUs are accumulated based on notional equivalents of dividends paid on Common Shares throughout the year. These notional equivalents of dividends are not included in the table.

(3) Includes fees received for attendance at meetings of another Board committee.

(4) Includes Independent Lead Director fee and fees received for chairing meetings of another Board committee.

(5) Includes the fees that the director received, in cash, for the director's role as a director of President's Choice Bank, a subsidiary of the Corporation.

(6) Mr. Holt was elected to the Board and appointed to the Audit and Risk and Compliance Committees effective May 4, 2023.

(7) Includes pro-rated portion of Board Chair fee effective November 1, 2023.

Outstanding Share-Based Awards

The following table sets forth the value of all share-based awards granted by the Corporation to non-management directors that were outstanding as at January 2, 2024:

Name of Participant	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested ($)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (1) ($)
Scott B. Bonham	—	—	2,950,908
Shelley G. Broader	—	—	321,526
Christie J.B. Clark	—	—	1,895,052
Daniel Debow	—	—	1,253,411
William A. Downe	—	—	2,746,685
Janice Fukakusa	—	—	1,746,597
M. Marianne Harris	—	—	3,220,512
Kevin Holt	—	—	176,403
Claudia Kotchka	—	—	3,125,003
Sarah Raiss	—	—	6,239,366
Cornell Wright	—	—	452,418

(1) The value of the outstanding DSUs, which are considered to be vested share-based awards, held by the directors is based on the closing price of the Common Shares on the TSX on January 2, 2024, which was $128.20, multiplied by the number of outstanding DSUs. The values also include additional DSUs which were accumulated based on notional equivalents of dividends paid on Common Shares.

APPOINTMENT OF THE EXTERNAL AUDITOR

Appointment of the External Auditor

The Board, on the recommendation of the Audit Committee, recommends that PwC be re-appointed as the external auditor of the Corporation to hold office until the next annual meeting of shareholders of the Corporation and that the directors be authorized to fix PwC's remuneration. PwC was first appointed auditor of the Corporation at the Corporation's Annual Meeting of Shareholders held on May 5, 2022. The persons named in the accompanying form of proxy intend to vote **FOR** the re-appointment of PwC as the Corporation's external auditor until the next annual meeting of shareholders.

External Audit and Other Service Fees

The Audit Committee oversees the fees paid to the independent external auditor for audit and non-audit services. Fees relating to the fiscal year 2023 were as follows:

Fee Type	2023 ($000's)	2022 ($000's)
Audit fees(1)	7,335	6,759
Audit-related fees(2)	1,088	418
Tax-related fees(3)	26	87
All other fees(4)	2,182	2,543
Total Fees	**$10,631**	**$9,807**

(1) Audit fees include fees for services related to the audit of the Corporation's consolidated financial statements, including its subsidiaries. Audit fees also include fees for services related to the review of quarterly reports, the interpretation of accounting and financial reporting standards and auditor involvement with regulatory filings.

(2) Audit-related fees include fees for French translation services associated with the Corporation's financial and regulatory filings, specified procedures and for the audits of pension plans and charitable foundations.

(3) Tax-related fees include fees for tax compliance services. The Corporation was also billed $1,000,000 in 2022 for work performed in 2021, prior to PwC becoming the Corporation's external auditor.

(4) All other fees include permissible advisory and support services for ongoing project work commenced prior to PwC becoming the Corporation's external auditor.

As part of the Corporation's corporate governance practices, the Audit Committee has adopted a policy prohibiting the external auditor from providing non-audit services to the Corporation or its subsidiaries unless the services are approved in advance by the Chair of the Audit Committee. The external auditor is required to report directly to the Audit Committee.

ADVISORY RESOLUTION ON APPROACH TO EXECUTIVE COMPENSATION

Advisory Resolution on Approach to Executive Compensation

At the Meeting, the shareholders will be asked to consider an advisory resolution (the "Say on Pay Resolution") regarding the Corporation's approach to executive compensation, which is described in detail in the section of this Circular titled "Compensation Discussion and Analysis", which commences on page 48. In 2023, shareholders were asked to consider an advisory resolution regarding the Corporation's approach to executive compensation, and below are the voting results from the Corporation's Annual Meeting of Shareholders held on May 4, 2023:

Resolution	Votes For (#)	Votes For (%)	Votes Against (#)	Votes Against (%)
Advisory Resolution on Approach to Executive Compensation	247,870,331	92.15%	21,119,036	7.85%

Pay for performance is a cornerstone of the Corporation's compensation philosophy, which is intended to align the interests of the Corporation's executives with those of its shareholders. This compensation philosophy enables the Corporation to attract and retain high-performing executives who will be motivated to create value for shareholders.

The Board and management of the Corporation recommend that the shareholders vote **FOR** the adoption of the advisory Say on Pay Resolution.

The Corporation's representatives named in the accompanying form of proxy intend to vote **FOR** the adoption of the advisory Say on Pay Resolution.

Votes on the Say on Pay Resolution are advisory and will not be binding on the Board or the Corporation. However, the Governance Committee will review and analyze the results of the vote and take them into consideration when reviewing the Corporation's executive compensation philosophy.

The form of Say on Pay Resolution to be submitted to the shareholders at the Meeting, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

BE IT RESOLVED THAT on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, the shareholders accept the approach to executive compensation disclosed in the Circular, delivered in advance of the 2024 Annual Meeting of the Shareholders of Loblaw Companies Limited.

SHAREHOLDER PROPOSAL

Shareholder Proposal

Shareholders will be asked to consider the shareholder proposal set out in Schedule B of this Circular.

THE BOARD RECOMMENDS THAT SHAREHOLDERS VOTE AGAINST THE SHAREHOLDER PROPOSAL FOR THE REASONS SET OUT IN THE STATEMENTS OF OPPOSITION.

The Corporation's representatives named in the accompanying form of proxy intend to vote AGAINST the Shareholder Proposal.

The *Canada Business Corporations Act* permits eligible shareholders of the Corporation to submit shareholder proposals for consideration at the Annual Meeting of Shareholders. The final date for submission of proposals by shareholders to the Corporation for inclusion in the Management Proxy Circular in connection with the 2025 Annual Meeting of Shareholders is January 31, 2025.

2 Committee Reports

AUDIT COMMITTEE

Christie J.B. Clark
(Chair)
Independent

Scott B. Bonham
Independent

Shelley G. Broader
Independent

Janice Fukakusa
Independent

M. Marianne Harris
Independent

Kevin Holt
Independent

The Audit Committee, on behalf of the Board, oversees the integrity of the Corporation's financial statements and related public disclosure. In doing so, the Audit Committee oversees the Corporation's internal controls over financial reporting, disclosure controls and procedures, internal audit function and anti-fraud program. The Audit Committee regularly meets with the Corporation's Chief Audit Executive in charge of the internal audit function and the senior compliance professional in charge of the internal controls compliance group. The Audit Committee also oversees procedures for the receipt, retention and follow-up of any complaints regarding the Corporation's accounting, internal controls and auditing matters. The Audit Committee reviews the adequacy and effectiveness of applicable controls related to the Corporation's environmental, social and governance ("ESG") disclosures.

Each year, the Audit Committee reviews and evaluates the qualifications, performance and independence of the external auditor and recommends the external auditor to the Board for appointment by the shareholders. The Chair of the Audit Committee is involved in the selection process for the Lead Audit Partner at the external auditor of the Corporation. The Audit Committee ensures that a regular rotation occurs as required under current auditing standards.

All members of the Audit Committee are independent and financially literate as required under applicable Canadian securities legislation.

AUDIT COMMITTEE REPORT TO SHAREHOLDERS

Dear Shareholders:

On behalf of the Board, the Audit Committee is pleased to share with you the Audit Committee's report and some of the Audit Committee's significant accomplishments in 2023.

2023 Highlights:

- ✓ Oversaw the adequacy and effectiveness of internal controls and procedures related to the Corporation's financial and ESG disclosures
- ✓ Oversaw the related party transactions between the Corporation and its affiliates
- ✓ Reviewed the adequacy and effectiveness of controls relating to the Corporation's 2022 ESG Report
- ✓ Oversaw management's monitoring and mitigation of risks relating to vendor management
- ✓ Evaluated the external auditor's performance and monitored the quality and effectiveness of the relationship among the external auditor, management and the Audit Committee

Overview

The Audit Committee meets at least once every quarter. The Audit Committee's specific duties and responsibilities are based on its mandate and work plan. At each quarterly meeting, the Audit Committee meets separately *in camera* with representatives of the internal audit group and the external auditor. In addition, it holds an *in camera* session without management present at each meeting. The Audit Committee met five times in 2023.

Each year, the Audit Committee reviews its mandate to ensure its effectiveness in fulfilling its responsibilities. The Audit Committee communicates regularly with management and the internal and external auditors.

The Audit Committee approved its mandate in 2023 and it is available at www.loblaw.ca. The members of the Audit Committee are satisfied that the Audit Committee fulfilled its responsibilities in 2023.

Financial Reporting

The Audit Committee reviewed and discussed with management the Corporation's annual and interim consolidated financial statements and management's discussion and analysis for the year ended December 30, 2023, and the interim quarters. The Audit Committee also reviewed the external auditor's reports thereon and heard directly from the external auditor on key risk areas. The purpose of this review is to provide reasonable assurance that the Corporation's financial reporting is complete and fairly presented in all material respects, and that the accounting principles used to prepare the financial statements are appropriate, in particular where judgments, estimates and risks are involved. This review is designed to ensure that adequate disclosure of material issues has been provided.

The Audit Committee assessed the use of non-GAAP financial measures and their presentation within the financial documents. Based on the considerations above, the Audit Committee recommended to the Board that the Corporation's annual audited consolidated financial statements be approved and released on February 22, 2024.

ESG Reporting

The Audit Committee reviewed the adequacy and effectiveness of controls relating to the Corporation's 2022 ESG Report, which makes disclosures in accordance with the Global Reporting Initiative standards ("GRI") and the Sustainability Accounting Standards Board framework (SASB) and takes additional reporting guidance from the UN Sustainable Development Goals (UN SDG's) and the Task Force on Climate-related Financial Disclosure ("TCFD"). The Audit Committee was satisfied that such controls were sufficient.

Internal and External Auditor

Throughout the year, the Chair of the Audit Committee met regularly with the external auditor, representatives of the internal audit group and senior members of the Corporation's financial reporting group. In 2023, the Audit Committee reviewed and approved the annual audit plan of the internal audit group and the external auditor and received regular reports from Internal Audit Services. In addition, the Audit Committee received reports on key audit matters from the external auditor.

The Audit Committee is satisfied that PwC is independent from the Corporation and management. The Audit Committee proposed that the Board recommend to the shareholders the re-appointment of PwC as external auditor of the Corporation at the Meeting.

Internal Control Compliance

The Audit Committee is responsible for oversight of management's review of the design and operating effectiveness of the Corporation's (i) internal controls over financial reporting, and (ii) disclosure controls and procedures to ensure the timely disclosure of all material information about the Corporation as required by applicable law or security exchange rules.

Throughout 2023, the Audit Committee reviewed management's administration of the Corporation's Internal Control Compliance ("ICC") program, including by reviewing the 2023 ICC Scoping and Risk Assessment Plan and periodic progress thereon. The Audit Committee reviewed quarterly reports from management with respect to the Corporation's system of disclosure controls and procedures and internal controls over financial reporting.

Review of Risks

The Audit Committee reviewed certain risks faced by the Corporation, including inflation, vendor management and management of franchisees and associates, as well as the controls and procedures that management has implemented to identify, manage and mitigate such risks.

Legal, Regulatory, Related Party Transactions and Tax

Throughout 2023, the Audit Committee reviewed updates on compliance matters relating to financial reporting and updates on material legislative and regulatory developments, material litigation, regulatory filings, material transactions with related parties and tax matters affecting the Corporation. The Audit Committee continues to work with management to ensure adherence to a robust process for reviewing and approving significant related party transactions. This is particularly relevant with Choice Properties given that the Corporation is Choice Properties' largest tenant and an affiliate. The Audit Committee is confident that management has considered the relevant legal and governance considerations associated with related party transactions and has implemented a sound governance framework to address significant related party transactions when they arise.

Respectfully submitted,

Audit Committee
Christie J.B. Clark (Chair)
Scott B. Bonham
Shelley G. Broader
Janice Fukakusa
M. Marianne Harris
Kevin Holt

For additional information regarding each member of the Audit Committee, please see pages 9 to 15. For additional information regarding the activities of the Audit Committee, see the Corporation's Statement of Corporate Governance Practices on pages 31 to 47.

RISK AND COMPLIANCE COMMITTEE

Janice Fukakusa
(Chair)
Independent

Scott B. Bonham
Independent

Shelley G. Broader
Independent

Christie J.B. Clark
Independent

Daniel Debow
Independent

Claudia Kotchka
Independent

Kevin Holt
Independent

Cornell Wright
Non-Independent

The Risk and Compliance Committee, on behalf of the Board, oversees the Corporation's legal and regulatory compliance and ethics program, the Corporation's ESG program, the Corporation's Enterprise Risk Management ("ERM") program, and the Corporation's policies, management systems and performance with respect to various key risk areas.

RISK AND COMPLIANCE COMMITTEE REPORT TO SHAREHOLDERS

Dear Shareholders:

On behalf of the Board, the Risk and Compliance Committee is pleased to share with you the Risk and Compliance Committee's report and some of the Risk and Compliance Committee's significant accomplishments in 2023.

2023 Highlights:

- ✓ Oversaw the launch of a Human Rights Impact Assessment for broccoli and cauliflower
- ✓ Oversaw the Corporation's response to competition law changes and updates to its competition law training
- ✓ Oversaw the completion of a risk assessment and the advancement of the Corporation's anti-bribery and corruption program
- ✓ Supervised the Corporation's Enterprise Risk Assessment and ERM programs and reviewed key risks facing the Corporation and how these risks are being managed
- ✓ Oversaw the Corporation's Legal and Regulatory Compliance and Ethics program and maintenance of the Integrity Action Line
- ✓ Reviewed the Corporation's 2022 ESG Report and oversaw its ESG strategy

Overview

The Risk and Compliance Committee meets at least once every quarter. The Risk and Compliance Committee's specific duties and responsibilities are based on its mandate and work plan. The Risk and Compliance Committee oversees the design and implementation of the Corporation's legal and regulatory compliance and ethics program and ERM program, as well as environmental, occupational health and safety, pharmacy, food and product safety and ESG programs. At each meeting in 2023, the Risk and Compliance Committee invited key members of management to attend and present on issues that are relevant to the Risk and Compliance Committee's mandate. Additionally, at each meeting, the Risk and Compliance Committee met separately *in camera* with the Senior Vice President and Chief Compliance & Ethics Officer and with the Group Chief Risk Officer. The Risk and Compliance Committee also held an *in camera* session without management present at each meeting. The Risk and Compliance Committee met four times in 2023.

The Risk and Compliance Committee approved its mandate in 2023 and it is available at www.loblaw.ca. The members of the Risk and Compliance Committee are satisfied that the Risk and Compliance Committee fulfilled its responsibilities in 2023.

The Corporation’s Management Risk and Compliance Committee assists the Risk and Compliance Committee in fulfilling its responsibility to oversee the Corporation’s ERM and legal and regulatory compliance and ethics programs. The main purpose of the Management Risk and Compliance Committee is to oversee and govern the Corporation’s programs to ensure that enterprise risks facing the Corporation remain within acceptable tolerances, to ensure that risk mitigation actions are implemented and are effective, to ensure that any matters requiring action are discussed, escalated and reported-on accurately and on a timely basis, to foster a strong compliance and ethics culture within the Corporation and to manage and resolve any incidents and minimize any adverse consequences caused by any non-compliance with applicable law or unethical conduct.

Approach to Human Rights

The Risk and Compliance Committee oversaw the advancement of the Corporation’s approach to human rights. In 2023, it oversaw the launch of a Human Rights Impact Assessment (HRIA) related to the production of broccoli and cauliflower sold as standalone items and as ingredients in value-added products, such as florets, vegetable medleys and packaged salads, whether sold as national brands or under the Corporation’s control brand. A review of these product categories supports the Corporation’s commitment to ethical sourcing and aligns with the salient human rights risks previously identified by the Corporation: (i) forced labour; (ii) child labour; (iii) discrimination, harassment, and abuse; (iv) livelihoods; and (v) occupational health and safety. The Risk and Compliance Committee also oversaw the release of the Corporation’s first Modern Slavery Report, in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, which was publicly filed in February 2024 as a joint report together with certain of its subsidiaries and Weston.

Legal and Regulatory Compliance and Ethics

In executing its mandate, the Risk and Compliance Committee monitors the Corporation’s legal and regulatory compliance and ethics program and received regular reports from the Senior Vice President and Chief Compliance & Ethics Officer and the compliance and ethics function leads in the Corporation’s business. The Risk and Compliance Committee reviews the actions of management to ensure that the Corporation has sound compliance and ethics management systems, that employees of the Corporation are aware of the Corporation’s policies and procedures regarding legal and regulatory compliance and ethics and that the Corporation supports its franchised businesses with respect to legal and regulatory compliance and ethics standards and programs and provides timely and effective support and education. The Risk and Compliance Committee also receives and reviews periodic reports from management and independent consultants on legal and regulatory compliance and ethics matters. Each quarter, the Risk and Compliance Committee received a report from the Senior Vice President and Chief Compliance & Ethics Officer regarding the Corporation’s incident management platform and the Integrity Action Line.

In 2023, the Risk and Compliance Committee oversaw the Corporation’s response to competition law changes, including the implementation of colleague training and a review of the operating effectiveness of related controls. The Risk and Compliance Committee also oversaw the advancement of the Corporation’s anti-bribery and corruption program, including a risk assessment of its vendors, agents and intermediaries. In addition, the Risk and Compliance Committee oversaw management’s review of the universe of corporate policies and the updating of such policies, which resulted in the simplification of and a reduction in the overall number of policies, and policies that were more consistent, visual and inclusive for colleagues.

Enterprise Risk Management

The Board has tasked the Risk and Compliance Committee with overseeing the design and structure of the Corporation’s ERM program and key risks facing the Corporation. The Risk and Compliance Committee also oversees certain risks delegated to it by the Board and is responsible for satisfying itself that management has taken appropriate actions to ensure the effective management of such risks.

At Risk and Compliance Committee meetings throughout the year, the Risk and Compliance Committee received reports from management on the various key risks facing the Corporation and how they were being mitigated. Management provides quarterly reports to the Risk and Compliance Committee on the status of certain key risks, potential impacts in future quarters, and significant changes in key risk indicators.

Information Technology

The Risk and Compliance Committee also reviews management’s oversight of risks relating to information technology affecting the Corporation and the Corporation’s information technology systems, including cyber-security. The Risk and Compliance Committee receives regular reports from management with respect to the Corporation’s systems, policies, controls and procedures that management has implemented to identify, manage and mitigate risks related to information technology and the Corporation’s information technology systems, including cyber-security.

Food Safety

The Risk and Compliance Committee receives periodic reports from management and reviews the actions taken by management to ensure that the Corporation’s food safety programs address safe manufacturing, handling and preparation standards, that suppliers of food products adhere to high safety standards and that best practices are in place for storage, handling, distribution and packaging of food products, along with necessary control systems to monitor compliance with such policies.

Drug Safety

The Risk and Compliance Committee oversees risks related to the production, handling and dispensing of pharmaceuticals and the operation of pharmacies, monitors and assesses the Corporation's effectiveness in managing such risks, and ensures such risks are managed in accordance with best practices. The Risk and Compliance Committee receives periodic reports from management in order to perform its oversight role.

Environmental, Occupational Health and Safety Matters

The Risk and Compliance Committee also receives periodic reports from management on environmental and occupational health and safety matters.

ESG

The Risk and Compliance Committee reviews the Corporation's ESG disclosures, including the 2022 ESG Report and oversees its ESG strategy. The Risk and Compliance Committee also receives periodic reports on the Corporation's ESG initiatives.

Respectfully submitted,

Risk and Compliance Committee
Janice Fukakusa (Chair)
Scott B. Bonham
Shelley G. Broader
Christie J.B. Clark
Daniel Debow
Claudia Kotchka
Cornell Wright
Kevin Holt

For additional information regarding each member of the Risk and Compliance Committee, please see pages 9 to 15. For additional information regarding the activities of the Risk and Compliance Committee, see the Corporation's Statement of Corporate Governance Practices on pages 31 to 47.

__PENSION COMMITTEE__

Sarah Raiss
(Chair)
Independent

Christie J.B. Clark
Independent

M. Marianne Harris
Independent

The Pension Committee, on behalf of the Board, oversees the administration, management, design, funding and governance of the Corporation's pension plans, as well as the administration and management of the Corporation's benefit programs. The Pension Committee met four times in 2023.

PENSION COMMITTEE REPORT TO SHAREHOLDERS

Dear Shareholders:

On behalf of the Board, the Pension Committee is pleased to share with you the Pension Committee's report and some of the Pension Committee's significant accomplishments in 2023.

2023 Highlights:

- ✓ Oversaw pension and benefits related governance and reporting
- ✓ Oversaw various pension and benefits accounting matters
- ✓ Oversaw an Asset-Liability Study of its defined benefit plans

Oversight of the Corporation's Pension and Benefit Plans

The Pension Committee, on behalf of the Board, oversees the governance and administration of the Corporation's pension and benefit plans. To fulfill its oversight responsibilities, the Pension Committee approved the framework within which investment decisions are made for the Corporation's defined benefit plans and reviewed the financial statements of such plans with management and the external auditor. The Pension Committee also received regular reporting on: (i) the Corporation's defined benefit plans, including the investment performance and funded status of such plans, and (ii) the Corporation's defined contribution plans, including the investment performance of the investment options made available to pension plan members. Throughout the year, the Pension Committee also monitored compliance with the Corporation's policies, the pension plan texts and applicable regulatory and legislative requirements.

Oversight of Pension and Benefits Programs

The Pension Committee received reports regarding the day-to-day management of pension and benefits programs, including improvements to the *My Benefits* program related to mental health, gender affirmation, and fertility support. The Pension Committee also oversaw the completion of an experience study for pension and post-employment benefits.

Asset-Liability Study

The Pension Committee oversaw the engagement of Mercer (Canada) Limited to undertake an assessment of the Corporation's defined benefit plans asset allocations and related risk tolerance for the underlying pension liabilities. Based on the results of the assessment, the Pension Committee approved certain changes to the asset allocations to better align with the risk tolerance of the Corporation's defined benefit plans.

Respectfully submitted,

Pension Committee
Sarah Raiss (Chair)
Christie J.B. Clark
M. Marianne Harris

For additional information regarding each member of the Pension Committee, please see pages 9 to 15 . For additional information regarding the activities of the Pension Committee, see the Corporation's Statement of Corporate Governance Practices on pages 31 to 47.

GOVERNANCE COMMITTEE

				
William A. Downe (Chair) Independent	**Daniel Debow Independent**	**M. Marianne Harris Independent**	**Claudia Kotchka Independent**	**Sarah Raiss Independent**

The Governance Committee believes that good corporate governance is essential to strong performance. The Corporation's governance practices are designed to provide oversight and accountability, ensure trust with stakeholders and promote the long-term interests of its shareholders.

The Governance Committee is responsible for the oversight of the Corporation's governance practices, including the development and implementation of good governance principles, consistent with high standards of corporate governance. On an annual basis, the Governance Committee evaluates the performance and practices of the Board, including a review of Board policies and mandates and, together with the Chairman, a review of the composition of the Board committees.

As part of its mandate, the Governance Committee, together with the Chairman, identifies and recommends candidates for nomination to the Board as directors. The Governance Committee also recommends to the Board for approval any changes to directors' compensation arrangements. In addition, the Governance Committee monitors the orientation program for new directors and continuing education for all directors, and oversees the process for assessing the performance of the Board, its committees and individual directors.

The Governance Committee assists the Board with overseeing the Corporation's executive compensation programs, including its incentive programs and the compensation of the named executive officers (the "NEOs") identified on page 49. The Governance Committee is also responsible for overseeing talent management and succession planning for the Corporation's senior executive positions.

Key Skills and Experiences

The Board believes that the members of the Governance Committee individually and collectively have the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation and general business leadership, to fulfill the Governance Committee's mandate. All members of the Governance Committee have substantial knowledge and experience as senior executives of large and complex organizations and have served as directors of other publicly traded companies. The chart below sets out the relevant experience of each member of the Governance Committee:

Name	Experience in Governance and Executive Compensation
Daniel Debow	• Executive experience as Vice President, Product at Shopify • Founder and former Chief Executive Officer of Helpful.com • Co-founder and former Co-Chief Executive Officer of Rypple • Founding team member of Workbrain
William A. Downe	• Executive experience as former Chief Executive Officer of BMO Financial Group • Lead Director and Chair of the Executive Compensation and HR Committee of Manpower Group Inc. • Trustee and member of the Compensation and HR Committee of Rush University Medical Center • Former director of Bank of Montreal
M. Marianne Harris	• Director and member of Weston's Governance, Human Resource, Nominating and Compensation Committee • Chair of the Governance, Investment and Sustainability Committee of Sun Life Financial Inc. • Chair of the Governance Committee of the Public Sector Pension Investment Board • Executive experience as former Managing Director and President of Corporate and Investment Banking for Merrill Lynch Canada Inc.
Claudia Kotchka	• Executive experience as former Vice President, Design Innovation and Strategy at Procter & Gamble • Public company board experience as a former director of BlackBerry Limited
Sarah Raiss	• Executive experience at TransCanada Corporation (now TC Energy) • Chair of the Nominations and Governance Committee and former Chair of the Compensation Committee of RB Global, Inc. (formerly Ritchie Bros. Auctioneers Inc.) • Member and Chair of the Nominations and Governance Committee and former Chair of the Compensation Committee for Commercial Metals Company • Former member and Chair of the Governance and Human Resources Committee of Vermilion Energy Inc. • Former Chair of the Alberta Electric Systems Operator and member of the Governance and Nominations Committee • Former member and Chair of the Corporate Governance and Compensation Committee of Canadian Oil Sands Limited • Former member of the Human Resources and Compensation Committee of Shoppers Drug Mart Corporation • Former Chair of the Human Resources Committee and former member of the Governance and Nominating Committee at Business Development Bank of Canada

Board Succession Planning and Nomination Process

The Board regularly reviews potential vacancies on the Board. The Governance Committee is responsible for Board and committee succession planning and for making recommendations to the Board regarding the size and composition of the Board and its committees. The Governance Committee assists the Board by reviewing an evergreen list of potential candidates and identifying individuals for the Board's consideration at the appropriate time. The Corporation has in place director tenure guidelines, which provide that the Chairman and the Governance Committee will undertake an assessment of a director's continued participation on the Board upon the director reaching the age of 75, and annually thereafter, or upon a change in the director's principal occupation. The director tenure guidelines do not apply to the Chairman or any management directors.

In addition to the formal director tenure guidelines, the Governance Committee:

1. undertakes an annual Board effectiveness evaluation that enables the Governance Committee and the Board to solicit feedback regarding director contribution, skill set and expertise;
2. maintains a director skills matrix to ensure that, in choosing director candidates, it focuses appropriately on critical competencies and experience;
3. monitors director turnover through the evaluation process and, to the extent appropriate, from time to time requests directors who are long serving and who have a readily replaceable skill set or experience not to stand for re-election;
4. annually reviews Board committee chairs and memberships with a view to balancing the desire for diverse perspectives with the need for experience and subject matter expertise; and
5. provides disclosure in this Circular in respect of director tenure, the director evaluation process and director turnover with an explanation of how the Corporation's approach ensures diversity of skills, experience and background on the Board and an appropriate level of turnover.

In summary, each year the Governance Committee undertakes a review of the composition of the Board, the performance of the individual directors and the mandate and composition of the committees of the Board. Recommendations for changes, if any, are developed by the Governance Committee and subsequently discussed with the Board and with the controlling shareholder. The Board is of the view that these processes have worked well and have resulted in governance that has been both effective and adaptive to the changing nature of the businesses and the markets in which the Corporation operates.

GOVERNANCE COMMITTEE REPORT TO SHAREHOLDERS

Dear Shareholders:

On behalf of the Board, the Governance Committee is pleased to share with you some of the Governance Committee's significant accomplishments in 2023.

2023 Highlights:

- ✓ Oversaw the transition of certain senior executives, including in connection with the appointment of Per Bank as President and Chief Executive Officer
- ✓ Reviewed and approved Mr. Bank's compensation as President and Chief Executive Officer of the Corporation
- ✓ Reviewed the size, composition and diversity of the Board and its committees and maintained an "evergreen" list of director candidates
- ✓ Oversaw the development of the Corporation's 2023 Short Term Incentive Plan and Long Term Incentive Plan
- ✓ Reviewed and approved Mr. Weston's compensation as Chairman of the Corporation
- ✓ Reviewed and approved changes to the Corporation's peer comparator group
- ✓ Reviewed director compensation
- ✓ Oversaw the performance and assessment of the Board and its committees
- ✓ Reviewed the personal objectives of senior executives and assessed their performance against such objectives
- ✓ Assessed senior executive succession candidates

Executive Talent Management and Succession Planning

The Governance Committee is entrusted with the responsibility of overseeing the Corporation's approach to talent management and succession planning for senior executive roles. The Governance Committee receives reports on the development of senior executives, updates on the talent management plans across the organization and performance evaluation processes, which are designed to improve individual leadership and management skills. The succession planning process includes an annual review of each senior executive position and the performance of the incumbent. Effective November 1, 2023, Mr. Weston stepped down from his role as President of the Corporation and Mr. Per Bank was appointed as President and Chief Executive Officer. In connection with the appointment of Mr. Bank and the transition of Mr. Weston to the role of non-executive Chairman, the Governance Committee reviewed and approved their proposed compensation, benchmarked against the Corporation's comparator group. In addition, effective December 31, 2023, Mr. Robert Sawyer retired from his role as Chief Operating Officer of the Corporation. These management changes and the related transitions were overseen by the Governance Committee.

The Governance Committee reviewed management's proposed cost split for Messrs. Weston and Dufresne between the Corporation and Weston, given that Mr. Dufresne is, and Mr. Weston was until November 1, 2023, an officer of both companies. The Governance Committee approved that the Corporation would continue to pay 70% of Mr. Weston's compensation, with the remaining 30% payable by Weston, until November 1, 2023 with 100% payable by Weston thereafter, and that the Corporation would pay 80% of Mr. Dufresne's compensation, with the remaining 20% payable by Weston, which is consistent with the cost split originally approved in 2021.

Board Composition and Succession

The Governance Committee's focus is to maintain a strong, vibrant and engaged Board that understands the Corporation's businesses and the retail industry generally. One of the key areas of responsibility for the Governance Committee is succession planning for the Board. The Governance Committee assesses and evaluates the effectiveness of the Board and identifies areas where the Board may benefit from new directors with additional skills, experience and diverse backgrounds. In early 2021, the Board, upon the recommendation of the Governance Committee, updated the Corporation's board diversity policy to reflect a target that people who identify as women will comprise at least 40% of the Board's directors, increased from 30%. In addition, such policy provides that, by the end of 2024, people who identify as visible minorities will comprise at least 25% of the Board's directors. The list of nominees for the upcoming Meeting includes five nominees who identify as women and two nominees who identify as visible minorities, representing approximately 42% and 17% of the nominees, respectively.

This year, the Governance Committee has again included in this Circular a skills matrix that the Governance Committee used as a tool in managing Board succession. This matrix was used to identify the skills, experience and expertise required on the Board.

The Governance Committee is responsible for the process of identifying prospective director nominees. The Governance Committee assesses the appropriate size of the Board and whether any vacancies are expected and reviews the skills matrix of current Board members to determine criteria and qualifications to be considered when recruiting new director nominees. Each candidate is evaluated with respect to the candidate's experience and expertise, with particular attention paid to those areas of expertise that could best complement the current Board. The Governance Committee also assesses any concerns relating to potential conflicts, independence, interlocking board memberships, or time commitment that the candidate may present. Before being put forward as a director nominee, a candidate must meet the Chair of the Governance Committee, the Chairman, and other Board members to discuss the Board's expectations in regards to contribution and commitment obligations.

Director Education and Training Program

The Governance Committee is responsible for ensuring the provision of continuing education programs for the Corporation's directors. The educational program includes presentations by internal and external experts on specific topics of interest and importance to the Board and each of its committees and on specialized or complex areas of the Corporation's business, to assist directors in carrying out their responsibilities. These presentations are in addition to regular reporting from senior management and other elements of the Corporation's continuing education program.

KEY PERFORMANCE HIGHLIGHTS IN 2023

The Board reviewed the Corporation's performance in 2023 and determined the NEOs' incentive payouts based on such performance:

- The Corporation's short-term incentive plan ("STIP") paid out at 130.0% of target for the NEOs (excluding individual performance components).
- The 2021 performance share units ("PSUs") that vested in 2024 had a payout factor at 185.7% of target for the NEOs.

EXECUTIVE COMPENSATION PHILOSOPHY

The Corporation's compensation philosophy guides every aspect of the Corporation's strategy, programs, policies and decisions on executive compensation. The Governance Committee reviews and approves the Corporation's compensation philosophy and programs for executive officers. The philosophy is set out below:

The Corporation believes that its compensation structure must be designed to attract, motivate and retain the best candidates for the challenging roles that the Corporation's executive officers fulfill. To this end, the Corporation strives for executive compensation programs that are competitive with market and industry practices to enable the Corporation to attract, motivate and retain executives with the talent and experience to ensure that the Corporation meets its strategic and operational objectives.

Pay for performance is a cornerstone of the Corporation's compensation philosophy. The compensation programs for all employees, including executives, are results oriented. The Corporation believes that a strong pay-for-performance focus should align compensation with the successful execution of business strategy, sustained long-term performance and shareholder interests. This objective is achieved through the design of the Corporation's STIP and long-term incentive plan ("LTIP"). In particular, the Corporation believes that granting PSUs to all executives provides a strong link between pay and performance.

Executive compensation should align with the long-term interests of shareholders. The Corporation believes its STIP and LTIP programs accomplish this objective. The Corporation's STIP is a balanced program comprised of different performance measures that focus executives on the key drivers of the business and value creation over both the short and long-term. The LTIP balances the use of (i) stock options, which align an executive's interest with the interests of shareholders in share price appreciation; (ii) restricted share units ("RSUs"), which serve as a key component in retaining executives and aligning their interests with those of shareholders; and (iii) PSUs, which focus executives on the delivery of key objectives set forth in the Corporation's strategic plan. The Corporation also expects executives to meet minimum share ownership requirements that apply to executives at the senior vice president level and higher to reinforce the alignment between executive compensation and long-term shareholder interests.

Executive compensation programs should have flexibility to be tailored to business objectives. The Corporation believes that its executive compensation programs should be flexible and adaptive to enterprise and divisional needs. The performance measures under the STIP program are designed to focus executives on driving performance across the Loblaw and SDM businesses and include a performance measure based on a customer satisfaction index to focus management on customer satisfaction.

The principles of good governance must underlie the Corporation's executive compensation programs. The programs are designed to promote responsible decision-making by rewarding senior executives for execution of business strategy without taking undue risks.

Governance Practices

The Governance Committee is committed to ensuring that the Corporation's approach to governance practices satisfies regulatory requirements and aligns with best practices. The Governance Committee is confident that the Corporation has strong and practical governance systems in place, including protocols for managing conflicts of interest. At the same time, the Governance Committee remains committed to the ongoing evaluation of its practices and monitoring emerging best practices to deliver value for shareholders and other stakeholders.

Respectfully submitted,

Governance Committee
William A. Downe (Chair)
Daniel Debow
M. Marianne Harris
Claudia Kotchka
Sarah Raiss

For additional information regarding each member of the Governance Committee, please see pages 9 to 15. For additional information regarding the activities of the Governance Committee, see the Corporation's Statement of Corporate Governance Practices on pages 31 to 47.

3 Statement of Corporate Governance Practices

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation's Board and management are dedicated to strong corporate governance practices designed to maintain high standards of oversight, accountability, integrity and ethics while promoting long-term growth and complying with the Canadian Securities Administrators' Corporate Governance Guidelines (the "Governance Guidelines"). The Corporation's strong governance practices are reflected in its approach and application of policies and practices, some of which are highlighted below:

GOVERNANCE			
Approach	***Reference***	***Application***	***Highlights***
Majority Voting Policy	*See page 8 for additional detail* *See Policy on: www.loblaw.ca/en/corporate-governance*	• Annual election of directors by Shareholders • Director who receives greater number of votes against than votes in favor must tender resignation • Governance Committee reviews resignation and makes recommendation to the Board	• At least 95% of total votes cast at the 2023 Annual Meeting of Shareholders were cast in favor of each of the directors
Independence Statement	*See pages 35 and 36 for additional detail*	• Majority of the Board to be comprised of independent directors	• 83% of director nominees are independent • 100% of Audit Committee members are independent • 100% of Governance Committee members are independent
Board Effectiveness	*See page 40 for additional detail*	• Ensure that the Board and its committees are functioning at optimal levels	• Annual assessment of the performance and effectiveness of the Board and its committees and Committee Chairs • Independent Lead Director in place to drive strong independent Board oversight
Share Ownership Policy	*See pages 16, 17 and 69 for additional detail*	• Aligns the interests of directors and executives with those of Shareholders • Applies to each director and executive at the SVP level and higher	• All directors and executives either satisfy the required level of share ownership or are in the process of accumulating the securities as required under the share ownership policy
Continuing Education	*See page 40 for additional detail*	• Ensure relevant continuing education sessions are provided to directors	• 17 continuing education sessions provided to a Committee or the Board in 2023
Director Tenure Guidelines	*See pages 7 and 29 for additional detail*	• Foster ongoing renewal of the Board's membership • Chairman and Governance Committee Chair assess each director's continued participation on the Board upon the director reaching the age of 75 and annually thereafter, or upon a change in the director's principal occupation	• 42% of director nominees have tenure of 0 to 5 years • 33% of director nominees have tenure of 5 to 10 years • 25% of director nominees have tenure exceeding 10 years • Average tenure of 6.8 years
Director Interlock Policy	*See page 8 for additional detail*	• Ensure that interlocking director relationships will not adversely affect independent judgement • Prohibited interlock occurs when more than two directors sit on the board of another public entity • Governance Committee reviews interlocking directors	• Zero prohibited interlocks among independent directors and among director nominees
Related Party Transactions	*See page 38 for additional detail*	• Oversight of related party transactions rests with the Audit Committee • The Board, through the Audit Committee or a special committee of independent directors, reviews and approves significant related party transactions	• Quarterly reports on related party transactions provided to the Audit Committee • Audit Committee oversaw significant related party transactions in 2023
Corporate Opportunities Principles	*See page 35 for additional detail*	• Framework established to facilitate decision-making process to deal with corporate opportunities which could be of interest to more than one entity in the Weston Group (as defined below)	• Annual review of strategic focus areas for each of the main businesses in the Weston Group • Annual review of corporate opportunity principles against entity strategies

GOVERNANCE (Continued)			
Approach	***Reference***	***Application***	***Highlights***
Advisory Vote on Executive Compensation (Say On Pay)	*See page 19 for additional detail*	• Provides Shareholders with an opportunity to cast advisory votes on the Corporation's approach to executive compensation	• 92.2% of votes cast at the 2023 Annual Meeting of Shareholders were cast in favour of the Corporation's approach to executive compensation
Executive Clawback Agreement	*See page 50 for additional detail*	• Deterrent to executives taking excessive risk	• Part of overall executive compensation program designed to align interests of the Shareholders with the Corporation
COMPLIANCE AND ETHICS			
Approach	***Reference***	***Application***	***Highlights***
Competition Law Compliance Program	*See page 24 for additional detail*	• Reflects the Corporation's ongoing commitment to a rigorous competition law compliance program, including controls, training programs and reporting processes	• Implemented automated competition law training program • Updated program in connection with 2023 competition law amendments
Code of Conduct	*See Code: www.loblaw.ca/en/corporate-governance*	• Reflects the Corporation's commitment to high standards of ethical conduct and business practices • Addresses conflicts of interest, compliance with laws, rules and regulations, confidentiality and fair dealing	• Annual review and approval of the Code • Annual acknowledgment by the Corporation's employees and directors of their commitment to abide by the Code
Compliance with Laws Policy	*Referenced within the Code: www.loblaw.ca/en/corporate-governance*	• Reflects the Corporation's commitment to compliance with all applicable laws and regulations and describes expectations of colleagues to ensure such compliance	• Approved by the Management Risk and Compliance Committee • Applies to all employees of the Corporation and its subsidiaries
Ethical Business Conduct	*See pages 42 and 43 for additional detail*	• Integrity Action Line – Toll-free number that any employee, director or supplier can use to report conduct thought to violate the Code • Anti-Fraud Policy - Fraud reporting protocols established to ensure fraud reporting to senior management • Accounting, Auditing and Internal Controls Procedures - outlines the procedures for receipt and treatment of complaints received in connection with accounting, internal controls, disclosure controls or auditing matters	• Quarterly review of integrity action line reports with the Audit Committee • Annual review of the Anti-Fraud Policy and the Accounting, Auditing and Internal Controls Procedures by the Audit Committee • Quarterly compliance reporting to the Risk and Compliance Committee
Disclosure Policy	*See page 46 for additional detail*	• The Disclosure Committee is responsible for the administration and implementation of the Disclosure Policy • Describes the processes and procedures of the Corporation in connection with the timely disclosure of material information • Provides direction and guidance on communications with external audiences • Establishes consistent guidance for determining what information is material and avoiding selective disclosure	• Quarterly review of disclosure documents, including the interim management's discussion and analysis, interim financial statements and news releases • Quarterly review and reporting on the application of non-GAAP measures • Annual review of the management proxy circular and annual information form • File all continuous disclosure documents within the required timelines, including earnings releases, annual and interim reports, annual information form and management proxy circular
Securities Trading Policy	*See page 51 for additional detail*	• Addresses trading restrictions for the Corporation's employees and others subject to the policy • Addresses procedures for the reporting of trades by the Corporation's reporting insiders	• Annual review and approval of the policy • Prohibits trading, directly or indirectly, in the securities of Weston, Loblaw or Choice Properties while in possession of material undisclosed information

ENVIRONMENTAL, SOCIAL AND GOVERNANCE			
Approach	***Reference***	***Application***	***Highlights***
Mandate of the Board of Directors	*See mandate on:* *www.loblaw.ca/en/corporate-governance*	• Oversight of approach, policies and practices related to ESG matters	• The Board receives periodic reports on ESG matters and approves ESG disclosures
Mandate of the Audit Committee	*See mandate on:* *www.loblaw.ca/en/corporate-governance*	• Reviews adequacy and effectiveness of controls related to ESG disclosures	• Audit Committee reviews the adequacy and effectiveness of controls relating to the Corporation's ESG disclosures and recommends such disclosures to the Board for approval
Mandate of the Risk and Compliance Committee	*See mandate on:* *www.loblaw.ca/en/corporate-governance*	• Oversight of ESG strategy, design and program	• Risk and Compliance Committee receives periodic reports on ESG initiatives and reviews and recommends the Corporation's ESG disclosures to the Board for approval
ESG Reporting	*See reports on:* *www.loblaw.ca/en/responsibility*	• ESG Steering Committee, comprised of executives, guide the ESG programs and related strategies, activities, priorities, internal measurement and reporting, and external disclosure frameworks	• Release of 2022 ESG Report • Early Release of 2023 Priority ESG Disclosures
Human Rights	*See statement on:* *www.loblaw.ca/en/responsibility* *www.loblaw.ca/en/human-rights*	• Outlines the Corporation's commitment to respect and protect the human rights of all people who support and intersect with the Corporation's business	• In 2023, the Corporation commenced a Human Rights Impact Assessment related to broccoli and cauliflower • Oversaw the completion of a risk assessment and the advancement of the Corporation's anti-bribery and corruption program

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (Continued)			
Approach	***Reference***	***Application***	***Highlights***
Board Diversity Policy	*See pages 41 and 42 for additional detail*	• 40% target for female representation of people who identify as women on the Board • Target that 25% of Board's composition be comprised of people who identify as visible minorities by the end of the end of 2024 • Consideration of age, ethnicity, gender, diverse backgrounds • Annual self-identification of designated group membership	• 42% of director nominees identify as women • 17% of director nominees identify as visible minorities • Annual assessment of Board composition
Diversity, Equity and Inclusion Programs	*See pages 41 and 42 for additional detail*	• The Corporation is committed to a more representative workforce at leadership levels and creating a culture of empathy and inclusion • Target that by the end of 2024, 40% of Vice President or higher positions be held by people who identify as women and 25% of such positions be held by people who identify as visible minorities • Target that by the end of 2024, 43% of management positions be held by people who identify as women and 30% of such positions be held by people who identify as visible minorities • Drives the Corporation's diversity priorities by creating resource groups, generating awareness and implementing activities that embed diversity principles into the culture of the organization • Diversity driven mentoring and recruiting practices and talent development strategies • Consider diversity at the talent development and succession planning process at various senior levels • Annual self-identification on designated group membership	• 39% of Vice President or higher positions were held by people who identify as women and 28% of such positions were held by people who identify as visible minorities • 46% of management positions were held by people who identify as women and 32% of such positions were held by people who identify as visible minorities • Advancing diversity, equity and inclusion through an inclusion council and a network of diversity, equity and inclusion committees, and within the Corporation's communities through strategic partnerships • Training sessions held on anti-discrimination, sexual harassment, accessibility and accommodation, inclusive customer service, and inclusive leadership
ENTERPRISE RISK MANAGEMENT			
Approach	***Reference***	***Application***	***Highlights***
Mandate of the Risk and Compliance Committee	*See pages 23 and 39 for additional detail on the Board and Risk and Compliance Committee's oversight of the Corporation's ERM program*	• Risk and Compliance Committee assists the Board in its oversight of ERM policies and procedures to ensure that relevant risks are identified and mitigation plans are put into place • Risk and Compliance Committee oversees risks related to information technology and systems	• Annual review of Corporation's ERM Plan, risk rankings and Risk Appetite Statement • Oversees monitoring and mitigation of risks including information security and food safety • Management delivers regular reports on key risks and related mitigation to the Risk and Compliance Committee

Board Responsibilities and Duties

The Board is responsible for the overall stewardship and governance of the Corporation. It oversees the management of the business and affairs of the Corporation, both directly and through its committees. In addition, the Board has the following responsibilities and duties:

Strategic Oversight

The Board oversees the development, execution and fulfillment of the Corporation's strategic plans and assigns responsibility to management for achievement of that strategy. As part of its responsibility for overseeing the strategic direction of the Corporation, the Board reviews and approves:

- management's strategic plans;
- material capital expenditures, acquisitions, divestitures and restructurings; and
- investments outside the ordinary course of business.

In overseeing the strategic planning of the Corporation, the Board has a high level of engagement with management. In addition to annual multi-day meetings dedicated to strategic planning, the Board regularly receives updates from management on the Corporation's progress in achieving its strategic plans. At each meeting, the Board monitors the Corporation's performance against both short-term and long-term strategic plans and annual operating objectives.

Oversight of Management

Although the Board delegates to management the responsibility for managing the day-to-day affairs of the Corporation, the Board reviews management's performance and effectiveness on an ongoing basis. The Board's expectations of management are communicated to management directly and through committees of the Board. The Board approves the Corporation's business and operating plans and budgets, which take into account the opportunities and risks of the business. The Board also regularly receives reports on the operating and financial results of the Corporation and on other matters such as ESG-related matters, pensions, tax, food, pharmacy and healthcare, workplace safety, technology and security, treasury and legal matters.

Enterprise Risk Management

The Board has oversight responsibility for ERM activities associated with the Corporation's businesses. In order to identify and address any material risks, the Board undertakes an annual assessment of the Corporation's ERM structure. The annual ERM assessment is carried out through interviews, surveys, and facilitated workshops between management and the Board. Risks are identified and then assessed and evaluated based on the Corporation's vulnerability to the risk and the potential impact that the underlying risks would have on the Corporation's ability to execute its strategies and achieve its objectives. To assist with the ERM process, the Corporation has adopted a risk appetite statement that takes into consideration important aspects of the Corporation's businesses, values and brands. The risk appetite framework articulates key aspects of the Corporation's business, values and brands and provides directional guidance on risk taking. The types of risks the Corporation is exposed to include: strategic; financial; operational; cyber-security; regulatory; human capital; and reputational risks. Management provides periodic updates to the applicable committees of the Board on the status of the key risks including any anticipated near and longer term impacts and significant changes in key risk indicators. In addition, long-term (three to five year) risk levels are assessed to assist in risk mitigation planning activities. Accountability for oversight of each risk is allocated by the Board either to the full Board or to a committee of the Board. For more information on the Corporation's ERM program and the types of risks the Corporation is exposed to, refer to the Corporation's 2023 Annual Report and the Annual Information Form for the year ended December 30, 2023, which are available on SEDAR+ at www.sedarplus.ca.

Internal Controls and Financial Reporting

The Board is responsible for overseeing the Corporation's financial reporting and disclosure obligations to ensure compliance with applicable audit, accounting, regulatory and reporting requirements. The Board, through the Audit Committee, assesses and evaluates the integrity and effectiveness of the Corporation's internal controls over financial reporting and information systems.

Talent Management and Succession Planning

The Board, with support from the Governance Committee, oversees the Corporation's talent management and succession planning for senior executive roles. The Governance Committee receives reports on the development of senior executives and on the talent management plans across the organization and reports on performance evaluation processes, which are designed to improve individual leadership and management skills. The succession planning process includes an annual review of each senior executive position and the performance of the incumbents to ensure the Corporation has a pipeline of talented leaders.

Governance Matters

The Board is responsible for developing and monitoring the Corporation's approach to corporate governance. The Board, through the Audit and Governance Committees, closely monitors any potential conflicts of interest between the Corporation and its affiliates and related parties, including Weston, Wittington (the controlling shareholder of Weston) and Choice Properties, and, through the Audit Committee or a special committee of independent directors, reviews and approves any significant related party transactions. The Audit Committee ensures that a robust process is followed in reviewing and approving related party transactions. Individual directors, with the approval of the Independent Lead Director, may also retain an outside advisor at the expense of the Corporation with regards to related party transactions.

The Corporation, Weston, and Choice Properties are part of a common control group (the "Weston Group"). Although the entities making up the Weston Group each have their own strategies and, for the most part, focus on different businesses, the entities acknowledge that from time to time new corporate opportunities may arise that potentially could be of interest to more than one entity of the Weston Group. Accordingly, the entities making up the Weston Group have adopted Corporate Opportunities Principles that facilitate the decision making process to deal with any such opportunities in a manner that is consistent with good governance, taking into account existing businesses and other considerations.

A copy of the Board's mandate is attached as Schedule A to this Circular.

Board Leadership Structure

Mr. Weston serves as Chairman of the Corporation. As Chairman, Mr. Weston is responsible for the management, development and effective performance of the Board, and for providing leadership to the directors in carrying out their collective responsibilities to provide a Board oversight role regarding the management of the business and affairs of the Corporation. Recognizing the importance of strong independent board oversight, the Board has re-appointed an independent director, Mr. William A. Downe, to serve as Independent Lead Director. The Board's view on the effective role of an independent lead director has also been endorsed by leading corporate governance organizations.

The Board maintains a position description for the Chairman that is reviewed annually and approved by the Governance Committee. The Board also maintains a position description for the Independent Lead Director. The following is a description of the roles of the Chairman and Independent Lead Director:

Chairman
Galen G. Weston

- Directs the operations of the Board
- Chairs each meeting of the Board
- Responsible for the management and effective functioning of the Board
- Provides leadership to the Board on all matters
- Ensures that the Board has all the information it needs to discuss the matters brought before the Board
- Ensures that all of the Board's responsibilities, as set out in the Board mandate, are being fulfilled
- Monitors the reports from the committees of the Board to ensure the committees are fulfilling the responsibilities delegated to them by the Board
- Chairs meetings of shareholders and facilitates the response by management to shareholder concerns
- Ensures that strategic plans are communicated to and evaluated by the Board

Independent Lead Director
William A. Downe

- Provides leadership to the Board and particularly to the independent directors
- Ensures that the Board operates independently of management and that directors have an independent leadership contact
- Chairs meetings when the Chairman is absent and chairs meetings of the independent directors following each Board meeting and on other occasions, as required or desirable
- Regularly meets with the Chairman and serves as liaison between the Chairman and the independent directors
- Works with the Chairman on appropriate agenda items
- Oversees the Board's self-assessment and evaluation of its leadership structure
- Meets periodically with the other independent directors to obtain insight as to areas where the Board and its committees can operate more effectively and to ensure that the Board is able to discharge its responsibilities independently of management

Director Independence

The mandate of the Board provides that the Board shall be comprised of a majority of independent directors. The independence of each director is assessed by the Governance Committee with reference to the Governance Guidelines and the requirements set by the Canadian Securities Administrators in National Instrument 52-110 – *Audit Committees*. In determining independence, the Governance Committee determines whether a director has any material relationship with the Corporation or its affiliated entities that could reasonably be expected to interfere with the exercise of such director's independent judgment. Directors who have a material relationship with the Corporation, including management directors, are not considered independent. This determination is conducted through a due diligence process that includes reviewing the following:

- each director's responses to a detailed annual questionnaire about their individual circumstances;
- biographical information;
- internal records and documents on relationships between a director and any entity affiliated with the director on the one hand, and the Corporation and its affiliated entities, on the other hand; and
- discussions with the director as may be required.

When assessing materiality, the Governance Committee considers all relevant factors and circumstances including transactions between the Corporation and the director directly, immediate family members of the director, and organizations with which the director is affiliated, and the frequency and dollar amounts associated with any such transactions. The Governance Committee has reviewed each existing and proposed director's factual circumstances and relationships with the Corporation to determine whether the director is independent within the meaning of the Governance Guidelines. The Governance Committee determined that 10 of the 12 director nominees are independent. The Governance Committee reviews its findings with the Board.

The table below describes whether each director nominee is independent or non-independent and, in the case where certain director nominees are of non-independent status, the reason for such status is provided. Mr. Cornell Wright, President of Wittington, the controlling shareholder of Weston, and Mr. Galen G. Weston, the Chairman of the Corporation and Chairman and Chief Executive Officer of Weston and Chairman of Wittington, the controlling shareholder of Weston, were determined not to be independent because they have a material relationship with the Corporation.

Status of Director Nominees

Name	Status	Reason for Non-Independent Status, if applicable
Scott B. Bonham	Independent	
Shelley G. Broader	Independent	
Christie J.B. Clark	Independent	
Daniel Debow	Independent	
William A. Downe	Independent	
Janice Fukakusa	Independent	
M. Marianne Harris	Independent	
Kevin Holt	Independent	
Claudia Kotchka	Independent	
Sarah Raiss	Independent	
Galen G. Weston	Non-Independent	Chairman of the Corporation, Chairman and CEO of Weston, and Chairman of Wittington, the controlling shareholder of Weston
Cornell Wright	Non-Independent	President of Wittington, the controlling shareholder of Weston

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management of the Corporation. The Chair of the Board and of each committee meet separately with the Board or committee members after each meeting without other members of management present. The independent directors meet separately and meet without the non-independent directors or management's presence after each Board meeting. Additional information relating to the directors standing for election, including other public company boards on which they serve as well as their attendance record for all Board and committee meetings during fiscal 2023, can be found on pages 9 to 15 of this Circular.

Independent Lead Director

The Board is confident that the current leadership structure ensures the appropriate level of oversight, independence and responsibility is applied to Board decisions. The Board is of the view that having an Independent Lead Director who is independent ensures that any potential conflicts of interest between the Corporation and the controlling shareholder are addressed. The Chair of the Governance Committee serves as the Independent Lead Director. The Independent Lead Director's role is to ensure that the interests of the Corporation and of the minority shareholders and other relevant stakeholders are protected and that the Board is following good governance processes and prioritizing the right matters. The Independent Lead Director has the responsibilities set out above under "Board Leadership Structure".

Board Committees

The Board has four standing committees:

- Audit Committee;
- Governance Committee;
- Pension Committee; and
- Risk and Compliance Committee

The Chair of each committee reports to the Board on material issues discussed and the actions taken at each committee meeting.

Position Descriptions for the Chair of each Committee

The Chair of each committee is responsible for the leadership and effective functioning of the committee. Specifically, the Chair is responsible for the following: maintaining a productive and effective relationship between the committee and management of the Corporation; holding management accountable for matters delegated to the committee by the Board; ensuring the proper flow of information from the committee to the Board regarding the matters discussed and decisions taken at each committee meeting; reviewing the agenda for each meeting of the committee to ensure that all appropriate matters are brought forward for discussion; ensuring that the committee meets as frequently as is necessary to fulfill its mandate; and ensuring, with the assistance of management, that all proper materials and information are brought before the committee in connection with matters to be discussed at each meeting.

Committee Membership

At least once a year, the Governance Committee reviews the composition and chair of each committee and tables its recommendations to the Board for approval. All committees may engage outside advisors or consultants as necessary and have the authority to approve fees for any such engagements.

With the exception of the Risk and Compliance Committee, on which Cornell Wright serves as a member, all committees are comprised solely of independent directors.

Committee Responsibilities

Each committee has a formal mandate and a position description for its Chair, both of which are established by the Board. On an annual basis, each committee reviews its mandate and the position description for its Chair to ensure they reflect best practices and address applicable regulatory and other requirements. The results of those reviews are presented to the Board for approval. Copies of the committees' mandates are available on the Corporation's website at www.loblaw.ca.

The following is a summary of the responsibilities of each committee:

1. ***Audit Committee***

The Audit Committee reviews with management and the external auditor the Corporation's annual and interim consolidated financial statements, Management's Discussion and Analysis, Annual Information Form and other matters relating to the Corporation's financial disclosure. The Audit Committee also assesses and evaluates the integrity of the Corporation's internal controls over financial reporting and information systems. In addition, the Audit Committee is responsible for:

- recommending the appointment of the external auditor;
- reviewing and approving the annual audit plan for the external auditor;
- reviewing the independence of the external auditor;
- considering and evaluating with management the design and effectiveness of internal controls over financial reporting and financial disclosure controls and reviewing any proposed corrective actions;
- overseeing procedures for the receipt, retention and follow-up of complaints regarding the Corporation's accounting, internal controls and auditing matters and for the confidential anonymous submission by employees of concerns regarding such matters;
- reviewing and approving internal audit's annual plan and receiving regular reports thereon;
- reviewing and approving the audit fees paid to the external auditor and pre-approval of non-audit related fees to the external auditor;
- assessing the performance of the Corporation's internal audit function;
- reviewing significant related party transactions not dealt with by a special committee of independent directors of the Board; and
- reviewing the Corporation's ESG disclosures and the adequacy and effectiveness of controls relating to such disclosure.

The Audit Committee, whose current members are Christie J.B. Clark (Chair), Scott B. Bonham, Shelley G. Broader, Janice Fukakusa, M. Marianne Harris and Kevin Holt, had five meetings in 2023. Further information relating to the Audit Committee's accomplishments in 2023 is set out in the "Audit Committee Report to Shareholders" on pages 20 to 22.

2. ***Governance Committee***

The Governance Committee oversees succession planning and compensation for directors and senior management. The Governance Committee's specific responsibilities include:

- developing criteria and qualifications for selecting director candidates and identifying and recommending candidates for membership on the Board;
- evaluating the independence of directors and assessing their performance on an ongoing basis;
- assessing and reporting to the Board on its performance and effectiveness and that of its committees;
- assisting in the directors' orientation program;
- ensuring that the Corporation provides appropriate continuing education opportunities for the Corporation's directors;
- shaping the Corporation's approach to corporate governance and recommending to the Board the corporate governance principles to be followed by the Corporation;
- assisting the Board in discharging its responsibilities relating to compensation and succession planning processes for the Corporation's senior executives; and
- reviewing and determining the design of the compensation of directors and executive officers.

The Governance Committee, whose current members are William A. Downe (Chair), Daniel Debow, M. Marianne Harris, Claudia Kotchka and Sarah Raiss, had four meetings in 2023. Further information relating to the Governance Committee's accomplishments in 2023 is set out in the "Governance Committee Report to Shareholders" on pages 27 to 30.

3. ***Pension Committee***

The Pension Committee assists the Board in overseeing the administration and governance of the Corporation's pension plans, benefit plans and other post/retirement arrangements in order to meet applicable legal and fiduciary obligations. Additionally, the Pension Committee is responsible for:

- reviewing the performance of the Corporation's and its subsidiaries' pension plans and pension funds;
- reviewing and recommending managers for the funds' portfolios;
- reviewing the performance of pension fund managers;

- reviewing and approving the assumptions used, the funded status and amendments to the Corporation's and its subsidiaries' pension plans;
- reviewing the management and administration of the Corporation's pension plans, capital accumulation plans, and retiree health and welfare benefit plans;
- reviewing and setting the investment objectives of the Corporation and approving the Statement of Investment Policies and Procedures;
- overseeing management's monitoring, timely identification and mitigation of material risks associated with the administration and investment activities of the plans, and reporting and providing recommendations to the Board in relation to such risks; and
- managing the retention and oversight of all third parties retained for the Corporation's pensions plans, including trustees, actuaries and investment managers.

The Pension Committee, whose current members are Sarah Raiss (Chair), Christie J.B. Clark and M. Marianne Harris, had four meetings in 2023. Further information relating to the Pension Committee's accomplishments in 2023 is set out in the "Pension Committee Report to Shareholders" on page 26.

4. ***Risk and Compliance Committee***

The Risk and Compliance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to the Corporation's compliance with legal and regulatory requirements; food safety and product safety matters, including safe preparation and handling standards; pharmacy and pharmaceutical matters; and environmental, health, safety and wellness matters. Although the Board oversees the Corporation's ERM program, it delegates the oversight of certain risks to the Risk and Compliance Committee. The Risk and Compliance Committee reviews the design and structure of the Corporation's ERM program and monitors and assesses its effectiveness. The Risk and Compliance Committee reviews and recommends to the Board for approval the Corporation's ERM policy and risk appetite statement. In addition, while the Board is responsible for overseeing the Corporation's approach, policies and practices related to ESG matters, it has delegated responsibility to the Risk and Compliance Committee for reviewing management's reporting on specific ESG programs and initiatives.

The Risk and Compliance Committee's specific responsibilities include:

- overseeing the Corporation's approach to legal and regulatory compliance matters and receiving reports from the Vice President, Compliance & Ethics;
- reviewing and monitoring the Corporation's policies relating to ethics;
- receiving and reviewing reports from management on various key risks affecting the Corporation and how they are being managed;
- reviewing regular reports by management relating to information technology and the Corporation's information technology systems, including cyber-security;
- overseeing the risks associated with the Corporation's pharmacy operations;
- reviewing actions taken by management with respect to food safety programs to address safe manufacturing, handling and preparation standards and receiving timely reports on any major incidents or violation of the Corporation's policies and any food safety issues;
- reviewing actions taken by management with respect to environmental and occupational health and safety matters; and
- overseeing the Corporation's ESG strategy, design and program and reviewing reporting on the Corporation's ESG programs.

The Risk and Compliance Committee, whose current members are Janice Fukakusa (Chair), Scott B. Bonham, Shelley G. Broader, Christie J.B. Clark, Daniel Debow, Claudia Kotchka, Cornell Wright and Kevin Holt had four meetings in 2023. Further information relating to the Risk and Compliance Committee's accomplishments in 2023 is set out in the "Risk and Compliance Committee Report to Shareholders" on pages 23 to 25.

New Director Orientation

The Governance Committee is responsible for the orientation of new directors and their education about the business of the Corporation. When a new director is elected, the Governance Committee coordinates an in-depth orientation session for all new directors, which is attended by the Chairman, the President and Chief Executive Officer and other senior executives of key operating divisions and includes:

- a review of the Corporation's business strategy, financial information and governance processes;
- historical information on the Corporation;
- store and facility visits; and
- one-on-one meetings with the heads of each of the Corporation's principal business divisions.

In addition, new directors are provided with a reference manual in advance of the orientation session describing the Corporation's operations, strategy and business plan, the structure and role of the Board and its committees, the Board's mandate, compliance requirements for directors and corporate policies, as well as agendas and minutes for recent Board and committee meetings.

Director Continuing Education

The Governance Committee is also responsible for the continuing education of the Corporation's directors. On an ongoing basis, as part of regular Board and committee meetings, directors are given presentations on various aspects of the Corporation's operations, take part in site visits to the Corporation's facilities and receive reports from management.

In 2023, the Board and its committees received targeted training on the following topics as part of the Corporation's director continuing education program:

Educational Sessions	Date	Participants
Technology Risk Update - Quantum Computing	February 21, 2023	Risk and Compliance Committee
Privacy Update - Data Sharing and Privacy Law Changes	February 21, 2023	Risk and Compliance Committee
ESG Secondary Market Liability	February 22, 2023	Audit Committee
Expanded Scope of Pharmacy Practice	February 22, 2023	Board
Labour Market Update	May 1, 2023	Governance Committee
Legislative Updates	July 24, 2023	Governance Committee
Grocery Industry Update	July 25, 2023	Board
Artificial Intelligence	July 25, 2023	Board
The Future of Retail	August 16, 2023	Board
Customer Excellence Initiatives	October 11, 2023	Board
Technology Risk Update - Artificial Intelligence	November 13, 2023	Risk and Compliance Committee
Human Rights Initiatives and Assessments	November 13, 2023	Risk and Compliance Committee
Grocery Industry Update	November 13, 2023	Risk and Compliance Committee
Executive Compensation - Developments and Trends	November 13, 2023	Governance Committee
Review of Continuous Disclosure Obligations	November 14, 2023	Audit Committee
ESG Integrated Reporting, Controls and Assurance	November 14, 2023	Audit Committee
Fighting Climate Change – Scope 3 Emissions	November 14, 2023	Board

Assessment of the Board and its Committees

Each year, the Governance Committee undertakes a review process to assess the performance and effectiveness of the Board and its committees. The results of the review are considered by the Governance Committee and then presented to the full Board by the Independent Lead Director. In 2023, the Independent Lead Director assessed the performance and effectiveness of the Board and its committees through written questionnaires, supplemented by one-on-one interviews with each of the directors, that included obtaining peer feedback and evaluating committee and Board performance. In early 2024, the Governance Committee engaged an external advisor to conduct a further assessment of the performance and effectiveness of the Board and its committees, which includes the completion of the self-evaluation questionnaire and one-on-one interviews with the advisor. The assessment is expected to be completed in the first quarter of 2024, with results being shared with the Board at its next meeting in May 2024.

Each year, the Governance Committee reviews committee composition, recommends committee Chairs and makes recommendations to the Board for approval.

In addition to the assessment that the Governance Committee performs in connection with compensation matters, each year the Governance Committee assesses, with the participation of the entire Board, the performance of the Chairman, the President and Chief Executive Officer and other senior executives. The Independent Lead Director also routinely meets with each of the directors who may provide suggestions on the performance and effectiveness of the Board and its committees.

Nomination of Directors

The Governance Committee is responsible for the process of identifying prospective director nominees. The Governance Committee reviews the relevant experience, skills and competencies of nominees. It also recommends the appointment of directors to the various committees.

The Governance Committee meets on an annual basis, or when required, to assess the appropriate size of the Board and whether any vacancies are expected due to retirement in accordance with the director tenure guidelines or otherwise. As part of this assessment, the Governance Committee reviews an evergreen list of potential candidates, as well as the skills matrix of current Board members to determine criteria and qualifications to be considered when recruiting new director nominees. The members of the Board are canvassed with respect to potential candidates and each candidate is evaluated with respect to their experience and expertise, with particular attention paid to those areas of expertise that could best complement the current Board. As part of this evaluation process, the Board is mindful of diversity considerations in terms of thought, experiences, perspectives, gender and ethnicity, and recognizes the benefits of promoting diverse candidates to the Board. The Corporation has a target that people who identify as women comprise at least 40% of the Board's directors and that by the end of 2024, people who identify as visible minorities comprise at least 25% of the Board's directors. The Governance Committee also assesses any concerns relating to potential conflicts, independence, interlocking board memberships, or time commitment that the candidate may present. The Chairman, the Chair of the Governance Committee, as well as other members of the Governance Committee, meet with the potential candidates to determine their interest, availability and suitability. The Governance Committee then presents its list of potential candidates and recommendations to the Board. A continuous list of potential candidates is maintained by the Governance Committee.

Before being put forward as a director nominee, candidates must meet the Chair of the Governance Committee, the Chairman and other Board members to discuss the Board's expectations in regards to contribution and commitment obligations.

Diversity and Inclusion - Board and Management

The Corporation values diversity of views, thought, experience, skill sets, gender and ethnicity and supports the identification and nomination of diverse directors and candidates for senior management positions. Diversity is an important factor that is taken into account in identifying and selecting Board members and in considering the hiring, promotion and appointment of senior management. The Board believes that diversity is important to ensure that directors and senior management provide a wide range of thoughts, perspectives, experience and expertise required to achieve effective stewardship of the Corporation.

The Corporation adopted a written board diversity policy. The board diversity policy sets out guidelines for the Governance Committee to find the best qualified candidates for Board positions given the needs and circumstances of the Board and the Corporation, taking into account the current representation of diverse groups on the Board. The board diversity policy provides that when identifying suitable candidates for appointment to the Board, the Governance Committee must consider candidates on merit using objective criteria with due regard to the benefits of diversity and the needs of the Board and the Corporation. The board diversity policy states that, among other qualities, a nominee's gender, age, ethnicity, disabilities and geographic background may be considered in their assessment. The board diversity policy also requires that the Governance Committee measure and report to the Board annually with respect to the Corporation's progress in identifying and considering diverse candidates for appointment to the Board. To measure the effectiveness of the policy, the Governance Committee reviews: (i) the number of candidates representing various diversity categories considered or brought forward for Board positions; and (ii) the skills, knowledge, experience and character of candidates representing various diversity categories, to ensure that these candidates are being fairly considered relative to other candidates. The results of the Governance Committee's review are taken into account when identifying and nominating candidates for election or re-election to the Board. The Corporation's approach in circumstances where diverse candidates are not selected for Board positions is to satisfy itself that there are justifiable reasons to support the selection.

The board diversity policy includes a target that people who identify as women comprise at least 40% of the Board's directors and people who identify as visible minorities comprise at least 25% of the Board's directors by the end of 2024. The board diversity policy does not currently specifically address, or include formal targets for, board representation of Indigenous peoples (being Indian, Inuit, Métis) or persons with disabilities* (together with women and visible minorities, the "designated groups" as defined under Article 3 of the *Employment Equity Act* (Canada)), as diversity is already an important factor that is considered in the director identification process, and ultimately it is the skills, experience, expertise, character and behavioral qualities of an individual that are most important in determining the value that an individual could bring to the Board. The Corporation will continue to monitor its level of board diversity and consider whether it would be appropriate to include specific reference to, or formal targets for, the representation of certain other diversity categories, including the designated groups, in the future.

The Corporation is committed to an inclusive and diverse workplace and recognizes that diversity is an important consideration in creating and maintaining an effective management team. The Corporation has a robust Diversity and Inclusion Framework that is put into practice with the involvement of hundreds of colleagues across the organization, including senior leaders. The Framework drives the Corporation's diversity priorities by creating resource groups, generating awareness and implementing activities that embed diversity principles into the culture of the organization at the deepest levels. A number of talent initiatives support the Corporation's diversity and inclusion activities, including diversity driven mentoring and recruiting practices and talent development strategies that ensure diversity is considered in the Corporation's talent development and succession planning process at various seniority levels, including at the management level. These programs were established to ensure that the Corporation's rich and diverse talent pool is supported and provided opportunities to grow their careers to the highest levels within the organization.

The Corporation has set formal targets that, by the end of 2024, (i) at least 40% of positions at the vice-president level or higher will be held by people who identify as women and at least 25% of such positions will be held by people who identify as visible minorities and (ii) at least 43% of other management positions (Senior Director, Director, Senior Manager, Manager, Store Manager, Assistant Store Manager and Distribution Centre Management) will be held by women and at least 30% of such positions will be held by people who identify as visible minorities. The Corporation has not adopted targets in respect of other designated groups, as diversity is already an important factor that is considered in hiring and promoting management, and ultimately it is the skills, experience, expertise, character and behavioral qualities of an individual that are most important in determining the value that an individual could bring to the Corporation as a member of management. The Corporation will continue to monitor its level of diversity in management and consider whether it would be appropriate to adopt formal targets for the representation of certain other diversity categories, including the designated groups, in the future. The Corporation's approach in circumstances where diverse candidates are not selected for management positions is to satisfy itself that there are justifiable reasons to support the selection.

* *"Persons with disabilities" means persons who have a long term or recurring physical, mental, sensory, psychiatric or learning impairment and who: (i) consider themselves to be disadvantaged in employment by reason of that impairment; or (ii) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment. This definition also includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.*

Diversity Survey Results

In early 2024, the Corporation surveyed the Board and management to determine the number and proportion of individuals that self-identified as belonging to one or more of the designated groups. Participation in the survey was voluntary and, as such, the results represent only those individuals who elected to participate and may not be entirely representative of the designated groups at the Board or management level.

For purposes of the survey, the Board population is comprised of the 12 director nominees, the Corporation's executive management population is comprised of vice-president level positions and higher, and the Corporation's management population is comprised of Senior Director, Director, Senior Manager, Manager, Store Manager, Assistant Store Manager and Distribution Centre Management positions. The table below sets forth the number of individuals in each Board or management-level population, the numbers and percentages of individuals identifying with each designated group, the Corporation's related targets, as applicable, and progress toward those targets.

Designated Group	Board or Management Level	Group Size	Number	Percentage	Target	Target Met
Individuals who identify as women	Director nominees	12	5	42%	40%	Yes
	Executive Management	194	75	39%	40%	In progress (1)
	Management	6,455	2,988	46%	43%	Yes
Individuals who identify as visible minorities	Director nominees	12	2	17%	25%	In progress (1)
	Executive Management	194	55	28%	25%	Yes
	Management	6,455	2,072	32%	30%	Yes (1)
Individuals who identify as Indigenous peoples	Director nominees	12	—	—%	n/a	n/a
	Executive Management	194	3	2%	n/a	n/a
	Management	6,455	45	1%	n/a	n/a
Individuals who identify as persons with disabilities	Director nominees	12	1	8%	n/a	n/a
	Executive Management	194	5	3%	n/a	n/a
	Management	6,455	56	1%	n/a	n/a

(1) Timeline to achieve the target is the end of 2024.

The Corporation is committed to ensuring that it attracts and retains the most highly qualified and experienced directors and management and recognizes that diversity is an important consideration in creating and maintaining an effective Board and management team.

CORPORATE GOVERNANCE MATTERS

Ethical Business Conduct

The Corporation's Code of Conduct reflects its commitment to high standards of ethical conduct and business practices. The Board annually reviews the Code to ensure it is current and reflects best practices in ethical business conduct and integrity and includes a strong "tone from the top" message. The Code addresses, among other things, conflicts of interest, compliance issues including compliance with laws, rules and regulations, confidentiality and fair dealing with the Corporation's shareholders, customers and suppliers and reporting of illegal or unethical behavior. All directors, officers and employees of the Corporation are required to comply with the Code and must acknowledge their commitment to abide by the Code on a periodic basis. The Audit Committee receives periodic reports on compliance. The Governance Committee also receives periodic reports from management discussing various policies and procedures that support this important area. Material issues under the Code are brought to the attention of the Audit Committee and, if appropriate, to the Board. A copy of the Code is available on the Corporation's website at www.loblaw.ca.

Senior management oversees the implementation of the Code, the education of employees regarding the Code and all material breaches. Senior management also reviews the Code annually to determine if it requires revision or enhancement, and if so, such revisions are reviewed with the Board.

The Code also deals with conflicts of interest. If an officer or employee has a conflict of interest with respect to any matter, that individual is required to bring the conflict to the attention of their manager or the Human Resources Department. If a director has a conflict of interest with respect to any matter, the director may not participate in any discussion and is required to abstain from voting on it. The Code also addresses such matters as the protection of confidential information and the protection and proper use of the Corporation's assets to ensure cyber and information security.

The Corporation encourages the reporting of violations and potential violations of the Code and has established an Integrity Action Line (i.e. a "whistle-blower" program), accessible online and by toll-free phone number, which any employee or director may use to report conduct that they feel violates the Code or otherwise constitutes fraud or unethical conduct. The Integrity Action Line also extends to the Corporation's supplier network, encouraging the reporting of unethical practices, suspicious behaviour and suspected non-compliance with the Corporation's policies and procedures. A fraud reporting protocol also ensures that fraud is reported to senior management in a timely manner. In addition, the Audit Committee has endorsed procedures for the anonymous receipt, retention and handling of complaints regarding accounting, internal controls and auditing matters. Reports are received periodically by the Audit Committee regarding any concerns reported through any of these procedures. These procedures are available at www.loblaw.ca. Senior management reports regularly to the Audit Committee regarding complaints received through the whistleblower procedures so that the Audit Committee can ensure that any complaints are handled appropriately.

The Corporation has a Supplier Code of Conduct that sets out the Corporation's expectations of its supplier community with respect to ethical conduct and social responsibilities. The Supplier Code of Conduct deals with such matters as labour practices, environmental practices and compliance with applicable laws.

The Corporation also has a corporate ethics framework. This framework, internally referred to as the 'How to Make Good Decisions Framework', is intended to guide the creation of common ethical values across the Corporation, with the goal of having an enterprise-wide mechanism to assist colleagues in making good decisions and prompting them to report unwanted behaviour. In conjunction with the creation of the ethics framework, the Corporation developed ethics objectives, which focus on communicating ethical values to colleagues and developing educational tools to assist colleagues in day-to-day ethical decision-making.

Environmental, Social and Governance

The Corporation strives to be a trusted brand and recognizes the important role it plays in bringing about positive environmental and social change and demonstrating robust corporate governance practices. As a multi-generational, family-owned company, as well as the largest retailer and private-sector employer in Canada, Loblaw is uniquely positioned to make an impact on the issues that matter most to Canadians. This perspective has been fundamental to Loblaw's purpose-led approach to addressing ESG issues, with a focus on two priorities where the Corporation can have the biggest impact: Fighting Climate Change and Advancing Social Equity.

Fighting Climate Change

Loblaw has been an industry leader on environmental action for decades and is extending this focus with an emphasis on further reducing green-house gas (GHG) emissions and eliminating waste from the business. The Corporation is committed to:

- Achieving net-zero Scope 1 and Scope 2 GHG emissions for its enterprise operating footprint(1) by 2040, and net zero Scope 3 emissions by 2050;
- Adopting a science-based approach to reducing emissions across its enterprise operating footprint(1) by 50% by 2030 from a 2020 baseline;
- Operating a zero emissions fleet(2) by 2030;
- Reducing plastic waste by making all plastic packaging for all control brand products recyclable or reusable and implementing the Consumer Goods Forum's Golden Design Rules for these products and in-store packaging by 2025; and
- Sending zero food waste to landfill by 2030, and by the end of 2023, achieving measurable food waste reductions in every store.

(1) Includes franchise and associate-owned operations.
(2) Short-haul outbound corporately owned and operated fleet only.

In 2023, Loblaw:

- Achieved a cumulative 11% reduction in its GHG scope 1 and scope 2 emissions relative to its 2020 baseline;
- Disclosed details on its ambitious plan to achieve net-zero carbon emissions by 2050 including a new commitment to engage top vendors to set carbon targets aligned with the Science Based Targets initiative ("SBTi");
- Achieved 64% compliance to the Golden Design Rules for its control brand and in-store plastic packaging with a clear plan to reach our target of 100% by 2025; and
- 100% of corporate retail stores actively donated to food recovery agencies resulting in 16,992 metric tonnes of food donated to food banks (a 155% increase over prior year) with another 61,795 metric tonnes sent to other diversion streams – supporting Loblaw's goal of achieving zero food waste to landfill by 2030.

Advancing Social Equity

Loblaw is committed to being Canada's most representative and inclusive employer, and to supporting the health of children and women as the building blocks of healthy communities. The Corporation is committed to:

- Achieving industry-leading representation goals for management[1], executives[2] and the Board by the end of 2024;
- Creating a ripple effect of inclusion and empathy in the communities in which it operates by deploying an inclusion training program to over 200,000 Canadian colleagues and employees by the end of 2024;
- Supporting President's Choice Children's Charity™ ("PCCC"), Canada's top non-government provider of in-school children's nutrition programs, as PCCC seeks to raise $150 million by 2027 and feed one million children a year by 2025;
- Helping Feed More Families™ in need by donating 1 billion pounds of food to food charities by 2028; and
- Supporting the efforts of the Shoppers Foundation for Women's Health™ by committing to providing $50 million by 2026 in support of initiatives that improve women's access to care.

(1) Management includes senior director, director, senior manager, manager, distribution centre manager, store manager, and assistant store manager roles.
(2) Executives include roles at the vice president level and above.

In 2023, Loblaw:

- Made progress in its representation commitment, with individuals who identify as women representing 39% of executive roles and 46% of management roles, and individuals who identify as visible minorities representing 28% of executive roles and 32% of management roles.
- Raised and donated (including donations in-kind) more than $180 million to support research, charities and non-profits across Canada.
- PCCC fed more than 990,000 children in 2023, within reach of their target to feed one million kids annually by 2025.

Loblaw's long-standing commitment to sustainability and social impact, and its approach to addressing material ESG risks and opportunities, are driven by its purpose and its goal of creating long-term value for the business and communities in which it operates. This includes determining sustainable solutions; establishing measurable targets; and ensuring transparent disclosure, proactive stakeholder engagement and robust governance practices.

In addition, the Corporation has a robust corporate governance framework in place, elements of which are discussed in this Circular, including the section titled "Statement of Corporate Governance Practices". The Board oversees and monitors the Corporation's approach, policies and practices related to ESG matters. The ESG Steering Committee, comprised of senior leaders, is responsible for setting priorities, tracking metrics and championing program initiatives across the Corporation. Various management committees are responsible for setting priorities and implementing and monitoring ESG-related initiatives across the organization.

Additional statements, policies and disclosures pertaining to the Corporation's key initiatives and achievements are included on the Corporation's website at www.loblaw.ca, including its historical ESG Reports.

Human Rights at Loblaw

Loblaw recognizes its responsibility to respect and protect the human rights of all people who support and intersect with its business. Loblaw does not tolerate abuse, discrimination or harassment in any form. Through its formal policies, codes of conduct for colleagues/employees and suppliers, comprehensive compliance standards and robust governance framework, Loblaw strives to uphold the rights of its customers, colleagues and employees, as well as the many workers across its supply chain, including migrant and temporary labourers. Loblaw is committed to protecting human rights, founded on a strong belief in doing what is right, and pledges to create a safe and inclusive experience for all colleagues/employees and workers across our value chain and the many customers who choose our products.

In November 2020, Loblaw issued a statement, Our Position on Human Rights, which outlined its commitment to creating a safe and inclusive environment for all people in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs). Since then, the Corporation has continued to build its human rights program based on the feedback and key learnings from colleagues, customers, internal and external stakeholders, and investors.

Update on the Approach to Human Rights

In 2022, Loblaw partnered with a third-party expert and leader in sustainability and supply chain services, ELEVATE, to conduct a Human Rights Due Diligence (HRDD) to evaluate its human rights and responsible sourcing procedures and policies. In partnership with ELEVATE, a multi-step process (including, current state assessment, gap analysis, supply chain risk assessment and stakeholder engagement) was used to identify opportunities to strengthen policies and processes across the enterprise, including Loblaw's international supply chain.

Through this process, Loblaw's management aligned on and disclosed the five (5) salient risks for the Corporation detailed below, which inform its ongoing work relating to protecting human rights and responsible sourcing. Salient risks are defined as those having the highest potential impact to human rights as a result of the company's activities or business relationships. As per UNGPs guidance, salient risks do not consider the mitigating steps that Loblaw would be taking on specific issues; instead, the risks focus on issues likely to be encountered due to the nature of Loblaw's business.

- *Forced labour:* refers to situations in which persons are coerced to work using violence or intimidation, or by more subtle means such as accumulated debt, retention of identity papers, or threats of denunciation to immigration authorities.
- *Child labour:* refers to work that is mentally, physically, socially, or morally dangerous and harmful to children; and/or interferes with their schooling by: depriving them of the opportunity to attend school; obliging them to leave school prematurely or requiring them to attempt to combine school attendance with excessively long and difficult work.

- *Discrimination, harassment, and abuse:* includes unequal treatment, directly or indirectly, on various grounds including race, ethnicity, sex, language, religion, political or other opinion, national or social origin, property, and birth or other status (such as sexual orientation or health status, for example having HIV/AIDS). Harassment and abuse include but are not limited to violence; corporal punishment; harsh or degrading treatment; sexual or physical harassment; mental, physical, verbal, or sexual abuse.
- *Livelihoods:* includes conditions related to maximum working hours, days off, fair wages, job security, social security, and benefits. The right to an adequate standard of living requires, at a minimum, that everyone shall enjoy the right to necessary subsistence: adequate food and nutrition, clothing, housing, and necessary conditions of care when required.
- *Occupational health and safety:* refers to the protection of workers from exposure to short- and long-term risks at work to reduce workplace injuries and illness and promote worker well-being.

As Loblaw continues its Human Rights journey and work on salient risk mitigation strategies, it is committed to conducting Human Rights Impact Assessments (HRIA) to understand risks in our supply chain and remediate those actions within our control, as well as collaborating with other industry partners, government and NGOs for actions that require larger industry engagement.

In 2023, Loblaw engaged Ergon Associates (an independent third-party leading labour and human rights firm) to conduct an HRIA related to the production of broccoli and cauliflower sold as standalone items and as ingredients in value-added products, such as florets, vegetable medleys and packaged salads, whether sold as national brands or under our control brand. These product categories are closely associated with our salient human rights risks. To Loblaw's knowledge no HRIA has been conducted for these commodities within our operating geography to date (including by other retailers).

The scope includes Mexico, the USA (Arizona/California), and Canada, with the goal of identifying and addressing potential human rights issues across critical supply chain activities such as primary farming, processing, and packaging of products. This assessment is being conducted through thorough documentation review, robust engagement with stakeholders and rightsholders, and fieldwork being completed at supplier sites. The assessment is being completed in two phases. Phase one has commenced in Mexico and the USA and phase two will focus on the Canadian harvest season. The results, along with recommended actions to address identified risks, will be published in 2024. This work will provide the enterprise with valuable insights, including a deep understanding of potential human rights impacts and their underlying causes, improved supply chain visibility, and recommended actions to address and remediate any potential negative impacts.

Loblaw recognizes the vital role HRIAs play in promoting ethical sourcing, cultivating sustainable supply chains, and demonstrating responsible investment and due diligence, which ultimately safeguards our business interests and reinforces our commitment to ethical practices. Loblaw continues to prioritize understanding human rights risks within our supply chain. Loblaw is committed to providing updates on its process to design and embed mitigation strategies in its business to address its salient risks and to disclose its plans and future progress on its approach to human rights.

Supply Chain Compliance

Loblaw has adopted a strict Supplier Code of Conduct that requires its suppliers, as well as agents, brokers and other third parties (collectively, "Suppliers") who conduct business with Loblaw, to take the necessary steps to ensure they engage in responsible sourcing as part of their business activities or supply chains. In addition, Loblaw conducts audits on facilities it sources from, which are designed to confirm that Suppliers providing goods to Loblaw uphold the Supplier Code of Conduct.

Prior to commencing sourcing activities, Loblaw audits factories, processing facilities, plants, farms, packing or other facilities outside of Canada and the U.S. that are going to produce, process, manufacture, grow, raise, package or pack (i) control brand products sourced by Loblaw, or (ii) products for which Loblaw is the Importer of Record. Once sourcing has begun, Loblaw has processes in place to audit working conditions as well as to conduct fire, structural and safety assessments (if applicable). In addition, facilities located in designated high-risk locations, such as Southeast Asia, require a fire, structural and safety assessment to be conducted prior to Loblaw beginning to source from the facility.

These audits reinforce worker rights and safety by conducting reviews and assessments to ensure that, among other requirements: labour is voluntary; workers are properly compensated; workers are not exploited; facilities comply with employment standards (including minimum age); working hours are consistent with local laws and standards; and facilities meet health and safety laws and regulations.

Loblaw's facility audit compliance team is comprised of a core team in Brampton, Ontario, supplemented by in-market teams in China, Bangladesh, Thailand, Vietnam, Cambodia, and India. Facility compliance audits are conducted by third-party experts using a best-practice audit framework. In some cases, where suppliers provide Loblaw with facility compliance audits using an acceptable global framework, Loblaw conducts an equivalency review to ensure the audit scope meets its standard. In-market audit teams provide on-the-ground follow-up with remediation audits, additional information audits and verification of corrective actions.

If a facility audit identifies a compliance issue, including, but not limited to, child labour, forced or bonded labour, or life-threatening health and safety situations, Loblaw will suspend its relationship with that facility and/or supplier. Less severe infractions can also result in suspension. In both cases, Loblaw will work with suppliers to determine whether satisfactory remediation of the compliance issue is possible.

Loblaw will terminate relationships with suppliers who are unable or unwilling to remediate non-compliance to the Corporation's satisfaction within a reasonable timeframe.

Human Rights Public Disclosure

Loblaw discloses its approach to human rights, in line with the UNGPs, and will continue to provide its stakeholders with information regarding how the Corporation is addressing key human rights related concerns. In particular, Loblaw's annual ESG reports include further data regarding its supplier audit program, including the number of supplier audits performed. Loblaw's ESG disclosures are subject to robust internal controls and procedures for the collection, verification, and dissemination of information.

The Canadian government enacted the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (referred to as Canada's "Modern Slavery Act") to help combat the use of forced labour and child labour in global supply chains. The Modern Slavery Act introduced annual reporting obligations for specific entities. Loblaw has disclosed a report that sets out actions taken during the 2023 fiscal year to prevent and reduce the risk of forced labour or child labour within Loblaw's operations and supply chain. This report is available at Loblaw.ca/en/responsibility.

The Corporation is committed to upholding human rights for all people with whom it interacts and disclosing its material plans, processes, controls and findings in relation to its human rights and responsible sourcing program. Further information regarding Loblaw's efforts to mitigate human rights risks and the Corporation's commitments regarding future human rights related disclosures are available at www.loblaw.ca/en/human-rights and in the "Human Rights at Loblaw" section on page 44 of this Circular.

Disclosure Policy

The Corporation has adopted a corporate disclosure policy to deal with the timely dissemination of all material information. The disclosure policy establishes guidance for determining what information is material and how to ensure that all material information is publicly disclosed on a timely basis to avoid selective disclosure. The Board, directly and through its committees, reviews and approves the content of major disclosure documents, including annual and interim consolidated financial statements, the Annual Report, the Annual Information Form, Management's Discussion and Analysis and the Management Proxy Circular. The Corporation seeks to communicate to its shareholders through these documents as well as by means of news releases, its website and investor relations calls and meetings.

Disclosure Committee

A Disclosure Committee comprised of the Corporation's senior management oversees the Corporation's disclosure process as outlined in its disclosure policy. The Disclosure Committee's mandate includes ensuring that effective controls and procedures are in place to enable the Corporation to satisfy all of its continuous disclosure obligations including evaluating events to determine whether they give rise to material information that must be publicly disclosed and reviewing all disclosure documents before they are presented to the Audit Committee and the Board. In addition, the Disclosure Committee is responsible for ensuring that the policies and procedures contained in the Corporation's disclosure policy are in compliance with regulatory requirements.

The Corporation's website, www.loblaw.ca, sets out governance information, including the Code, disclosure policy and mandates of the Board and of its committees.

Stakeholder Engagement

The Corporation communicates directly with shareholders and other stakeholders in various ways and maintains ongoing dialogue to exchange ideas and receive constructive feedback. These discussions may include the Corporation's financial performance and business strategy, its approach to, and policies on, corporate governance and executive compensation, strategies related to ESG impacts and other areas of interest to stakeholders. Examples of the Corporation's stakeholder engagement are set out below.

- Management holds conference calls for quarterly earnings releases and major corporate developments as soon as practical after information is publicly released. These calls are open to all stakeholders in listen-only mode and feature a live webcast with a question and answer period with pre-qualified analysts.
- Shareholders can participate in the annual shareholder meeting via a live webcast where they have the ability to ask questions and interact with management.
- Loblaw communicates with shareholders through its Annual Report; Management Proxy Circular; Annual Information Form; ESG Report; Early Release of Priority ESG Disclosures; Quarterly Report to shareholders; news releases; investor questionnaires and surveys; investor presentations; participation in industry conferences, and other meetings.
- Each year, Loblaw proactively meets with a number of its largest institutional investors, advocacy groups and others in the investment community to provide an opportunity to discuss the Corporation's approach to various issues, including financial performance, business strategy, corporate governance, executive compensation and emerging ESG practices and related activities.

- Shareholders can have a “say on pay” by voting on an advisory resolution regarding the Corporation’s approach to executive compensation described in the Circular. The vote is advisory, not binding and does not diminish the Board’s roles and responsibilities.
- Loblaw’s investor relations team is responsible for communications with shareholders on a day-to-day basis and the Public Relations, Government Relations and Sustainability and Social Impact teams are responsible for engaging with Loblaw’s other stakeholders.

Loblaw recognizes the evolving nature of stakeholder engagement and continually assesses and implements new practices as appropriate for the Corporation.

4 Compensation Discussion and Analysis

TABLE OF CONTENTS

INTRODUCTION

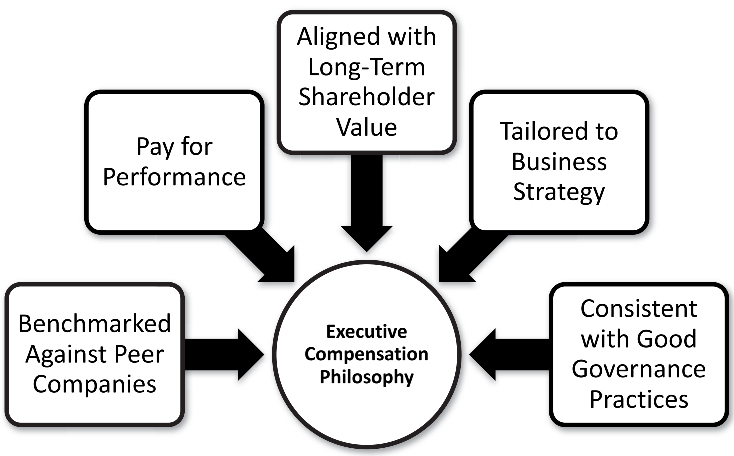
This Compensation Discussion and Analysis describes the compensation programs of the NEOs. For 2023, the NEOs were:

Name	Position
Galen G. Weston	Chairman
Per Bank	President and Chief Executive Officer
Richard Dufresne	Chief Financial Officer
Robert Sawyer	Former Chief Operating Officer
Jeff Leger	President, SDM
Barry Columb	President, President's Choice Financial

On April 18, 2023 the Corporation announced that Mr. Bank would be joining Loblaw later in the year, at which time Mr. Weston would step down from his role as President of the Corporation. Effective November 1, 2023 Mr. Weston stepped down from his role as President and Mr. Bank was appointed President and Chief Executive Officer of the Corporation. Mr. Sawyer retired from the Corporation effective December 31, 2023.

EXECUTIVE COMPENSATION PHILOSOPHY

The Corporation's executive compensation programs are designed to attract, retain and incent outstanding executives who are committed to improving the Corporation's performance and creating value for its shareholders. Five key principles underlie the Corporation's executive compensation programs, as set out below:



1. Benchmarked Against Peer Companies

Competitive compensation is important as it enables the Corporation to attract and retain talented and qualified individuals to lead the business. The Corporation has developed processes to ensure that its compensation programs are competitive with market and industry practices and support the attraction and retention of high quality executives. The Corporation periodically benchmarks compensation and incentive design relative to peer companies.

2. Pay for Performance

The Corporation structures its compensation programs to align executive compensation with the financial and strategic performance of the Corporation and the performance of its Common Shares. A significant portion of executive compensation is in the form of at-risk pay, namely STIP and LTIP compensation. This creates a performance-based corporate culture that rewards individual and team-based contributions to the achievement of the Corporation's operational and financial goals and aligns compensation with total return to shareholders. The at-risk components for the NEOs in 2023 ranged from 79.0% to 95.0% of their total direct compensation, as discussed under "Components of Executive Compensation for 2023" starting on page 55 .

3. Aligned with Long-Term Shareholder Value

The Corporation structures its executive compensation programs to align the interests of its executives with those of its shareholders and other stakeholders. A significant portion of executive compensation takes the form of long-term equity-based awards. Structuring executive compensation in this manner rewards executives for the creation of sustainable, long-term shareholder value.

4. Tailored to Business Strategy

The Corporation believes that it should be flexible in applying its compensation programs to meet company and divisional needs. Incorporating appropriate flexibility into the design of the Corporation's incentive plans, such as in the design of performance measures in the STIP program, drives alignment at enterprise and divisional levels to key business and strategic objectives.

5. Consistent with Good Governance Practices

The Corporation structures its executive compensation programs to reward senior executives for the execution of business strategies while also taking an expected and reasonable level of risk. In 2023, the Corporation's STIP and LTIP programs were comprised of multiple performance measures to reduce the risk of executives focusing on a single performance measure.

EXECUTIVE COMPENSATION AND RISK MANAGEMENT

RISK MITIGATION PRACTICES

The Corporation has risk mitigation practices that include balanced incentive plans that are not focused on a single financial measure, a clawback policy for short- and long-term compensation, share ownership requirements for NEOs and other senior executives and trading restrictions and hedging prohibitions.

1. Incentive Plan Design

The Corporation's 2023 STIP and LTIP included a variety of performance measures, including share price appreciation, earnings, sales performance, ESG, earnings as a percentage of revenue, Overall Satisfaction ("OSAT"), return on capital, and an individual performance factor. Using multiple performance measures requires that the operating results of the Corporation and its operating businesses outperform in all key metrics in order for executives to achieve the maximum compensation award. This balanced approach is intended to reduce the risk of a disproportionate focus by executives on any single aspect of the business for the sole purpose of increasing their compensation.

Short-term incentives are designed to focus executives on the key drivers of the operating businesses and on value creation over both the short term and long term and, as such, minimize the likelihood of inappropriate or excessive risk-taking. The Corporation's STIP has a maximum payout level that limits the amount that an executive can be paid, thereby limiting the incentive to take excessive risk.

As part of its annual review process, the Governance Committee reviews stress testing of the STIP design to illustrate the payouts under various scenarios. The testing is intended to ensure that the performance shoulders (i.e. threshold to target to maximum) are set appropriately, such that performance levels are achievable with significant effort but without taking excessive risk.

The Governance Committee also carefully considers the sharing of profit between the Corporation's management and its shareholders in various performance scenarios. The affordability of payouts in different performance scenarios and the portion of profit that is allocated to employees and to shareholders provide comfort around the reasonableness and affordability of STIP payouts in light of performance achieved. The Governance Committee reviews the five year history of the Corporation's STIP performance and its correlation to key financial performance measures over this period. The stress testing and look back analyses are used to evaluate and confirm the reasonableness and affordability of the STIP payout results.

A significant portion of executive compensation is allocated to long-term incentives to focus executives on sustainable value creation. The Corporation's objective is to design incentive plans that do not motivate executives to take excessive or unexpected risks given the potential negative impacts on the long-term equity components of their compensation. The Governance Committee also requires that a sensitivity analysis be performed prior to any increase in an NEO's incentive compensation to ensure that the potential payouts are evaluated in the context of the Corporation's long-term plan and anticipated share price performance.

The Governance Committee regularly reviews each compensation plan and has the ability to make adjustments to incentive awards and actual payouts, as appropriate.

2. Clawback Policy

The Corporation has a clawback policy for STIP and LTIP payments for certain senior executives, including the NEOs. Under the policy, the Corporation can require an executive to repay STIP and LTIP payouts if the executive engages in misconduct that results in the need for the restatement of financial results. The clawback policy also provides that the Governance Committee may, in its discretion, claw back an executive's STIP and LTIP payouts if the executive engages in misconduct that would justify the executive's termination for just cause. The clawback policy applies to all incentive payments received by the executive over the two most recently completed years.

3. Share Ownership Requirements

Senior executives are required to maintain a significant equity investment in the Corporation. The Corporation's Executive Share Ownership Policy is designed to align executives' interests with those of the Corporation's shareholders, and to mitigate the likelihood of undue risk taking. The Policy establishes minimum share ownership levels for executives which are set at a multiple of an executive's base salary, with the multiple increasing to reflect the level and responsibility of an executive.

The Corporation imposes a mandatory hold period requiring the President and Chief Executive Officer to maintain their required share ownership level for one year following the end of their employment.

Senior executives, including NEOs, are subject to a mandatory holding requirement that requires an executive subject to the Policy to retain 50% of any after-tax proceeds received on the payout of RSUs or PSUs or an exercise of stock options in Common Shares until such executive's ownership level has been met. The Policy applies to a broad group of senior management, as further discussed under Executive Share Ownership Policy on page 69.

4. Trading Restrictions and Hedging Prohibitions

Directors, officers, executives, employees and certain other designated persons are subject to the Corporation's Securities Trading Policy, which prohibits trading, directly or indirectly, in the securities of Weston, Loblaw or Choice Properties while in possession of material undisclosed information. The Securities Trading Policy also prohibits informing unauthorized persons of such information and recommending or encouraging others to trade in the companies' securities while in possession of material undisclosed information.

Hedging transactions involving the securities of Weston, Loblaw or Choice Properties are prohibited. The prohibition covers transactions such as prepaid variable forward contracts, short sales, puts or calls, equity swaps or other equity monetization transactions, that are designed to hedge or offset a decrease in the market value of securities of Weston, Loblaw or Choice Properties. These prohibitions and restrictions ensure that executives maintain their exposure to the risks of their decision making.

The Corporation has regularly scheduled quarterly closed trading windows which include the period during each fiscal quarter when the Corporation's financial results are being compiled but not released to the public. Directors and executive officers must not trade in the securities or exercise options of Weston, Loblaw or Choice Properties outside prescribed open trading windows.

ROLE OF MANAGEMENT AND COMPENSATION CONSULTANTS

ROLE OF MANAGEMENT IN THE COMPENSATION AND EVALUATION PROCESS

In 2023, the Chairman, and for the period since November 1, 2023 the President and Chief Executive Officer, participated in the compensation design process, evaluated the performance of key senior executives and made recommendations to the Governance Committee with respect to the compensation of the other NEOs and the specific business goals to be used as performance targets for the various incentive programs. The views of the Chairman and the President and Chief Executive Officer are valued because of their involvement with key senior executives. The Chairman and the President and Chief Executive Officer are in the best position to effectively assess the performance of the NEOs, other than themselves, and how each NEO's efforts have contributed to the achievement of the Corporation's strategic objectives and operational targets. The Chairman is also well positioned to effectively assess the performance of the President and Chief Executive Officer.

These evaluations are based on the achievement of objectives and targets related to both the individual and the Corporation and include an assessment of leadership capabilities and team development. The results of these evaluations are presented to the Governance Committee. The Executive Vice President and Chief Human Resources Officer assists the Chairman and the President and Chief Executive Officer in developing and presenting to the Governance Committee management's recommendations and supporting material regarding the design of the incentive plans and the compensation of the other senior executives.

COMPARATIVE MARKET DATA

Comparative market data is one factor used in setting the compensation of each NEO. Other factors include the scope of the role, individual performance and experience, leadership ability, internal equity among executives and the operating results of the business or area for which the NEO has responsibility. From time to time, the Governance Committee uses benchmarking or comparisons of compensation programs from a peer group of companies to confirm that the Corporation's programs remain competitive. See the discussion below under the heading "Compensation Comparator Group" for a detailed description of the comparator group. When performing compensation reviews, the Governance Committee has determined that its compensation positioning should be targeted within a competitive range of the 50th percentile (median) of the Corporation's comparator group based on target total direct compensation, which is comprised of base salary, short-term and long-term compensation targeted amounts.

ROLE OF MERIDIAN COMPENSATION PARTNERS

In early 2023, Loblaw engaged Meridian to review and benchmark the proposed compensation of Mr. Bank in connection with his appointment as President and Chief Executive Officer. The results of this review provided that Mr. Bank's proposed total direct compensation was below the then market median and that the proposed make whole awards, to replace compensation Mr. Bank would forfeit from resigning his position with his former employer, were reasonable and aligned with market practice.

In 2023, Loblaw engaged Meridian to review the proposed compensation of Mr. Weston as non-executive Chairman against the Loblaw comparator group. The results of the review provided that Mr. Weston's proposed compensation as Chairman was above the median of its comparator group, but was reasonable given Mr. Weston's unique role and strategic focus on Loblaw.

In 2023, the Boards of both Loblaw and Weston engaged Meridian to consider and benchmark the one-time stock option grant by Loblaw to Mr. Dufresne to recognize his vital role in supporting the senior management transition and ensuring ongoing stability in the management of Loblaw.

In 2023, Meridian was also retained by Loblaw to review and benchmark the compensation of Mr. Leger against the Loblaw comparator group. The results of the review indicated that Mr. Leger's total direct compensation was below the market median.

In 2023, Meridian was also retained to review management's philosophy for peer group development and senior executive and director compensation benchmarking and to review the comparator group used for this purpose. Although the peer group remained size and industry appropriate, the review resulted in certain changes being approved by the Governance Committee to Loblaw's compensation comparator group.

Meridian was also retained by Loblaw to review and benchmark the compensation of certain other senior executives, relative to Loblaw's executive compensation comparator group. Meridian was also engaged to assist in evaluating the competitiveness of the Corporation's STIP and LTIP against its peers and industry, as well as for alignment with the Corporation's growth- and efficiency-focused strategic initiatives.

Meridian is not an independent compensation advisor. In 2023 and 2022, Meridian received $218,236 and $122,806, respectively, from the Corporation for advisory services to the Corporation.

The Governance Committee regularly evaluates whether to formally retain an independent compensation advisor to assist in compensation matters. As part of its annual assessment of governance practices, the Governance Committee determined that it did not require the services of an independent compensation advisor in 2023 or 2022.

COMPENSATION COMPARATOR GROUP

In addition to its periodic review of individual executive compensation, in 2023 Meridian was also engaged to review management's philosophy for peer group development and senior executive competitive benchmarking and to review the comparator group used for this purpose. The results of the review reaffirmed Loblaw's approach to setting a compensation comparator group. Meridian confirmed that, although the peer group remained size and industry appropriate, specific updates were necessary in order to better reflect a comparable peer group based on availability of compensation data and change in business focus.

Determining a comparator group to benchmark NEO compensation is challenging in light of Loblaw's presence in the Canadian market as one of the largest companies in Canada by revenue and number of employees. Loblaw also has a limited number of direct retail peers in Canada and there are few large, Canadian companies outside of the financial services and resource-based industries against which Loblaw may easily compare.

The Governance Committee approved a blended comparator group comprised of three types of companies: (i) Canadian retail companies; (ii) US retail companies; and (iii) large (non-retail) Canadian companies. The US retail companies reflect the broader retail talent market and are direct competitors for talent at the senior executive level. The large Canadian companies were selected to reflect how Canadian companies pay executives for their skill set and experience. Most of the comparators listed below are within one-third to three times Loblaw's revenue size. Revenue was selected as the criterion for members of each comparator group because it is generally a stronger and more predictive measure for compensation comparisons for a retail company than other criteria (e.g. assets or market capitalization). Loblaw was positioned at the 52nd percentile based on revenue and at the 35th percentile based on market capitalization of this blended comparator group in 2023.

The group of comparator companies is set out below:

Category	Comparators		
Canadian Retail Companies	Alimentation Couche-Tard Inc. Canadian Tire Corporation, Limited	Empire Company Limited	Metro Inc.
US Retail Companies	Albertsons Companies, Inc. Best Buy Co Inc. Costco Wholesale Corporation Dollar General Corp. Dollar Tree Inc. The Home Depot, Inc.	The Kroger Co. Lowe's Companies, Inc. Performance Food Group Company Publix Super Markets, Inc. Rite Aid Corporation Sysco Corporation	Sysco Corporation Target Corporation The TJX Companies, Inc. Walgreens Boots Alliance, Inc. US Foods Holdings Corp.
Large Canadian Companies	BCE Inc. Brookfield Corporation Canadian Natural Resources Limited Cenovus Energy Inc. Enbridge Inc.	Imperial Oil Limited Nutrien Ltd. Parkland Corporation Power Corporation of Canada	Rogers Communications Inc. Saputo Inc. Suncor Energy Inc. TELUS Corporation

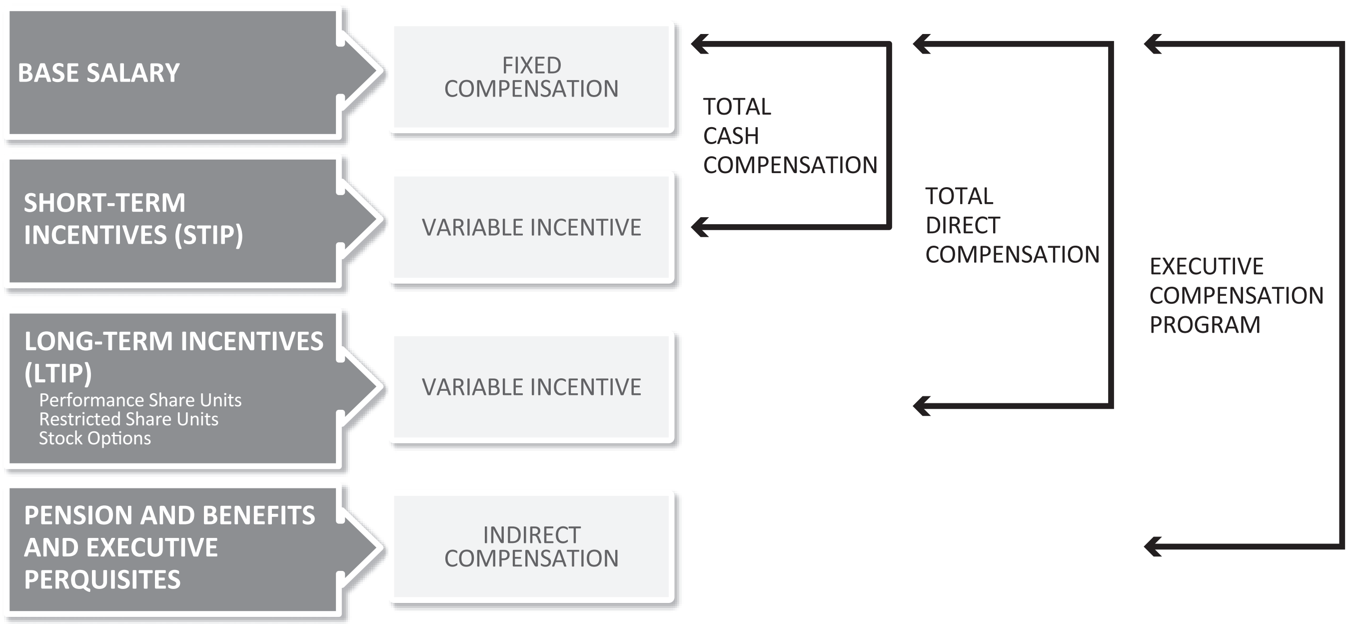
2023 COMPENSATION ANALYSIS

The Governance Committee reviews the compensation of the NEOs on a bi-annual basis. In 2023, the Governance Committee reviewed the results of the compensation analysis performed by Meridian, which results were considered when making decisions regarding NEO compensation.

COMPONENTS OF COMPENSATION

SUMMARY OF THE COMPONENTS OF COMPENSATION

The Corporation's executive compensation program is comprised of the elements described in this Compensation Discussion and Analysis, as summarized below:



OVERVIEW OF COMPONENTS

In 2023, NEO compensation was comprised principally of base salary, short-term cash incentives (which executives may elect to receive in the form of Executive Deferred Share Units ("EDSUs")) and long-term incentives (RSUs, PSUs and stock options) as described in the table that follows. Benefits, pensions and perquisites comprise a relatively small part of an NEO's total annual compensation.

Base Salary	Short-Term Incentives	Long-Term Incentives	Pension and Benefits	Perquisites
Compensate executives for fulfilling their day- to-day responsibilities	Reward executives for meeting annual financial and/or operating performance targets	Motivate and reward executives for increasing shareholder value and serve to retain executives	Assist executives in providing for their health and retirement planning	Provide additional benefits to executives that are competitive with market practice

Components		Form	Period	Program Objectives and Details
Fixed Compensation	Base Salary	Cash	Annual	• Reflects the executive's level of responsibility and experience, market competitiveness, internal equity among executives and the executive's overall performance.
Variable Compensation	Short-Term Incentive Plan (STIP)	Cash	Annual	• Each executive has a target annual bonus (% of base salary). • Actual payout is determined by the achievement of predetermined financial and/or operating performance objectives and the individual performance of each NEO. • Payouts generally range from zero to a maximum of 200% of an executive's target bonus.
		EDSUs (Elective)	Annual election; EDSUs held until cessation of employment	• Each executive can choose to receive all or a portion of the executive's STIP payout in the form of EDSUs, to a cumulative maximum of three times the executive's base salary. • Align executives' interests with those of shareholders and count towards the Executive Share Ownership Policy. • EDSUs are settled in Common Shares purchased on the open market no later than December 15th of the year following the year in which the executive's employment ceases for any reason. • EDSU Plan provides for the crediting of additional EDSUs in respect of dividends paid on Common Shares for the period when an EDSU is outstanding. Dividend EDSUs vest at the same time as EDSUs.
	Long-Term Incentive Plan (LTIP)	RSUs	3 year vesting period	• Motivate and reward executives for increasing shareholder value. • Serve as a key component in retaining executives. • RSU grants are generally made once per year. • RSUs typically comprise one-third of the total value of annual LTIP grants to executives. • RSUs are settled in Common Shares purchased on the open market at the end of the applicable vesting period. • RSU Plan provides for the crediting of additional RSUs in respect of dividends paid on Common Shares for the period when a RSU is outstanding. Dividend RSUs vest at the end of the applicable vesting period.
		PSUs	3 year performance period	• Motivate and reward executives for increasing shareholder value. • PSU grants are generally made once per year. • PSUs typically comprise one-third of the total value of annual LTIP grants to executives. • PSU vesting is based on the Corporation's success in achieving revenue and return on capital targets. • The overall number of PSUs that vest at the end of a performance period ranges from 0% to 200% of the initial grant. • PSUs are settled in Common Shares purchased on the open market at the end of the applicable performance period. • PSU Plan provides for the crediting of additional PSUs in respect of dividends paid on Common Shares for the period when a PSU is outstanding. Dividend PSUs vest at the same time and based on the same performance factor as the PSUs.
		Stock Options	5 year vesting period (20% per year); 7 year term	• Motivate and reward executives for increasing share price. • Stock option grants are generally made once per year. • Stock options typically comprise one-third of the total value of annual LTIP grants to executives.
Benefits	Group health, dental and insurance benefits		Employment and post- employment	• Executive benefit plans provide health, dental, disability and insurance coverage.
Pensions	Weston Group Consolidated Executive Plan (the "Consolidated Executive Plan") - Defined Benefit Provisions		Post-employment	• The defined benefit provisions of the Consolidated Executive Plan are designed to provide a reasonable level of retirement income to executives to reward them for their service. • Pension entitlements for an executive who participates in the defined benefit provisions of the Consolidated Executive Plan are based on length of service and eligible salary. • The total annual benefits payable under the defined benefit provisions of the Consolidated Executive Plan are capped at $125,000 per year. • The defined benefit provisions of the Consolidated Executive Plan were closed to new participants in 2006.
	Consolidated Executive Plan - Defined Contribution Provisions		Post-employment	• Since 2006, new executives participate on a non-contributory basis in the defined contribution provisions of the Consolidated Executive Plan. • Contributions were set as a percentage of base salary (maximum of $250,000) and in 2023 were capped at $31,560 per year.
	Supplemental Executive Retirement Plan ("SERP")		Post-employment	• The SERP is an unfunded obligation of the Corporation. • Senior executives of the Corporation whose pension benefits exceed the prescribed limits under the applicable tax legislation may participate in the SERP on a non-contributory basis if they comply with certain eligibility provisions.
Perquisites	Cash allowance/ reimbursement for professional services		Annual	• A limited number of personal benefits are provided, including use of a car or car allowance, an annual medical examination and a discretionary health care spending account and the ability to participate in the employee share ownership plan.

COMPONENTS OF EXECUTIVE COMPENSATION FOR 2023

BASE SALARY

Base salaries for the NEOs are set on an individual basis and not within formal salary ranges, taking into account the level of responsibility and experience, market competitiveness, internal equity among executives and the executive's overall performance both individually and in relation to the executive's business unit or division. The Governance Committee reviews the base salary of each NEO bi-annually. The Governance Committee may make adjustments to an NEO's salary as a result of a change in the NEO's duties and responsibilities, or in the performance and contribution of the NEO, both on an individual basis and in relation to the performance of the NEO's business unit or division.

The following table sets out the base salary for each NEO for 2023. For further details with respect to the reasons for any increase in annualized base salary from 2022, refer to the section titled "2023 Compensation Decisions Regarding the Named Executive Officers" starting on page 70 .

Name	2023 Annualized Base Salary ($)	Increase / Decrease From 2022 (%)
Galen G. Weston	945,000 (1)	Nil (1)
Per Bank	1,315,000 (2)	N/A
Richard Dufresne	760,000 (3)	Nil
Robert Sawyer	1,000,000	Nil
Barry Columb	650,000	Nil
Jeff Leger	650,000	Nil

(1) Mr. Weston's 2023 aggregate actual base salary of $1,291,667 was allocated 30% to Weston and 70% to Loblaw until November 1, 2023, at which time he ceased being an executive officer of Loblaw, following which his salary was allocated 100% to Weston. In aggregate, Weston paid $504,167 and Loblaw paid $787,500 in 2023.

(2) Mr. Bank's actual base salary for 2023 was $438,333.

(3) Mr. Dufresne's 2023 aggregate actual base salary of $950,000 was allocated 20% to Weston and 80% to Loblaw. In the aggregate, Weston paid $190,000 and Loblaw paid $760,000 in 2023.

SHORT-TERM INCENTIVE PLAN

All NEOs participate in the Loblaw STIP. For 2023, the STIP was designed so that NEOs would be focused on key drivers of the Loblaw and SDM businesses, with an additional focus on ESG. The STIP program is designed to incent executives, including the NEOs, to meet certain annual business and financial objectives. Each fiscal year, the performance of the executives is measured by the achievement of specific financial and operational goals, which may vary from year to year. The Governance Committee believes that the STIP program is balanced as it is comprised of various performance measures that are designed to focus executives on the key drivers of the operating businesses and value creation over both the short term and long term and, therefore, reduce the risk of inappropriate or excessive risk-taking behaviour by executives.

The Governance Committee is responsible for approving the plan design and awards made by the Corporation pursuant to the STIP. The Governance Committee receives periodic reports on the performance of the STIP metrics, including performance against targets.

All participating executives have STIP award targets that are expressed as a percentage of their base salary, with such targets determined by the executive's position and level within the organization. Depending on actual performance relative to the performance targets, payouts for each performance target range from zero to a maximum of 200% of target for each component of the STIP, with a maximum payout under the STIP of 200%.

The 2023 STIP also included an individual performance component weighted at 25% of each NEO's overall STIP target. In assessing individual performance, the Governance Committee took into account the executive's role in the overall achievement of the Corporation's goals, as well as the individual performance objectives and leadership qualities of the executive. The individual performance factor for each executive is increased or decreased based on the corporate performance factor, ensuring that individual performance is explicitly calibrated to corporate performance. The overall STIP design for Messrs. Weston and Dufresne, was determined by the Governance Committees of the Corporation and Weston, to reflect their respective responsibilities at both organizations.

Under the STIP, awards are determined separately for each performance measure and then aggregated to determine the final amount. The STIP award payments are made in cash, although executives may elect to receive all or a portion of their STIP award in EDSUs, to a cumulative maximum of three times the executive's base salary.

STIP awards are determined using the formula set out below.

(**75%** of STIP Target ($) × **Business Perf. Factor** *(0% - 200% factor)*) + (**25%** of STIP Target ($) × **Business Perf. Factor** *(0% - 200% factor)* × **Individual Perf. Factor** *(0% - 200% factor)*) = **STIP Payout** *(0% - 200% of target payout)*

Plan Design

The STIP is designed to incent executives to achieve the Corporation's overall business plan and strategic objectives, while maintaining a strong focus on ESG. At the beginning of each fiscal year, the Governance Committee establishes the STIP design, including specific business performance measures, weightings and targets. In determining the performance measures, weightings, targets and payout ranges for each fiscal year, the Governance Committee takes into account the key components of the Corporation's annual business plan, budget and strategic objectives. Following year end, the Governance Committee reviews the financial results of the Corporation against the performance targets and considers, in its judgment, whether any adjustments are required to account for unexpected events during the year.

As part of its annual review process, the Governance Committee reviews stress testing of the STIP design to illustrate the payouts under various scenarios. The testing is intended to ensure that the performance shoulders (i.e. threshold to target to maximum) are set appropriately, such that performance levels are achievable with significant effort and without taking excessive risk.

The Governance Committee also carefully considers the sharing of profit between the Corporation's management and its shareholders in various performance scenarios. The affordability of payouts in light of actual performance is important to understand as it relates to the portion of profit that is allocated to employees and to shareholders. Analysis of the respective allocation of profits between the Corporation's management and its shareholders provides context that supports the reasonableness and affordability of STIP payouts in light of performance achieved. The Governance Committee reviews the five year history of the Corporation's STIP performance and its correlation to key financial performance measures over this period. The stress testing and look back analyses are used to evaluate and confirm the reasonableness and affordability of the STIP payout results.

The following table sets forth details regarding the STIP targets and maximum aggregate STIP awards for each NEO:

Name	Base Salary (1) ($)	STIP Target as Percentage of Base Salary (%)	STIP Target ($)	Maximum STIP (2) ($)
Galen G. Weston	787,500 (3)	160	1,259,309	2,518,618
Per Bank	1,315,000	150	659,301	1,318,602
Richard Dufresne	760,000 (4)	125	950,000	1,900,000
Robert Sawyer	1,000,000	150	1,500,000	3,000,000
Jeff Leger	650,000	100	650,000	1,300,000
Barry Columb	650,000	100	650,000	1,300,000

(1) 2023 STIP awards are calculated using each NEO's STIP-eligible salary for 2023. The STIP-eligible salaries for Messrs. Dufresne, Sawyer, Columb and Leger were the same as their base salaries; the STIP-eligible salary for Mr. Bank was $439,534 and the STIP-eligible salary for Mr. Weston is described in footnote (3).

(2) Maximum STIP awards are presented above based on a maximum STIP payout achievable of 200% of target.

(3) Mr. Weston's 2023 aggregate actual base salary of $1,291,667 was allocated 30% to Weston and 70% to Loblaw until November 1, 2023, at which time he ceased being an executive officer of Loblaw, following which his salary was allocated 100% to Weston. In aggregate, Weston paid $504,167 and Loblaw paid $787,500 in 2023. Mr. Weston's aggregate STIP target from Weston and Loblaw was $2,008,333 in 2023, and his aggregate maximum STIP was $3,911,803. Mr. Weston's STIP-eligible salary from Loblaw was $787,068.

(4) Mr. Dufresne's 2023 aggregate actual base salary of $950,000 was allocated 20% to Weston and 80% to Loblaw. In the aggregate, Weston paid $190,000 and Loblaw paid $760,000 in 2023. Mr. Dufresne's aggregate STIP target from Weston and Loblaw was $1,187,500 in 2023, and his aggregate maximum STIP was $2,341,750.

2023 STIP Performance Measures

In 2023, the STIP was designed so that NEOs would be focused on key drivers of the Loblaw and SDM businesses, with an additional focus on ESG. The STIP was designed with the following five business performance measures, weightings and targets to drive the Corporation's strategic goals in 2023:

Loblaw STIP - 2023 Business Performance Measures *(1)*

Consolidated Sales	Consolidated Earnings	ESG	EBIT Margin	Consolidated OSAT *(2)*
35%	35%	10%	10%	10%

(1) Business Performance Measures applicable to Messrs. Weston, Bank, Dufresne, Sawyer and Leger. For the Business Performance Measures applicable to Mr. Columb, which include measures specific to President's Choice Financial, please see the section "2023 STIP Performance Measures Applicable to Barry Columb, President, President's Choice Financial".

(2) OSAT refers to the customer satisfaction index, Overall Satisfaction.

Descriptions of each performance measure and charts summarizing performance ranges and payout percentages are set forth below:

Consolidated Sales Target

The consolidated sales target for 2023 ($58,059 million) was designed to focus executives on growth in consolidated revenues, including the consolidation of franchises. The consolidated sales target included a qualifier such that performance would be capped at 100% if year-over-year adjusted tonnage share, normalized for change in square footage, declined more than five basis points.

		Threshold		Target		Maximum
Performance Range	Less than $56,898 million	$56,898 million	Each additional 0.20% ($116.1 million)	$58,059 million	Each additional 0.20% ($116.1 million)	$59,220 million or more
Payout Factor (% of Target)	0%	50%	+5%	100%	+10%	200%

Consolidated Earnings Target

The consolidated earnings target for 2023 ($4,961 million) was designed to focus executives on delivering adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA")* pursuant to Loblaw's and SDM's combined annual and multi-year business plans. Adjusted EBITDA, as referred to in relation to Loblaw's 2023 STIP target, includes certain further adjustments, in addition to those noted in section 17, "Non-GAAP Financial Measures" of the 2023 MD&A. For 2023, the consolidated earnings target included a qualifier that in order to be eligible for above target achievement, year over year Adjusted EBITDA growth must be positive and target Adjusted EBITDA must be achieved.

		Threshold		Target		Maximum
Performance Range	Less than $4,837 million	$4,837 million	Each additional 0.25% ($12.4 million)	$4,961 million	Each additional 0.5% ($24.8 million)	$5,209 million or more
Payout Factor (% of Target)	0%	50%	+5%	100%	+10%	200%

*Non-GAAP financial measure. Please see note in the "Other Information" section of this Circular.

ESG

The ESG target for 2023 was designed to focus executives on continuing to drive higher levels of corporate social responsibility across the business. Achievement of the ESG metric was determined based in equal part on social and environmental initiatives. The social initiatives related to representation (meeting or exceeding gender and diversity representation goals), Diversity, Equity and Inclusion (DEI) training (provided to corporate colleagues), and community investment (increased support for women's health and fighting childhood hunger). The environmental initiatives related to carbon (progress toward Net Zero Carbon footprint by 2040), food waste (progress toward eliminating all food waste to landfill by 2030), and plastic (reduce plastic waste and improve packaging). If Loblaw achieved its ESG target the performance payout would be 100%, but to the extent that the combined performance of the consolidated sales, consolidated earnings, EBIT margin and consolidated OSAT targets exceeded 100%, the same combined performance factor would be applied to the ESG metric. If the ESG target was not met, any performance payout for the ESG metric would be at the discretion of the Governance Committee.

Initiative	Target
Social - Representation	Yes/No achievement
Social - DEI Training	Yes/No achievement
Social - Community Investment	Yes/No achievement
Environment - Carbon	Yes/No achievement
Environment - Food Waste	Yes/No achievement
Environment - Plastic	Yes/No achievement

EBIT Margin Target

The EBIT margin* target is determined by calculating Adjusted EBIT** as a percentage of revenue. Adjusted EBIT, as referenced in relation to Loblaw's 2023 STIP targets, includes certain further adjustments in addition to those noted in the 2023 MD&A. The EBIT margin target was designed to measure management's ability to translate revenue into profitability. The EBIT margin measure aligns with the focus on process and efficiency initiatives. The target for 2023 was 7.24%*.

		Threshold		Target		Maximum
Performance Range	Lower than 6.99%	6.99%	Each 2.5 basis point improvement	7.24%	Each 5.0 basis point improvement	7.74% or higher
Payout Factor (% of Target)	0%	50%	+5%	100%	+10%	200%

*Non-GAAP financial measure. See the note in the "Other Information" section of this Circular.

**Non-GAAP financial measure. See the note in the "Other Information" section of this Circular and section 17 of the 2023 MD&A.

Overall Satisfaction Target

The enterprise-wide customer satisfaction index, OSAT, is a direct measure of customer interaction in-store. The OSAT target for 2023 (65.7%) was designed to focus executives on customer satisfaction in the short term to drive loyalty and increase the sustainability of the business in the longer term. The 2023 target and performance range were developed with the target representing a proposed improvement of 60 basis points in the Corporation's OSAT compared to the 2022 OSAT.

		Threshold		Target		Maximum
Performance Range	Less than 62.2%	62.2%	Each 0.35% improvement	65.7%	Each 0.35 % improvement	69.2%
Payout Factor (% of Target)	0%	50%	+5%	100%	+10%	200%

2023 Loblaw STIP Calculation

In February 2024, the Governance Committee reviewed Loblaw's 2023 financial results. Following the review, the Loblaw 2023 STIP payout was approved as follows:

Performance Objective	Weighting (%)	Target	Actual	Performance	Payout Factor (% of Target)
Consolidated Sales	35	$58,059 million	$59,529 million	200.0 %	70.0 %
Consolidated Earnings	35	$4,961 million	$4,975 million	105.6 %	36.9 %
ESG	10	Established targets	Targets Achieved	100.0 %	14.1 %
EBIT Margin	10	7.24 %	7.15 %	81.6 %	8.2 %
Overall Satisfaction	10	65.7 %	66.3 %	117.1 %	11.7 %
Discretionary Adjustment					(10.9)%
Overall STIP Payout					**130.0 %**

Key Factors Influencing Results

Early in 2024, the Governance Committee reviewed the Corporation's 2023 financial results and determined the key factors contributing to each component's performance relative to target, as set out below:

- Consolidated sales exceeded target, driven by strong growth in the food and drug businesses.
- Consolidated earnings exceeded target, driven by focused cost control measures.
- EBIT margin was favourable relative to target, driven by gross profit rate improvement and operating leverage.
- The Governance Committee exercised its discretion to reduce the overall STIP payout in recognition of the impact that items outside the control of management had on the Corporation's overall performance.

In 2023, the Corporation continued to focus on its ESG initiatives, including the completion of numerous projects targeting fighting climate change, including carbon footprint reduction, elimination of food waste and reduction of plastic waste, and projects advancing social equity, including representation targets, Diversity, Equity and Inclusion training and community investment. The Governance Committee assessed the 2023 ESG performance objectives as follows:

ESG Performance Objective	Target	Actual	Performance	Payout Factor (% of Target)
Representation: Meet or exceed gender and diversity targets	• Visible Minority Executive: 25% Management: 29% • Women Executive: 39% Management: 46%	• Visible Minority Executive: 28% Management: 32% • Women Executive: 39% Management: 46%	Target Achieved	1.67 %
DEI Training: Training provided to all colleagues/ employees on inclusion and allyship	• 97% of in-scope corporate colleagues to complete required training (100% target with 3% allowance for reporting and timing variance) • DEI training to be rolled out to franchise and associate owners and employees and initiate completion data tracking	• 99% • Confirmed	Target Achieved	1.67 %
Community Investment: Increase support for women's health and fighting childhood hunger	• PCCC: Achieve 15% ($20.6 million) increase in fundraising revenue over baseline of 2021 on the path to $150 million by 2027 • Love you by Shoppers Drug Mart: increase fundraising revenue by 10% ($9.96 million) on the path to grant $50 million by the end of 2026	• PCCC: $22.18 million • Love you by Shoppers Drug Mart: $13.17 million	Target Achieved	1.67 %
Advancing Social Equity				**5.00 %**
Carbon: Net-zero by 2040	• Complete over 400 projects approved as part of the 2023 Carbon Reduction Capital plan • Disclose Scope 3 carbon action plan; engage top 500 vendors on Loblaw carbon commitments and provide resources for vendors to generate their own SBTI carbon reduction targets; and initiate scope 3 data collection activities.	• 490 completed • Complete	Target Achieved	1.67 %
Food Waste: Eliminate all food waste to land fill by 2030	• All corporate stores and distribution centres divert product through food recovery programs at least 4 times per quarter • All franchise and associate stores actively participate in food recovery programs • Establish an enterprise-wide Food Waste baseline using 2023 data	• 100% • 100% • Confirmed	Target Achieved	1.67 %
Plastic: All control brand and in-store packaging to be recyclable or reusable by 2025	• Convert over 1,500 (25%) of non-recyclable or non-reusable control brand and in-store packaging to achieve target of 45% compliance by year end 2023	• 64% compliance achieved	Target Achieved	1.67 %
Fighting Climate Change				**5.00 %**
Overall ESG STIP Payout				**10.0 %**

2023 STIP Performance Measures Applicable to Barry Columb, President, President's Choice Financial

For 2023, the STIP for Mr. Columb, as President of President's Choice Financial, was designed so that Mr. Columb would be focused on both the strategy and performance of President's Choice Financial, as well as the integration of the President's Choice Financial business with that of the Corporation, with an ongoing focus on ESG and compliance. The STIP for Mr. Columb was based on sales, earnings, ESG and OSAT measures that included both President's Choice Financial and Loblaw consolidated components, as well as the Loblaw EBIT margin measure. For Mr. Columb's target STIP for 2023, 55% was based on President's Choice Financial components and 45% was based on Loblaw consolidated components.

The STIP for the President of President's Choice Financial was designed with the following business performance measures and overall weightings to drive the strategic goals of the Corporation and President's Choice Financial in 2023:

2023 STIP - Business Performance Measures Applicable to the President, President's Choice Financial

President's Choice Financial 55%	Sales 10%	Earnings 35%	ESG 5%	OSAT 5%	
Loblaw 45%	Sales 10%	Earnings 20%	ESG 5%	EBIT Margin 5%	OSAT 5%

Descriptions of the performance measures applicable to Mr. Columb are set forth below:

Loblaw Components

The components of the business performance measures applicable to Mr. Columb that are comprised of Loblaw performance measures, including performance ranges, payout percentages and factors influencing results, are all as set out above, except that a downward adjustment of 1.7% was applied to the Loblaw consolidated sales performance for the same reason noted above. The final payout factors for the Loblaw components for Mr. Columb differ slightly due to their different weightings within his overall STIP.

President's Choice Financial Sales Target

The President's Choice Financial sales target for 2023 ($1,530 million) was designed to focus President's Choice Financial executives on revenue growth.

President's Choice Financial Earnings Target

The President's Choice Financial earnings target for 2023 ($158 million) was designed to focus President's Choice Financial executives on delivering earnings before tax pursuant to President's Choice Financial's annual and multi-year business plan.

President's Choice Financial ESG Target

The President's Choice Financial ESG target for 2023 was designed to focus President's Choice Financial executives on President's Choice Financial's ongoing commitment to compliance, regulatory and social metrics. Achievement of the following initiatives would result in a payout of 100% in respect of the President's Choice Financial ESG target: (i) no or only minor issues as determined through President's Choice Financial's risk appetite statement; (ii) achieving an overall regulatory compliance rating of medium or better; and (iii) an increase in representation of persons who identify as Indigenous peoples or persons with disabilities, and on-time completion of mandatory DEI training. If President's Choice Financial achieved its ESG targets, then to the extent that the combined sales and earnings performance of the Corporation and President's Choice Financial exceeded target, the same combined performance factor would be applied to the ESG metric. To the extent that the ESG targets were not met, any performance payout for the ESG metric would be at the discretion of President's Choice Financial's Governance Committee.

President's Choice Financial Overall Satisfaction Target

The President's Choice customer satisfaction index, OSAT, is a direct measure of customer interactions. The President's Choice Financial OSAT target for 2023 (65%) was designed to focus executives on customer satisfaction in the short term to drive loyalty in the longer term. The President's Choice Financial OSAT strategic pursuit is a blended score weighted 60% to President's Choice Financial OSAT results and 40% to The Mobile Shop OSAT results.

2023 STIP Calculation applicable to the President of President's Choice Financial

In February 2024, the Governance Committee reviewed the 2023 financial results. Following the review, the aggregate payout factor for Mr. Columb was approved at 121.1% of target. The Governance Committees assessed the 2023 performance measures applicable to the President of President's Choice Financial as follows:

Performance Objective	Weighting (%)	Target	Actual	Performance	Payout Factor (% of Target)
PCF Sales	10	$1,530 million	$1,540 million	113.9 %	11.4 %
PCF Earnings	35	$158 million	$122 million	116.8 %	40.9 %
PCF ESG	5	Established Targets	Targets Achieved	124.0 %	6.2 %
PCF Overall Satisfaction	5	65 %	65.8 %	124.0 %	6.2 %
Loblaw Consolidated Sales	10	$58,059 million	$59,529 million	200.0 %	18.3 % (1)
Loblaw Consolidated Earnings	20	$4,961 million	$4,975 million	105.6 %	21.1 %
Loblaw ESG	5	Established targets	Targets Achieved	100.0 %	7.0 %
Loblaw EBIT Margin	5	7.24 %	7.15 %	81.6 %	4.1 %
Loblaw Overall Satisfaction	5	65.7 %	66.3 %	117.1 %	5.9 %
Overall STIP Payout					**121.1 %**

(1) Reflects a discretionary adjustment to Loblaw Consolidated Sales of (1.7)%.

Key Factors Influencing President's Choice Financial Results

Early in 2024, the President's Choice Financial Governance Committee reviewed President's Choice Financial's 2023 financial results and determined the key factors that contributed to President's Choice Financial's performance relative to its targets, including:

- sales and earnings results were below target leading to performance payouts of 113.9% and 116.8% of target, respectively; and
- ESG targets were surpassed and customer Overall Satisfaction levels were above target, leading to performance payouts of 124.0% and 124.0% of target, respectively.

Individual STIP Components

Galen G. Weston, Chairman

In 2023, the Governance Committee awarded Mr. Weston an individual performance component of $532,057, representing 130% of target for his exceptional performance in the role of President during the year until November 1, 2023, and included an individual performance component weighted at 25% of his overall Loblaw STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Weston's contributions to the Corporation's strategic objectives and his role in the Corporation significantly exceeding its overall 2023 business plan and performance goals. The Governance Committee also considered qualitative factors, such as Mr. Weston's leadership role in driving culture and engagement, management succession planning, and advancing the Corporation's ESG initiatives.

Per Bank, President and Chief Executive Officer

The 2023 STIP award for Mr. Bank reflected Mr. Bank's role as President and Chief Executive Officer during the year from his appointment on November 1, 2023 and included an individual performance component weighted at 25% of his overall Loblaw STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Bank's performance in achieving the Corporation's strategic objectives and his role in the overall achievement of the Corporation's 2023 business plan. The Governance Committee also considered qualitative factors, such as Mr. Bank's leadership role in helping to finalize the Corporation's 2024 business plan and his successful transition as President and Chief Executive Officer. Based on these criteria, the Governance Committee awarded Mr. Bank an individual performance component of $267,841, representing 125% of target.

Richard Dufresne, Chief Financial Officer

The 2023 STIP award for Mr. Dufresne reflected Mr. Dufresne's role as Chief Financial Officer during the year and included an individual performance component weighted at 25% of his overall Loblaw STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Dufresne's role in supporting and advancing the Corporation's strategic initiatives and operating efficiencies and in the achievement of the Corporation's 2023 business plan. The Governance Committee also considered qualitative factors, such as Mr. Dufresne's leadership qualities and his role in driving culture and engagement. Based on these criteria, the Governance Committee awarded Mr. Dufresne an individual performance component of $401,375, representing 130% of target.

Robert Sawyer, Former Chief Operating Officer

The 2023 STIP award for Mr. Sawyer reflected Mr. Sawyer's role as Chief Operating Officer during the year and included an individual performance component weighted at 25% of his overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Sawyer's role in leading and advancing the Corporation's enhanced focus on retail excellence and in the execution of the Corporation's 2023 business plan. The Governance Committee also considered qualitative factors, such as Mr. Sawyer's leadership qualities, including executive oversight of operational leadership teams. Based on these criteria, the Governance Committee awarded Mr. Sawyer an individual performance component of $633,750, representing 130% of target.

Jeff Leger, President, SDM

The 2023 STIP award for Mr. Leger reflected his role as President, SDM during the year and included an individual performance component weighted at 25% of his overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors, including Mr. Leger's role in driving SDM's strategic initiatives and in the execution of SDM's business plan. The Governance Committee also considered qualitative factors, such as Mr. Leger's leadership qualities and driving culture and engagement at SDM. Based on these criteria, the Governance Committee awarded Mr. Leger an individual performance component of $253,500, representing 120% of target.

Barry Columb, President, President's Choice Financial

The 2023 STIP award for Mr. Columb reflected his role as President of President's Choice Financial during the year and included an individual performance component weighted at 25% of his overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors, including Mr. Columb's role in advancing strategic initiatives at President's Choice Financial. The Governance Committee also considered qualitative factors, such as Mr. Columb's leadership qualities, his role in driving compliance and ethics awareness and driving culture and engagement at President's Choice Financial. Based on these criteria, the Governance Committee awarded Mr. Columb an individual performance component of $216,465, representing 110% of target.

The following table sets forth the performance measures and weightings that were used in determining the STIP awards for 2023 for Messrs. Weston, Bank, Dufresne, Sawyer and Leger:

2023 Loblaw STIP Award *(1)*

Name	Consolidated Sales ($)	Consolidated Earnings ($)	ESG ($)	EBIT Margin ($)	Overall Satisfaction ($)	Discretionary Adjustment ($)	STIP Total from Business Performance (at 130.0%) ($)	Individual Performance (2) ($)	Loblaw STIP Award ($)
Galen G. Weston(3)	661,138	349,081	94,448	77,070	110,599	(64,508)	**1,227,828**	532,057	**1,759,885** (3)
Per Bank	346,133	182,758	49,448	40,349	57,903	(33,772)	**642,819**	267,841	**910,660**
Richard Dufresne(4)	498,750	263,340	71,250	58,140	83,434	(48,664)	**926,250**	401,375	**1,327,625**
Robert Sawyer	787,500	415,800	112,500	91,800	131,738	(76,838)	**1,462,500**	633,750	**2,096,250**
Jeff Leger	341,250	180,180	48,750	39,780	57,086	(33,296)	**633,750**	253,500	**887,250**

(1) STIP awards are calculated using the NEO's actual base salary received in 2023, as applicable.

(2) Individual Performance dollar value is calculated as 25% of the STIP target dollar value multiplied by the business performance factor and the individual performance factor.

(3) Mr. Weston's aggregate base salary was allocated 70% to the Corporation and 30% to Weston until November 1, 2023, at which time he ceased being an executive officer of Loblaw, following which his executive compensation was allocated 100% to Weston with each applicable allocation thereof being subject to the applicable company's STIP. Mr. Weston's 2023 STIP award included an individual performance component of $532,057, representing 130% of target for his exceptional performance in the role of President during the year until November 1, 2023, and included an individual performance component weighted at 25% of his overall Loblaw STIP target. Full details of Mr. Weston's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

(4) Mr. Dufresne also receives a STIP award from Weston. Mr. Dufresne's aggregate base salary is allocated 80% to the Corporation and 20% to Weston, with each applicable allocation thereof being subject to the applicable company's STIP. Full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

The following table sets forth the performance measures and aggregate weightings that were used in determining Mr. Columb's STIP award for 2023, including both the President's Choice Financial and Loblaw performance measures:

2023 Aggregate STIP Award for Barry Columb, President, President's Choice Financial *(1)*

	Sales ($)	Earnings ($)	ESG ($)	EBIT Margin ($)	Overall Satisfaction ($)	STIP Total from Business Performance (at 121.1%) ($)	Individual Performance (2) ($)	Aggregate STIP Award ($)
PCF	55,526	199,388	30,225	n/a	30,225	315,364		
Loblaw	89,213 (3)	102,863	34,320	19,841	28,763	275,000		
Total						**590,364**	**216,465**	**806,829**

(1) STIP awards are calculated using the NEO's actual base salary received in 2023, as applicable.

(2) Individual Performance dollar value is calculated as 25% of the STIP target dollar value multiplied by the business performance factor and the individual performance factor.

(3) Reflects a discretionary adjustment to Loblaw Consolidated Sales of (1.7)%.

Executive Deferred Share Unit Plan

The Corporation's EDSU Plan enables an executive to receive up to 100% of the executive's STIP payout in any year in EDSUs, subject to a cumulative cap of three times the executive's base salary. All EDSUs held by an executive will be paid out in Common Shares purchased on the open market by no later than December 15th of the year following the year in which the executive's employment ceases for any reason. An election to participate in the EDSU Plan in any year must be made before the beginning of that year and is irrevocable. The number of EDSUs granted in respect of any year will be determined by dividing the STIP payout that is subject to an EDSU Plan election by the value of a Common Share on the date the STIP bonus would otherwise be paid. For this purpose, and for purposes of determining the value of an executive's EDSUs upon redemption, the value of a Common Share is calculated by using the volume-weighted average of the trading price of the Common Shares on the TSX for the five trading days prior to that valuation date. Additional EDSUs are accumulated based on notional equivalents of dividends paid on Common Shares while an EDSU is outstanding.

LONG-TERM INCENTIVE PLAN

The Corporation's equity-based LTIP is designed to retain executives and align their interests with long-term shareholder value creation by providing them with equity-based incentive awards that vest over time. Under the LTIP, the Corporation awards executives long-term incentives in the form of stock options, RSUs and PSUs, the values of which are directly linked to the market value of the Common Shares. Executives eligible for LTIP grants generally receive them on an annual basis.

Annual LTIP grants for NEOs are comprised of 1/3 stock options, 1/3 RSUs and 1/3 PSUs by grant date fair value (which proportions may vary immaterially due to rounding). The Board, on recommendation of the Governance Committee and after consultation with Meridian, has determined that the current LTIP mix is an appropriate balance of (i) stock options, which only have value to the extent the Corporation's share price increase and so align an executive's interest with shareholders in share price appreciation; (ii) RSUs, which serve as a key component in retaining executives and aligning their interests with those of shareholders; and (iii) PSUs, which focus executives on the delivery of key objectives set forth in the strategic plan. A balanced approach of equal weighting for stock options, RSUs and PSUs continues to be competitive in North America and well aligned to the Corporation's long-term strategy.

The value of an LTIP grant to a participating executive is generally determined as a percentage of the executive's base salary. All grants are reviewed and approved by the Governance Committee as part of its regular review of compensation. Annual LTIP awards are granted in the first quarter during the open trading window following the announcement of the Corporation's year end financial results in accordance with the Corporation's Securities Trading Policy. "Off-cycle" grants are made to newly hired executives and to executives promoted part way through a year, during open trading windows following the release of quarterly financial results.

In 2023, the Governance Committee approved LTIP awards to the NEOs as set out below.

Name	Base Salary (1) ($)	Annual LTIP Grant as a Percentage of Base Salary (%)	Grant Date Fair Value (2) ($)		Type of LTIP Grant(3)
Galen G. Weston	787,500	560	5,291,946	(4)	Stock Options, RSUs and PSUs
Per Bank	1,315,000	550	7,410,829	(5)	Stock Options, RSUs and PSUs
Richard Dufresne	760,000	375	6,850,001	(6)	Stock Options, RSUs and PSUs
Robert Sawyer	1,000,000	400	3,999,949		Stock Options, RSUs and PSUs
Jeff Leger	650,000	240	1,559,977		Stock Options, RSUs and PSUs
Barry Columb	650,000	265	1,722,484		Stock Options, RSUs and PSUs

(1) Other than one-time grants, LTIP awards are calculated using each NEO's base salary on the date of grant.

(2) The grant date fair value of a PSU award assumes vesting at 100% of target.

(3) Stock options, RSUs and PSUs each comprise one-third of the annual LTIP grant.

(4) Mr. Weston's aggregate base salary is allocated 70% to Loblaw and 30% to Weston until November 1, 2023, at which time he ceased being an executive officer of Loblaw, following which his executive compensation was allocated 100% to Weston. In aggregate, Loblaw paid $787,500 and Weston paid $504,167 in 2023. In addition to Mr. Weston's annual LTIP grant from the Corporation, he received annual LTIP grants from Weston with an aggregate grant date fair value of $2,268,001. Full details of Mr. Weston's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

(5) Mr. Bank's grant date fair value above includes his annual LTIP grant, which was pro-rated for the period from September 1 to December 31, 2023, with a grant value of $2,410,785, and a one-time grant of Loblaw RSUs he was awarded in September, 2023, with a grant date fair value of $5,000,044.

(6) Mr. Dufresne's aggregate base salary is allocated 80% to Loblaw and 20% to Weston. In the aggregate, Loblaw paid $760,000 and Weston paid $190,000 in 2023. In addition to Mr. Dufresne's annual LTIP grant from the Corporation, he received an annual LTIP grant from Weston with an aggregate grant date fair value of $712,519. Full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca. Mr. Dufresne's grant date fair value above is inclusive of a one-time grant of Loblaw stock options he was awarded in May, 2023, with a grant date fair value of $4,000,009. This one-time stock option grant was made to recognize Mr. Dufresne's vital role in supporting the senior management transition and ensuring ongoing stability in the management of Loblaw.

The key features of the Stock Option Plan, RSU Plan and PSU Plan are described below.

Stock Option Plan

Under the Stock Option Plan, the size of the annual award an executive receives is determined by reference to the executive's total LTIP award. The Governance Committee administers the Stock Option Plan, approves the participants, makes grants of options and establishes any limitations, restrictions and conditions on any grants. Any employee of the Corporation or any of its affiliates, as determined by the Governance Committee, may participate in the Stock Option Plan.

The Corporation's annual burn rate, which represents the number of Stock Options awarded under an arrangement divided by the weighted average number of Common Shares outstanding as at the end of a fiscal year, under the Stock Option Plan was 0.27% in 2023, 0.35% in 2022 and 0.57% in 2021.

The table below provides details regarding the outstanding options to purchase Common Shares and Common Shares available for future option grants:

	As at December 30, 2023	As at March 11, 2024
Issued and Outstanding Common Shares	310,526,379	309,852,327
Outstanding Options		
Number Outstanding	5,496,224	5,131,741
Number Outstanding as a Percentage of the Issued and Outstanding Common Shares	1.8%	1.7%
Maximum Number of Common Shares Issuable Pursuant to the Stock Option Plan at Any Time		
Number Issuable	28,137,162	28,137,162
Number Issuable as a Percentage of the Issued and Outstanding Common Shares	9.1%	9.1%
Common Shares Available for Future Option Grants		
Number Available	2,953,083	2,567,079
Number Available as a Percentage of the Issued and Outstanding Common Shares	1.0%	0.8%

The Stock Option Plan provides that Common Shares issuable pursuant to outstanding stock options that are cancelled, expired, forfeited or terminated for any reason without having been exercised will again be available for grant under the Stock Option Plan. Stock options are not transferable or assignable otherwise than by will or by laws of descent and distribution, and during the lifetime of an optionee will be exercisable only by the holder. Please see page 72 for details regarding the treatment of stock options upon the resignation, termination with or without cause, or retirement of a participant as well as the effect of a change of control of the Corporation.

The exercise price for options may not be less than the fair market value of a Common Share, which is defined as the greater of: (i) the volume-weighted average of the trading price of a Common Share on the TSX for the five trading days prior to the grant date; or (ii) the volume-weighted average of the trading price of a Common Share on the TSX on the trading day immediately preceding the grant date. The exercise price for options granted to U.S. participants is no less than the closing price of the Common Shares on the TSX on the day immediately preceding the grant date.

Options may not be exercised prior to the first anniversary of the date of the grant. The vesting of options is determined on the grant of the option. Under the Stock Option Plan, each option has a term of not less than five and not more than 10 years. Generally, options vest over a five-year period at a rate of 20% per year and expire at the end of seven years.

If the expiry date of an option occurs during a blackout period or other period during which an insider is prohibited from trading in securities of the Corporation pursuant to its Securities Trading Policy, the expiry date will automatically be extended for 10 business days after the blackout period ends.

The aggregate number of Common Shares issued to insiders within any 12 month period, or issuable to insiders at any time, under the Stock Option Plan and any other security based compensation arrangement of the Corporation, may not exceed 5% of the total number of issued and outstanding Common Shares during such period of time.

In the event of a consolidation, subdivision or reclassification of the Common Shares, or any stock dividend of Common Shares paid otherwise than in lieu of a normal cash dividend, or any amalgamation or reorganization of the Corporation, the Board will make appropriate adjustments to the number of Common Shares subject to any options then outstanding and the exercise price thereof. The Stock Option Plan provides that shareholder approval is not required for any amendments to the Stock Option Plan or an option granted under the Stock Option Plan, except for any amendment or modification that:

1. increases the number of Common Shares that can be issued under the Stock Option Plan, including an increase to a fixed number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed maximum percentage;
2. reduces the exercise price of an option (including, without limitation, a cancellation and re-grant of an option, constituting a reduction of the exercise price of such option), except in connection with a change in the number of the Corporation's outstanding Common

Shares by reason of a stock dividend or split, recapitalization, reorganization, amalgamation, consolidation, combination or exchange of Common Shares, or another corporate change affecting Common Shares;

3. extends the term of an option beyond its original expiry date, except where the expiry date would have occurred during a blackout period or at any other time when the holder may be prohibited from trading in securities of the Corporation pursuant to the Corporation's Securities Trading Policy;
4. changes the provisions relating to the transferability of an option;
5. extends eligibility to participate in the Stock Option Plan to a non-employee director;
6. permits awards, other than options, to be made under the Stock Option Plan;
7. requires shareholder approval under applicable laws, regulations or stock exchange rules; or
8. affects the amending provisions of the Stock Option Plan.

Subject to any required regulatory review or approval, the Board may make all other amendments to the Stock Option Plan without shareholder approval. These amendments include, but are not limited to, the termination of the Stock Option Plan; amendments designed to comply with applicable laws or regulatory requirements and "housekeeping" administrative changes (such as correcting an immaterial inconsistency or curing any ambiguity).

There were no amendments to the Stock Option Plan in 2023.

In 2023, the following NEOs exercised stock options as described in the table below.

Name	Grant Date	Exercise Date	Quantity Exercised (#)	Exercise Price ($)	Market Price ($)
Galen G. Weston	March 3, 2016	March 1, 2023	60,730	58.00	117.49
Richard Dufresne[(1)]	August 2, 2017	February 24, 2023	5,000	57.66	119.00
	August 2, 2017	March 1, 2023	10,216	57.66	117.79
	March 2, 2017	March 8, 2023	5,000	59.00	118.35
	March 2, 2017	March 20, 2023	30,989	59.00	116.56
Jeff Leger	March 2, 2017	March 24, 2023	7,000	59.00	116.30
	March 2, 2017	December 6, 2023	8,140	59.00	123.50

(1) Mr. Dufresne also exercised stock options from Weston in 2023. The full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

In 2023, the NEOs received stock option grants from the Corporation as described in the table below.

Name	Options Granted (#)	Exercise Price ($)	Grant Date Fair Value ($)	Vesting Schedule	Term of Grant
Galen G. Weston	66,861 [(1)]	117.77	1,763,793	20% per year over 5 years	7 years
Per Bank	29,849	117.92	803,535	20% per year over 5 years	7 years
Richard Dufresne	36,008 [(1)]	117.77	949,891	20% per year over 5 years	7 years
	154,919	124.14	4,000,009 [(2)]	20% per year over 5 years	7 years
Robert Sawyer	50,537	117.77	1,333,166	20% per year over 5 years	7 years
Jeff Leger	19,710	117.77	519,950	20% per year over 5 years	7 years
Barry Columb	21,763	117.77	574,108	20% per year over 5 years	7 years

(1) Messrs. Weston and Dufresne received grants of stock options from Weston in 2023 with grant date fair values of $1,134,082 and $356,344, respectively. The full details of the compensation of Messrs. Weston and Dufresne from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

(2) In May 2023 Mr. Dufresne received a one-time grant of Loblaw stock options with a grant date fair value of $4,000,009.

Restricted Share Unit Plan

RSUs entitle an executive to receive the value of the RSU award in Common Shares purchased on the open market at the end of the applicable vesting period, which is usually three years in length. An executive receives the number of Common Shares equal to the number of RSUs granted, with the ultimate award value determined by the Common Share price at the end of the applicable vesting period. Dividend equivalents in the form of additional RSUs that are equal in value to dividends paid on Common Shares are credited to the participant's account on each dividend payment date based on the number of RSUs in the account as of each dividend record date. The additional RSUs are subject to the same vesting conditions applicable to the related RSUs.

In 2023, the NEOs were awarded RSUs from the Corporation as follows:

Name	RSUs Granted (#)	Grant Value Per Unit ($)	Grant Date Fair Value ($)	Vesting Date
Galen G. Weston	14,977 (1)	117.77	1,763,841	March 2, 2026
Per Bank	6,814	117.92	803,507	September 1, 2026
	42,402 (2)	117.92	5,000,044	September 1, 2026
Richard Dufresne	8,066 (1)	117.77	949,933	March 2, 2026
Robert Sawyer	11,320	117.77	1,333,156	March 2, 2026
Barry Columb	4,875	117.77	574,129	March 2, 2026
Jeff Leger	4,415	117.77	519,955	March 2, 2026

(1) Since 2019 the annual grants for senior executives of Weston are comprised of stock options and PSUs, with no RSUs granted to its senior executives. The full details of the compensation of Messrs. Weston and Dufresne from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

(2) Mr. Bank received a one-time award of RSUs as part of make whole compensation to offset certain compensation Mr. Bank forfeited upon resigning from his former employer.

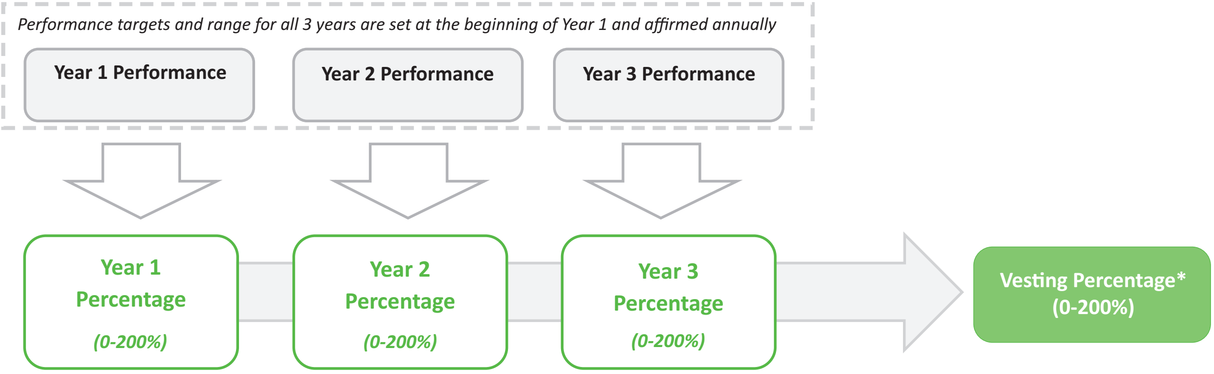
Performance Share Unit Plan

PSUs represent a form of at-risk long-term compensation that serves to motivate the recipient to deliver on objectives set forth in the Corporation's strategic plan. PSUs serve to focus executives on selected key drivers of corporate performance and serve as a pay-for-performance incentive to reward executives for the achievement of prescribed corporate goals and share price appreciation. PSUs entitle an executive to receive the value of a PSU award in Common Shares purchased on the open market at the end of the applicable performance period, typically three years in length. However, the number of PSUs that vest during such period depends on the achievement of certain performance measures. For 2023, the Corporation's PSU performance measures were consolidated revenue and return on capital, excluding consolidated franchises.

Though the Governance Committee closely monitors the Corporation's performance relative to that of its peers when making compensation decisions, the Governance Committee believes that the best approach for the Corporation is to tie its executive compensation to performance metrics that are aligned with the Corporation's strategy and operating plans and that can be directly impacted by its executives. Consolidated revenue and return on capital are important indicators of retail performance and performance on these metrics is reflected in long term share price performance. The Governance Committee has determined that relative total shareholder return is not an appropriate performance measure for the PSUs due to the lack of size-appropriate Canadian retail peers and the significantly different inflation, foreign exchange and macro-economic factors to which comparable U.S. retailers are subject.

The Governance Committee has determined that consolidated revenue is appropriate as a significantly-weighted performance measure for the PSUs, notwithstanding its inclusion as a measure for the STIP, as it serves as a proxy for market share and is intended to reward growth of the business. Growth in revenue and market share is critical to the success of the Corporation and to the Corporation remaining competitive relative to its peers. Using consolidated revenue as a factor in the LTIP and STIP aligns the interests of executives with those of shareholders.

PSUs vest at the end of the applicable three-year performance period. The performance factor that determines the number of PSUs that vest is determined based on the three year average results against target in each year in the performance period. Setting yearly performance targets allows the Corporation to set targets with appropriate stretch and reduces the need for the Corporation to make provisions for adjustments or moderation of macro-economic impacts which may be more likely over a longer term. The results in each year, in turn, are determined based upon the level of achievement of each of the performance conditions during that year. When setting the three one-year targets, the Governance Committee considers the longer term financial operating model of the Corporation. The setting of three one-year targets, as opposed to one three-year target, aligns with the practice of some retail organizations of set targets over shorter periods and reflects a retail industry specific incentive design. The overall number of PSUs that vest at the end of a performance period range from 0% to 200% of the initial grant as illustrated below:



*Calculated as a simple average of performance in Years 1, 2, and 3.

Each PSU measure has a threshold, target and maximum performance level. Where performance is below threshold, PSUs do not vest. PSUs vest at 100% if target performance is achieved and at 200% if maximum performance is achieved.

For performance between threshold and target and target and maximum, vesting of PSUs is determined on a linear basis. Dividend equivalents in the form of additional PSUs that are equal in value to dividends paid on Common Shares are credited to the participant's account on each dividend payment date based on the number of PSUs in the account as of the dividend record date. The additional PSUs are subject to the same vesting and performance conditions applicable to the underlying PSUs.

The performance targets for the PSUs granted in 2023 relate to a three-year period ending January 3, 2026 and were developed taking into account the Corporation's confidential business strategies, plans and initiatives and its expectations regarding financial and operational performance. These targets are intended to be challenging – neither impossible nor easy to achieve. These measures were stress-tested to ensure they were appropriately challenging taking into consideration historical trends and budget growth expectations in the Corporation's financial plan. PSU targets are forward-looking and disclosure of them before the end of the performance period would seriously prejudice the Corporation's interests. As a result, targets are disclosed in complete detail at the time of payout of PSUs.

In 2023, the following NEOs were awarded PSUs from the Corporation for which the grant date fair value assumes vesting at 100% of target:

Name	PSUs Granted (#)	Grant Value Per Unit ($)	Grant Date Fair Value ($)	Vesting Date
Galen G. Weston	14,981 (1)	117.77	1,764,312	March 2, 2026
Per Bank	6,816	117.92	803,743	September 1, 2026
Richard Dufresne	8,068	117.77	950,168	March 2, 2026
Robert Sawyer	11,324	117.77	1,333,627	March 2, 2026
Barry Columb	4,876	117.77	574,247	March 2, 2026
Jeff Leger	4,416	117.77	520,072	March 2, 2026

(1) *Messrs. Weston and Dufresne also received grants of PSUs from Weston in 2023 with grant date fair values of $1,133,919 and $356,175, respectively. The full details of the compensation of Messrs. Weston and Dufresne from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.*

Performance of 2021 PSUs

In 2021, the Corporation's NEOs were awarded PSUs whose vesting was tied to consolidated revenue and return on capital targets over a three-year period. Revenue excluded the consolidation of franchises in 2020, but was included as of 2021. The return on capital measure was defined as Adjusted EBIT* divided by capital at the start of the year. Adjusted EBIT, as referenced in relation to Loblaw's 2021 PSU targets, includes certain further adjustments in addition to those noted in the 2023 MD&A. At the time of grant, the performance targets relating to the 2021 return on capital and enterprise consolidated revenue metrics were forward-looking as they related to the three-year period ending in 2023 and were developed taking into account the Corporation's business strategies, plans and initiatives and its expectations regarding financial and operational performance. The targets were intended to be challenging – neither impossible nor easy to achieve.

*Non-GAAP financial measure. Please see the note in the "Other Information" section of this Circular and section 17 of the 2023 MD&A.

In early 2024, the Governance Committee reviewed the performance of the 2021 PSU grants and determined the following results based on the average of the three year performance:

- the enterprise consolidated revenue component achieved a performance result of 194.2%; and
- the return on capital component achieved a performance result of 177.2%.

The target and performance for each component for PSUs awarded in 2021 which were equally weighted on results from 2021, 2022 and 2023 and paid out in 2024, are set out below:

Measures		2021		2022		2023		Performance by Measure	Performance Factor
		Target	Results	Target	Results	Target	Results		
Enterprise Consolidated Revenue	Max:	$52,760		$54,023		$59,220			
	Target:	**$51,725**	**$53,170**	**$52,964**	**$56,504**	**$58,059**	**$59,529**	**194.2%**	**97.1%**
50% weighting	Min:	$50,690		$51,905		$56,898			
Loblaw Return on Capital	Max:	12.02%		12.98%		15.68%			
	Target:	**11.27%**	**12.90%**	**13.48%**	**14.86%**	**15.18%**	**15.34%**	**177.2%**	**88.6%**
50% weighting	Min:	10.52%		13.98%		14.68%			
Performance by Year		**200.0%**		**200.0%**		**157.6%**		—	—
Vesting		**66.6%**		**66.6%**		**52.5%**		—	—
Overall Payout									**185.7%**

2021 PSU Payout Summary

In 2024, the Governance Committee determined that the 2021 grant of PSUs paid out at 185.7% of target. The number of PSUs that vested pursuant to these performance results is set out in the table below. Messrs. Bank and Dufresne were not employed by Loblaw in 2021.

Vesting of 2021 PSU Award

Name	2021 PSUs Granted (#)	Total number of PSUs vested prior to application of performance factor (1) (#)	Enterprise Consolidated Revenue Component (#)	Return on Capital Component (#)	Total number of PSUs Vested (#)	Actual Settlement Value ($)
Galen G. Weston	12,768	13,359	12,971	11,835	24,806	3,617,726 (2)
	284	294 (3)	286	261	547	81,755 (3)
Robert Sawyer	18,699	19,470 (4)	18,905	17,250	36,155	5,403,726 (4)
Jeff Leger	6,650	6,958	6,755	6,165	12,920	1,884,263 (2)
Barry Columb	6,650	6,958	6,755	6,165	12,920	1,884,263 (2)

(1) The total number of PSUs vested prior to the application of the performance factor reflects the original number of PSUs granted plus the dividend equivalents earned subsequent to the grant date.

(2) The actual value of the PSU settlements was based on the market price of the Common Shares on the TSX on March 4, 2024, the vesting date of the PSUs, which was $145.8408.

(3) Mr. Weston's August 2021 grant of PSUs will vest on August 5, 2024. These amounts are the estimated value of the August, 2024 PSU settlement, based on the number of PSUs held on March 11, 2024 and the closing price of the Common Shares on the TSX on March 11, 2024, which was $149.46. The actual number of units held on August 5, 2024, being the vesting date of the PSUs, will include dividend equivalents earned between March 11, 2024 and August 5, 2024, and the actual value of the PSU settlement at that time will be based on the market price of the Common shares on or about August 5, 2024.

(4) Mr. Sawyer's 2021 PSUs will vest on May 12, 2024. These amounts are the estimated value of the May, 2024 PSU settlement, based on the number of PSUs held on March 11, 2024 and the closing price of the Common Shares on the TSX on March 11, 2024, which was $149.46. The actual number of units held on May 12, 2024, being the vesting date of the PSUs, will include dividend equivalents earned between March 11, 2024 and May 12, 2024, and the actual value of the PSU settlement at that time will be based on the market price of the Common shares on or about May 12, 2024.

Long-Term Incentive Plan Clawback

All LTIP grants include a clawback provision stating that if an executive accepts employment with a competitor of the Corporation within six months after leaving the employment of the Corporation, the gross dollar value of all stock option, RSU and PSU payments received in the 12 months of employment immediately prior to the date of cessation of employment must be repaid to the Corporation.

Securities Authorized for Issuance under Equity Compensation Plans as of December 30, 2023

The following table shows the number of securities authorized for issuance under equity compensation plans of the Corporation:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Securityholders			
Stock Option Plan	5,496,224	$79.89	2,953,083
Equity Compensation Plans Not Approved by Securityholders	N/A	N/A	N/A
Total	**5,496,224**	**$79.89**	**2,953,083**

RETIREMENT AND PENSION ARRANGEMENTS

The Corporation's retirement and pension arrangements are designed to provide a reasonable level of retirement income to executives. Senior executives of the Corporation, other than Mr. Weston, participate in the defined benefit or the defined contribution component of the Consolidated Executive Plan. All new Loblaw executives join the Consolidated Executive Plan and participate in the defined contribution portion of the plan. Certain senior management of SDM, including Mr. Leger, participate in the Pension Plan for Executives of Shoppers Drug Mart Inc., a registered defined benefit pension plan, and the Shoppers Drug Mart Inc. Supplementary Pension Plan, an unregistered defined benefit pension plan (collectively, the "SDM Executive Pension Plan"), which closed in 2014. Mr. Weston does not participate in any of the Corporation's or Weston's pension plans.

In addition, senior executives of the Corporation whose pensionable earnings exceed prescribed levels participate in a non-contributory SERP.

The details of these retirement and pension arrangements are set out in the section "Pension Plan and Long Service Executive Arrangements" on page 80.

EXECUTIVE BENEFIT PLANS

The Corporation provides the NEOs with designated health, dental, disability and insurance coverage through executive benefit plans paid for by the Corporation.

PERQUISITES

NEOs generally receive a limited number of perquisites, including the use of a car, an annual medical examination, a discretionary health care spending account and the right to participate in the employee share ownership plan.

EXECUTIVE SHARE OWNERSHIP POLICY

The Corporation maintains an Executive Share Ownership Policy to further align the interests of senior executives with those of the Corporation's shareholders. The Policy establishes minimum share ownership levels for executives which, based on their executive level, are set at a multiple of their base salary.

Under the Policy, Common Shares, EDSUs and the in-the-money value of vested stock options of the Corporation are the only eligible holdings included in determining an executive's ownership value. The Policy applies to every executive at the senior vice president level and higher. Senior executives who serve the Corporation as well as Weston may include their eligible holdings of Weston to satisfy the Policy.

Under the Policy, senior executives are required to own eligible equity-based holdings with a value equal to a multiple of their base salary as determined by their position:

Position	Multiple
President and Chief Executive Officer	5x base salary
CFO, COO and Executive Vice Presidents or equivalent, including Divisional Presidents	2x base salary
Senior Vice Presidents	0.5x base salary

Executives are required to attain the required ownership level within five years of their appointment. The Chairman and the President and Chief Executive Officer of the Corporation are subject to a post-employment hold period which requires them to maintain their share ownership level for one year following the end of their employment.

Executives subject to the Policy are required to retain a minimum of 50% of the after-tax proceeds received on the settlement of RSUs or PSUs or an exercise of stock options in Common Shares until their respective executive ownership levels has been attained.

The dollar values of each NEO's eligible equity-based holdings, based on the closing price of the Common Shares on the TSX on March 11, 2024 of $149.46 and the closing price of the Weston common shares on the TSX on March 11, 2024 of $181.69, as applicable, are set forth in the table below, along with the dollar value of those equity-based holdings that are not eligible to be included in determining an executive's ownership value.

	Ownership Requirement		Value of Eligible Equity-Based Holdings				Value of Ineligible Equity-Based Holdings			
Name	($)	Multiple of Salary	Common Shares ($)	DSUs and EDSUs ($)	Vested In-the-Money Stock Options ($)	Eligible Total ($)	RSUs ($)	PSUs [2] ($)	Unvested In-the-Money Stock Options ($)	Ineligible Total ($)
Galen G. Weston[1]	3,937,500	5	14,213,670,962	418,977	63,948,415	14,278,038,354	4,761,945	9,201,037	17,206,821	31,169,803
Per Bank	6,575,000	5	31,536		—	31,536	9,860,175	3,476,290	1,106,437	14,442,902
Richard Dufresne[3]	1,520,000	2	5,814,783	—	28,441,600	34,256,383	3,658,482	4,848,326	13,636,874	22,143,682
Barry Columb	1,300,000	2	6,204,981	—	9,708,376	15,913,357	2,123,677	2,124,275	4,024,121	8,272,073
Jeff Leger	1,300,000	2	1,973,171	224,041	8,652,779	10,849,991	2,087,059	2,087,508	4,040,736	8,215,303

(1) *Mr. Weston is also subject to Weston's Executive Share Ownership Policy. Mr. Weston's aggregate base salary was paid 70% by Loblaw and 30% by Weston until November 1, 2023, at which time he ceased being an executive officer of Loblaw, following which his executive compensation was allocated 100% to Weston. For 2023, Loblaw and Weston paid $787,500 and $504,167 respectively toward the cost of Mr. Weston's aggregate base salary of $1,291,667. Mr. Weston's aggregate ownership requirement is $6,458,335. For a description of Weston's Executive Share Ownership Policy in respect of Mr. Weston, please refer to the Weston Management Proxy Circular available at www.sedarplus.ca.*

(2) *The value of PSU awards assumes vesting at 100% of target.*

(3) *Mr. Dufresne is also subject to Weston's Executive Share Ownership Policy. Mr. Dufresne's aggregate base salary is paid 80% by Loblaw and 20% by Weston. For 2023, Loblaw and Weston paid $760,000 and $190,000 respectively toward the cost of Mr. Dufresne's aggregate base salary of $950,000. Mr. Dufresne's aggregate ownership requirement is $2,850,000. For a description of Weston's Executive Share Ownership Policy in respect of Mr. Dufresne, please refer to the Weston Management Proxy Circular available at www.sedarplus.ca.*

2023 COMPENSATION DECISIONS REGARDING THE NAMED EXECUTIVE OFFICERS

The following outlines the rationale underlying the compensation decisions for each of the Corporation's NEOs for 2023.

Galen G. Weston, Chairman

Mr. Weston's compensation arrangements up to November 1, 2023, when he ceased being an executive officer of Loblaw, were consistent with the prior year, being an annual base salary of $1,350,000 and STIP and LTIP targets of 160% and 560% of base salary, respectively. Up to November 1, 2023, Mr. Weston's base salary was paid 70% by Loblaw and 30% by Weston and each of Loblaw and Weston determines and funds its respective share of Mr. Weston's STIP. For Mr. Weston's STIP, 70% is subject to the Loblaw STIP and 30% is subject to the Weston STIP. Following November 1, 2023, Mr. Weston's executive compensation is funded 100% by Weston. In 2023, the Board of Loblaw engaged Meridian to benchmark the proposed compensation for Mr. Weston in connection with his transition to non-executive Chairman, and the Governance Committee approved an annual Board Chair retainer of $750,000, which was paid on a pro-rated basis starting on November 1, 2023.

Mr. Weston's annual Loblaw LTIP granted in March, 2023 had an aggregate grant date fair value of $5,291,946, comprised of 66,861 stock options, 14,977 RSUs and 14,981 PSUs.

As discussed in the section "Individual STIP Components" on page 61, the Governance Committee awarded Mr. Weston $532,057, representing 130% of target for his exceptional performance in the role of President during the year until November 1, 2023, for the individual performance component of his 2023 Loblaw STIP award.

Full details of Mr. Weston's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

Per Bank, President and Chief Executive Officer

On April 18, 2023, Loblaw announced that following an extensive global search for a President and Chief Executive Officer, Mr. Per Bank would join Loblaw in the coming months. Mr. Bank was appointed as President and Chief Executive Officer effective November 1, 2023. The compensation arrangements approved by the Board for Mr. Bank upon his appointment included a base salary of $1,315,000 and STIP and LTIP targets of 150% and 550%, respectively. Mr. Bank's compensation also includes an allowance paid for certain relocation, housing and tax filing expenses.

For 2023, Mr. Bank received an LTIP grant comprised of 29,849 stock options, 6,814 RSUs and 6,816 PSUs, with an aggregate grant date value of $2,410,785, representing a pro rata grant for the year. These awards were consistent with the Corporation's compensation philosophy of providing compensation competitive with benchmarked market and industry practices.

The Board further approved a one-time award of 42,402 RSUs granted in September 2023, with an aggregate grant date fair value of $5,000,044 and a three-year vesting period, and a cash payment of $13,000,000 paid in 2023, and subject to a three-year clawback requirement. At the time Mr. Bank resigned from his former employer, he forfeited significant compensation and these payments were designed as make-whole compensation to offset the forfeitures.

The form of the make whole amount was designed to align with the form and vesting period of the compensation that Mr. Bank had to forgo at his former employer, as well as serving to bridge the period until the vesting of his Loblaw LTIP awards. In the Board's view, without this make whole compensation, Loblaw would not have been able to persuade Mr. Bank to leave his former employer and accept the appointment as President and Chief Executive Officer at Loblaw and therefore it was reasonable to offset certain forgone compensation from his former employer, subject to the applicable vesting conditions for such make whole compensation. If Mr. Bank resigns or is terminated without cause within three years, he would be entitled to a pro-rated portion of the one-time RSUs and would be required to repay to the Corporation a pro-rated portion of the $13,000,000 cash payment, pursuant to the clawback requirement.

In addition, as discussed in the section "Individual STIP Components" on page 61, the Governance Committee awarded Mr. Bank $267,841 for the individual performance component of his 2023 STIP award.

Richard Dufresne, Chief Financial Officer

Mr. Dufresne's compensation arrangements did not change in 2023, being a base salary of $950,000 and STIP and LTIP targets of 125% and 375% of base salary, respectively. To reflect his dual role, 80% of Mr. Dufresne's base salary is paid by Loblaw and 20% by Weston. Each of Loblaw and Weston determines and funds its respective share of Mr. Dufresne's STIP. 80% of Mr. Dufresne's STIP is subject to the Loblaw STIP and 20% is subject to the Weston STIP.

As discussed in the section "Individual STIP Components" on page 61, the Governance Committee awarded Mr. Dufresne $401,375 for the 25% individual performance component of his 2023 Loblaw STIP award.

Mr. Dufresne's annual LTIP grant from Loblaw for 2023 had an aggregate grant date fair value of $2,849,992, comprised of 36,008 stock options, 8,066 RSUs and 8,068 PSUs. In addition, the Board further approved a one-time award of 154,919 stock options granted in May 2023, with an aggregate grant date fair value of $4,000,009. This one-time stock option grant was made to recognize Mr. Dufresne's vital role in supporting the senior management transition and ensuring ongoing stability in the management of Loblaw.

Full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.

Robert Sawyer, Former Chief Operating Officer

Mr. Sawyer retired from the Corporation effective December 31, 2023. Mr. Sawyer's compensation arrangements did not change for 2023, being a base salary of $1,000,000 and STIP and LTIP targets of 150% and 400% of base salary, respectively.

For 2023, Mr. Sawyer received an LTIP grant comprised of 50,537 stock options, 11,320 RSUs and 11,324 PSUs, with an aggregate grant date value of $3,999,949.

In addition, as discussed in the section "Individual STIP Components" on page 61 , the Governance Committee awarded Mr. Sawyer $633,750 for the individual performance component of his 2023 STIP award.

Jeff Leger, President, SDM

Mr. Leger's compensation arrangements did not change in 2023, being a base salary of $650,000 and and STIP and LTIP targets of 100% and 240% of base salary, respectively. For 2023, Mr. Leger received an LTIP grant comprised of 19,710 stock options, 4,415 RSUs and 4,416 PSUs, with an aggregate grant date value of $1,559,977. In addition, as discussed in the section "Individual STIP Components" on page 62, the Governance Committee awarded Mr. Leger $253,500 for the 25% individual performance component of his 2023 STIP award.

Barry Columb, President, President's Choice Financial

Mr. Columb's compensation arrangements did not change in 2023, being a base salary of $650,000 and STIP and LTIP targets of 100% and 265% of base salary, respectively. For 2023, Mr. Columb received an annual LTIP grant comprised of 21,763 stock options, 4,875 RSUs and 4,876 PSUs, with an aggregate grant date fair value of $1,722,484. In addition, as discussed in the section "Individual STIP Components" on page 62, the Governance Committee awarded Mr. Columb $216,465 for the 25% individual performance component of his 2023 STIP award.

TERMINATION AND CHANGE OF CONTROL BENEFITS

None of the NEOs' employment agreements provide for change of control benefits; however, the Corporation's compensation plans have termination and change of control provisions. The table below summarizes the termination and change of control benefits provided under each plan in situations that result in cessation of employment. The actual amounts that an NEO would receive upon termination of employment can only be determined at the time the NEO leaves the Corporation.

	Separation Event (1)					Change of Control
Type of Compensation	**Resignation**	**Termination without Cause**	**Termination with Cause**	**Retirement after age 55 with at least 10 years of service (the "Conditions")**	**Retirement that does not meet the Conditions**	
Short-Term Incentive Plan	No payment	Bonus for the applicable year is pro-rated to the termination date	No payment	Bonus for the applicable year is pro-rated to the retirement date	Bonus for the applicable year is pro-rated to the retirement date	Governance Committee discretion to grant or adjust bonus
Stock Option Plan	30 days from the last day of active employment to exercise vested options	90 days from notice of termination to exercise vested options	All outstanding options forfeited at time of notice of termination	Options will continue to vest and pay out in the normal course, with the exception of any award granted in the calendar year of retirement	90 days from the date of retirement to exercise vested options	Governance Committee discretion to accelerate vesting of options
Restricted Share Unit Plan	Units forfeited upon the last day of active employment	Value of units paid out on a pro-rated basis for units granted at least 12 months prior to the termination date	All outstanding units forfeited upon the last day of active employment	RSUs will continue to vest and pay out in the normal course, with the exception of any award granted in the calendar year of retirement	Value of outstanding units paid out on a pro-rated basis for units granted at least 12 months prior to the date of retirement	Governance Committee discretion to adjust grant
Performance Share Unit Plan	Units forfeited upon the last day of active employment	Value of units paid out on a pro-rated basis for units granted at least 12 months prior to the termination date	All outstanding units forfeited upon the last day of active employment	PSUs will continue to vest and pay out in the normal course, with the exception of any award granted in the calendar year of retirement	Value of outstanding units paid out on a pro-rated basis for units granted at least 12 months prior to the date of retirement	Governance Committee discretion to adjust grant
Executive Deferred Share Unit Plan	NEO has until December 15th of the year following resignation to redeem	NEO has until December 15th of the year following termination to redeem	NEO has until December 15th of the year following termination to redeem	NEO has until December 15th of the year following retirement to redeem	NEO has until December 15th of the year following retirement to redeem	Governance Committee to ensure substantially similar award following a change of control event

(1) For executives who die or become disabled, their RSUs and PSUs will continue to vest and pay out in the normal course. All vested and unvested stock options will immediately vest and executives (or their estates) will have 2 years from the date of death or disability (or, if earlier, expiry of the term) to exercise vested options.

The Governance Committee has discretion to make adjustments to the general plan provisions for a particular executive if considered appropriate in the circumstances. The following summarizes the termination benefits described above as they relate to the specific arrangements under each NEO's employment agreement as at December 31, 2023.

Per Bank, President and Chief Executive Officer

If Mr. Bank's employment is terminated without cause, he would be entitled to the following:

i. a lump sum payment equal to the greater of (a) his regular base salary (including any vacation pay or termination pay) for a period of three (3) months from the termination date and (b) any minimum standards payments required by applicable employment standards legislation;

ii. a pro-rated STIP award equal to the greater of (a) the pro-rated STIP award he would have been entitled to (if any) had he remained employed with Loblaw up to the date that is three (3) months following the termination date, subject to the maximum payout being his pro-rated STIP target for the portion of the STIP award that relates to the period following the termination date; and (b) any pro-rated STIP award he would have become entitled to pursuant to the minimum standard under applicable employment standards legislation;
iii. continued participation in the Loblaw-leased car program, health care and dental benefits, employee/family assistance program, and pension accrual during the minimum standard benefit continuation period required under applicable employment standards legislation;
iv. continued housing rental expenses for the greater of (a) three (3) months from the termination date, and (b) the minimum standard benefit continuation period under applicable employment standards legislation; and
v. continued vesting of all LTIP awards, including the one-time RSUs, received prior to the date of any termination notice, without pro-ration, subject to certain non-competition and confidentiality undertakings.

Richard Dufresne, Chief Financial Officer

If Mr. Dufresne's employment is terminated without cause, he would be entitled to receive for a period of 24 months: (a) his base salary and car allowance, (b) his target STIP bonus, and (c) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Dufresne would also be entitled to applicable incentive payments and share-based settlements as provided for under the terms of the LTIP. Upon termination, Mr. Dufresne would be subject to certain non-competition and confidentiality undertakings.

Robert Sawyer, Former Chief Operating Officer

Mr. Sawyer retired as Chief Operating Officer effective December 31, 2023. In accordance with his retirement arrangements, Mr. Sawyer's LTIP awards received during the term of his employment will continue to vest on their original timeline without pro-ration. Upon his retirement, Mr. Sawyer remained subject to certain non-competition and confidentiality undertakings. Mr. Sawyer retired from Loblaw effective December 31, 2023 and entered into a one-year fixed term advisory arrangement to support the transition and onboarding of Mr. Bank.

Jeff Leger, President, SDM

If Mr. Leger's employment is terminated without cause, he would be entitled to receive for a period of 22 months plus one additional month for every completed year of service from October 18, 2021, up to a maximum of 24 months: (a) his base salary, (b) his target STIP bonus, (c) participation in the Corporation-leased car program, and (d) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Leger would also be entitled to certain incentive payments and share-based settlements applicable to the period prior to the termination date, as provided for under the terms of the STIP and LTIP. Upon termination, Mr. Leger would be subject to certain non-competition and confidentiality undertakings.

Barry Columb, President, President's Choice Financial

If Mr. Columb's employment is terminated without cause, he would be entitled to receive for a period of 18 months plus one additional month for every completed year of service from March 7, 2017 up to a maximum of 24 months: (a) his base salary, (b) his target STIP bonus, (c) participation in the Corporation-leased car program, and (d) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Columb would also be entitled to certain incentive payments and share-based settlements applicable to the period prior to the termination date, as provided for under the terms of the STIP and LTIP. Upon termination, Mr. Columb would be subject to certain non-competition and confidentiality undertakings.

POTENTIAL AMOUNTS PAID ON TERMINATION

The following table sets forth the estimated incremental payments or benefits that the NEOs would have received upon termination of employment on December 30, 2023 for the various reasons described below:

		Amounts Due on Termination							
		Contractual Severance							
						Long-Term Incentive Plans			
Name	**Event**	**Salary (1) ($)**	**Annual Bonus (1) ($)**	**Benefits ($)**	**Other ($)**	**Stock Options (2) ($)**	**RSUs (3) ($)**	**PSUs (3) ($)**	**Total ($)**
Per Bank(4)	Termination with cause(4)	—	—	—	—	—	603,765	—	603,765
	Termination without cause(4)	328,750 (4)	493,125 (4)	1,052 (4)	188,818 (4)	309,236	5,835,610	808,182	7,964,773
	Resignation(4)	—	—	—	—	—	603,765	—	603,765
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—
Richard Dufresne(5)	Termination with cause	—	—	—	—	—	—	—	—
Chief Financial Officer	Termination without cause	1,520,000 (6)	1,900,000 (7)	122,716 (8)	40,800 (9)	—	—	—	3,583,516
	Resignation	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—
Barry Columb	Termination with cause	—	—	—	—	—	—	—	—
President, President's Choice Financial	Termination without cause	1,300,000 (6)	1,300,000 (7)	127,040 (8)	8,377 (9)	—	—	—	2,735,417
	Resignation	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—
Jeff Leger	Termination with cause	—	—	—	—	—	—	—	—
President, SDM	Termination without cause	1,300,000 (6)	1,300,000 (7)	168,745 (8)	5,697 (9)	—	—	—	2,774,442
	Resignation	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—

(1) *The Salary and Annual Bonus figures reflect contractual entitlements and may be paid by salary continuance, subject to mitigation obligations.*

(2) *The NEOs are entitled to exercise vested options following termination without cause in accordance with the Stock Option Plan. NEOs are entitled to continued vesting and payout of stock options in the normal course if they retire at age 55 with 10 years of service.*

(3) *RSUs and PSUs are paid out on a pro-rated basis where the NEO retires or is terminated without cause in accordance with the RSU Plan and PSU Plan, respectively. NEOs are entitled to continued vesting and payout of RSUs and PSUs if they retire at age 55 with 10 years of service.*

(4) *For Mr. Bank, the Salary and Annual Bonus amounts are calculated based on 3 months' salary. Benefits includes benefits and pension accruals based on minimum entitlements under applicable employment standards legislation. Other includes housing rental of 3 months, unused relocation assistance amounts, and participation in the Corporation's leased-car program based on minimum entitlements under applicable employment standards legislation. In the event of termination without cause, Mr. Bank is entitled continued vesting and payout of his stock options, RSUs and PSUs. In the event of resignation or termination for cause, Mr. Bank is entitled to a payout of his one-time award of 42,402 RSUs on a pro-rated basis. In the event of resignation or termination for cause on December 30, 2023, Mr. Bank would have been required to pay back $11,916,667 to the Corporation, pursuant to the clawback requirement for the one-time cash payment of $13,000,000.*

(5) *Amounts reflect the estimated incremental payments or benefits that Mr. Dufresne would have received from Loblaw. Full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.*

(6) *For Mr. Dufresne, Mr. Columb and Mr. Leger, calculated based on 24, 18 and 22 months' salary, respectively, plus one additional month for every completed year of service from the effective date of their respective most recent employment agreements, which amounts to 24, 24 and 24 months, respectively.*

(7) *Annual bonus is valued at target level.*

(8) *Includes benefits and pension accruals for Mr. Dufresne, Mr. Columb and Mr. Leger calculated based on 24, 24 and 24 months, respectively, as per the terms of their respective employment agreements.*

(9) *Includes participation in the Corporation-leased car program for Mr. Columb and Mr. Leger of 24 and 24 months, respectively, and an annual car allowance for Mr. Dufresne for 24 months.*

COMPENSATION DECISIONS FOR 2024

COMPENSATION CHANGES FOR NEOs

For 2024, the Governance Committee approved an increase in Mr. Leger's base salary from $650,000 to $670,000 and an increase in his LTIP target from 240% to 270% of base salary, effective January 1, 2024. Mr. Leger's STIP target remained unchanged at 100% of base salary.

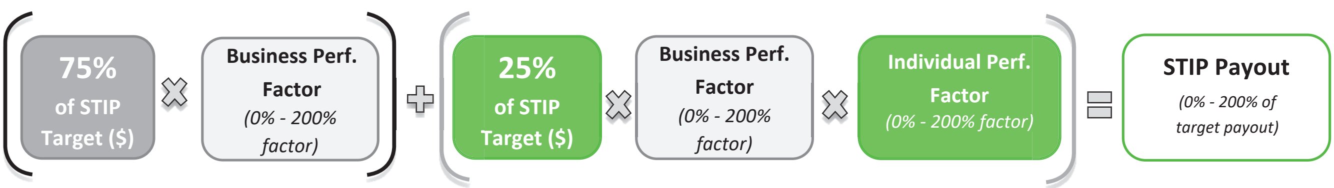
Mr. Sawyer retired from Loblaw effective December 31, 2023 and entered into a one-year fixed term advisory arrangement to support the transition and onboarding of Mr. Bank.

There were no changes to other NEO's 2024 base salaries or their target annual and long-term incentive awards.

2024 SHORT-TERM INCENTIVE PLAN

The Governance Committee has approved the performance measures and weightings for the 2024 STIP as set out below.

Consistent with its ongoing commitment to corporate social responsibility, the Corporation will continue to include an ESG measure in its STIP targets for 2024, to continue driving higher levels of corporate social responsibility across the business. For 2024 the Corporation will also continue to include the customer satisfaction index, OSAT, as well as the EBIT margin measure designed to measure management's ability to translate revenue into profitability, calculated as Adjusted EBIT as a percentage of revenue. For 2024, the STIP design will continue to include a revenue qualifier whereby consolidated revenue performance will be capped at 100% if year-over-year adjusted tonnage share, normalized for a change in square footage, declines, and an earnings qualifier whereby in order to be eligible for above-target achievement, year-over-year Adjusted EBITDA growth must be positive and the Adjusted EBITDA target must be achieved.



Loblaw STIP 2024 Business Performance Measures

Consolidated Sales	Consolidated Earnings	ESG	EBIT Margin	Consolidated OSAT
35%	35%	10%	10%	10%

2024 LONG-TERM INCENTIVE PLAN GRANTS

In February 2024, the Governance Committee approved LTIP awards to the Corporation's NEOs as set out below. These annual LTIP grants were comprised of equal grants (by grant value) of stock options, RSUs and PSUs, and were awarded on February 29, 2024. For 2024, the cost of the LTIP compensation arrangements for Mr. Dufresne will continue to be allocated 80% to the Corporation and 20% to Weston.

Name	Grant Date Fair Value (1) ($)	Stock Options (2) (#)	RSUs (#)	PSUs (#)
Per Bank	7,232,845	69,620	16,389	16,393
Richard Dufresne	2,850,147 (3)	27,434	6,458	6,460
Jeff Leger	1,809,003	17,413	4,099	4,100
Barry Columb	1,722,531	16,581	3,903	3,904

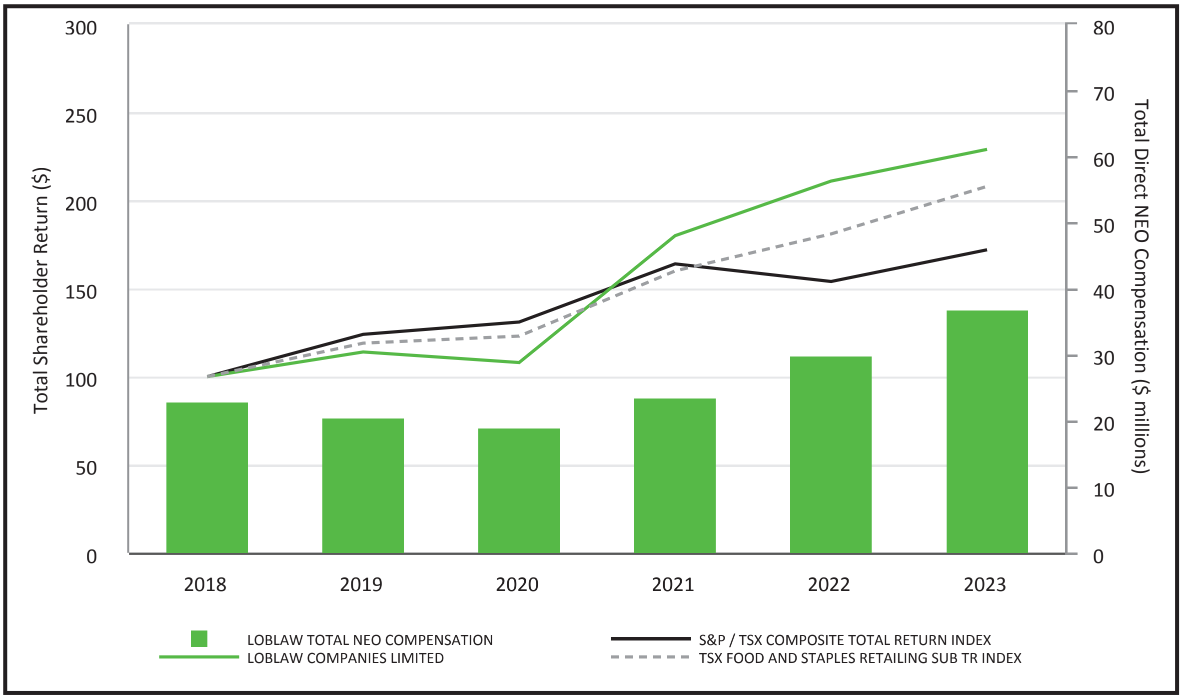
(1) *These amounts reflect the grant date fair value of the options, RSUs and PSUs. The grant date fair value of stock options is calculated in the following manner: Stock Option Value = Number of Stock Options Granted x Black-Scholes-Merton Value. The grant date fair value of the RSUs and PSUs is calculated in the following manner: RSU or PSU Value = Number of RSUs or PSUs Granted x the greater of the volume-weighted average share price on the TSX for the one or five trading days preceding the grant date, which was $147.09 as of February 29, 2024. The grant date fair value of a PSU award assumes vesting at 100% of target.*

(2) *The exercise price of the stock options is $147.09.*

(3) *In addition to Mr. Dufresne's annual LTIP grants for 2024 from the Corporation, he received an annual LTIP grant for 2024 from Weston with a grant date fair value of $712,515. Full details of Mr. Dufresne's compensation from Weston are set forth in the Weston Management Proxy Circular, which is available at www.sedarplus.ca.*

PERFORMANCE GRAPH

The graph below compares the cumulative total shareholder return on $100 invested in Common Shares on December 31, 2018, with the cumulative annual total return of the S&P/TSX Composite Total Return Index over the same period (assuming all dividends were reinvested). The graph also shows the Corporation's total direct NEO target compensation (which includes base salary, STIP and LTIP) over the same period.



Five-Year Cumulative Total Shareholder Return on $100 Investment

	2018	2019	2020	2021	2022	2023
S&P / TSX COMPOSITE TOTAL RETURN INDEX	$100	$124	$131	$164	$154	$172
LOBLAW COMPANIES LIMITED	$100	$114	$108	$180	$211	$229
TSX FOOD AND STAPLES RETAILING SUB TR INDEX	$100	$119	$123	$160	$181	$208

Total Direct NEO Compensation

	2018	2019	2020	2021	2022	2023
TOTAL DIRECT NEO COMPENSATION ($ millions)	$22.9	$20.6	$19.2	$23.7	$30.1	$38.9

For the five-year period ended December 30, 2023, the Corporation's total shareholder return, as shown above, outperformed the S&P/TSX Composite Total Return Index and the TSX Food and Staples Retailing Sub TR Index. During the period, the total cumulative shareholder return for $100 invested in Common Shares was $229, compared to $172 for the S&P/TSX Composite Total Return Index.

Total compensation for the Corporation's NEOs has undergone minor fluctuations over the course of the five fiscal years ended December 30, 2023. Year-over-year fluctuations in the reported total compensation are in part due to changes in the constitution of the NEO group. Over this period, the mix of NEO compensation has changed such that equity-based incentives (LTIP awards) account for approximately 50.1% of all NEO compensation in 2023. The NEO compensation disclosed in the Summary Compensation Table is not strongly correlated to shareholder returns in the short to medium term, in part because equity-based incentives were calculated at the time of grant using grant date fair values, which do not reflect the actual value of compensation received when such incentives vest or are exercised. In the longer term, NEO compensation is directly affected by the Corporation's share price performance. Stock option, RSU and PSU awards directly correlate to the share price and are therefore aligned with shareholder returns.

A substantial portion of NEO pay is at risk. In addition to the LTIP awards, the Corporation's STIP awards are made based on the successful performance of key financial objectives that are tied to the business plan. These at-risk components (the STIP and LTIP awards) for the Loblaw NEOs in 2023 ranged from 79.0% to 95.0% of their total direct compensation.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by the NEOs during fiscal years 2023, 2022 and 2021, as applicable:

					Non-Equity Incentive Plan Compensation				
Name and Principal Position	**Year**	**Salary ($)**	**Share-Based Awards [1] ($)**	**Option-Based Awards [2] ($)**	**Annual Incentive Plans ($)**	**Long-Term Incentive Plans ($)**	**Pension Value ($)**	**All Other Compen-sation [3] ($)**	**Total Compensation ($)**
Galen G. Weston	2023	787,500 [4]	3,528,153 [5]	1,763,793 [5]	1,759,885 [6]	—	—[7]	169,670 [8]	8,009,001
Chairman	2022	907,200 [4]	3,213,153 [5]	1,606,104 [5]	2,661,350	—	—[7]	35,648	8,423,455
	2021	730,546 [4]	1,649,109 [5]	824,692 [5]	2,173,751	—	—[7]	30,265	5,408,363
Per Bank	2023	438,333	6,607,294 [9]	803,535	910,660	—	37,500	13,340,657 [10]	22,137,979
President and Chief Executive Officer									
Richard Dufresne	2023	760,000 [11]	1,900,101 [11]	4,949,900 [11]	1,327,625	—	42,500	66,363	9,046,489
Chief Financial Officer	2022	760,000 [11]	1,900,084 [11]	949,753 [11]	1,756,049	—	42,500	60,969	5,469,355
	2021	497,897 [11]	— [11]	— [11]	1,237,447	—	42,500	39,299	1,817,143
Robert Sawyer	2023	1,000,000	2,666,783	1,333,166	2,096,250	—	42,500	782,681 [12]	7,921,380
Former Chief Operating Officer	2022	1,000,000	2,666,812	1,332,976	2,900,888	—	42,500	1,412,572	9,355,748
	2021	666,667	2,666,798	1,333,201	2,013,699	—	42,500	709,985	7,432,850
Jeff Leger	2023	650,000	1,040,027	519,950	887,250	—	60,000	49,152	3,206,379
President, SDM	2022	650,000	1,040,085	519,864	1,227,818	—	218,000	46,327	3,702,094
	2021	625,000	833,386	416,767	1,250,000	—	442,000	41,078	3,608,231
Barry Columb	2023	650,000	1,148,376	574,108	806,829 [13]	—	42,500	47,139	3,268,952
President, President's Choice Financial	2022	643,750	1,069,693	416,562	905,426 [13]	2,000,000	42,500	44,032	5,121,963
	2021	625,000	833,386	416,767	855,625 [13]	—	42,500	42,391	2,815,669

(1) Amounts represent the grant date fair value of RSUs and PSUs awarded to the NEOs, calculated in the following manner: RSU Grant Date Value + PSU Grant Date Value. RSU Grant Date Value = Number of RSUs Granted x the greater of the volume-weighted average share price for the one or five trading days preceding the grant date. PSU Grant Date Value = Number of PSUs Granted x the greater of the volume-weighted average share price on the TSX for the one or five trading days preceding the grant date. The grant date fair value of an RSU or PSU award is the same as the accounting grant date fair value of such award on the applicable grant date. Dividends or equivalents of dividends, if any, earned subsequent to a grant date are not included in the values reflected in the table. The grant date fair value of a PSU award assumes vesting at 100% of target. The number of PSUs that may vest will range between 0% and 200% of the number granted.

(2) These amounts reflect the grant date fair value of the options when granted. The grant date fair value of stock options is calculated in the following manner: Stock Option Value = Number of Stock Options Granted x Black-Scholes-Merton Value. The Corporation has chosen to use Black-Scholes-Merton model as the methodology for calculating the grant date fair value of the options granted as this methodology is commonly used by issuers. To determine the grant date fair value of options granted using the Black-Scholes-Merton model an expected life of 7 years is used, which is based on the contractual term of the options. The other assumptions used in the model are based on relevant market data on the day of the valuation. The Corporation also uses the Black-Scholes-Merton model for accounting purposes. However, the accounting value ascribed at the grant date for the stock options is based on an expected life that reflects historical exercise patterns, as opposed to the contractual term of the option which is used for compensation reporting purposes (see Notes 2 and 26 to the Corporation's annual audited consolidated financial statements for the year ended December 30, 2023, for the other assumptions and estimates used for this calculation). As a result, when using the Black-Scholes-Merton value method, there is a difference between the grant date fair value per option for compensation reporting purposes, and the accounting value per option as set forth below:

Grant Date	Accounting Value, in Relation to Grant Date Fair Value for Compensation Reporting Purpose, Per Option	Applicable NEO Optionholder(s)
March 4, 2021	Lower by $0.27	G. Weston, B. Columb, J. Leger
May 12, 2021	Lower by $1.08	R. Sawyer
August 5, 2021	Lower by $1.94	G. Weston
March 3, 2022	Higher by $3.22	G. Weston, R. Dufresne, R. Sawyer, J. Leger, B. Columb
May 11, 2022	Lower by $2.47	B. Columb
August 4, 2022	Higher by $0.44	G. Weston
March 2, 2023	Lower by $2.66	G. Weston, R. Dufresne, R. Sawyer, J. Leger, B. Columb
May 10, 2023	Lower by $0.98	R. Dufresne
September 1, 2023	Lower by $0.83	P. Bank

(3) Amounts under All Other Compensation include the value of perquisites and payments made by the Corporation under the employee share ownership plans. Other than certain allowances received by Messrs. Bank and Sawyer as discussed below, the largest single payment received by certain NEOs relates to participation in the Corporation-leased car program with an annual value of approximately $21,360.

(4) Since May 6, 2021, the cost of Mr. Weston's base salary is paid 70% by Loblaw and 30% by Weston. Prior to May 6, 2021 Mr. Weston's base salary was allocated 40% to Loblaw and 60% to Weston. Weston paid the following amounts: 2023: $504,167; 2022: $388,800; 2021: $490,454.

(5) Mr. Weston's 2023 STIP award included an individual performance component of $532,057, representing 130% of target for his exceptional performance in the role of President during the year until November 1, 2023, and included an individual performance component weighted at 25% of his overall Loblaw STIP target. .

(6) Mr. Weston's annual LTIP grants from the Corporation in 2023, 2022 and 2021 had aggregate grant date values of $5,291,946, $4,819,257 and $2,473,801, respectively.

(7) Mr. Weston does not participate in any retirement plans and does not have any other retirement or pension arrangement with the Corporation.

(8) For 2023, "All Other Compensation" for Mr. Weston included Loblaw board fees commencing November 1, 2023 in the amount of $135,000.

(9) Mr. Bank's share-based awards granted in 2023 included a one-time award of RSUs with a grant date fair value of $5,000,044.

(10) For 2023, "All Other Compensation" for Mr. Bank included: (a) a one-time cash payment, intended to offset certain forgone compensation at his prior employer, of $13,000,000; (b) housing rental reimbursement of $150,000; and (c) tax equalization and other taxable benefits of $176,771.

(11) Since May 6, 2021, the cost of Mr. Dufresne's base salary is paid 80% by Loblaw and 20% by Weston. Prior to May 6, 2021 Mr. Dufresne's base salary was allocated 100% to Weston. Weston paid the following amounts: 2023: $190,000; 2022: $190,000; 2021: $452,103. Mr. Dufresne's annual LTIP grants from the Corporation in 2023 and 2022 had aggregate grant date values of $6,850,001, inclusive of his one-time award of stock options granted in May 2023 with a grant date fair value of $4,000,009, and $2,849,837, respectively. For 2021, Mr. Dufresne did not receive an LTIP grant from Loblaw. The cost of Mr. Dufresne's LTIP for 2021 was allocated 100% to Weston.

(12) For 2023, "All Other Compensation" for Mr. Sawyer included: (a) housing rental reimbursement of $90,000; (b) travel reimbursement of $250,607; and (c) tax equalization and other taxable benefits of $392,354.

(13) Mr. Columb's STIP awards in 2023, 2022 and 2021 were based on performance measures that included components that were specific to President's Choice Financial as well as Loblaw consolidated components.

INCENTIVE PLAN AWARDS

INCENTIVE PLAN AWARDS – OUTSTANDING OPTION-BASED AWARDS AND SHARE-BASED AWARDS

The following table sets forth the number and value of all unexercised option-based and share-based awards granted to NEOs outstanding as at December 30, 2023:

	Option-Based Awards				Share-Based Awards		
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised In The Money Options [1] ($)**	**Number of Shares or Units of Shares That Have Not Vested (#)**	**Market or Payout Value of Share-Based Awards That Have Not Vested [2] ($)**	**Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed ($)**
Galen G. Weston	93,333	59.00	March 2, 2024	6,466,110	90,446	11,602,352	—
Chairman	104,364	55.69	March 1, 2025	7,575,783			
	82,136	65.55	March 4, 2026	5,152,391			
	97,919	70.06	February 27, 2027	5,700,844			
	89,010	62.67	March 4, 2028	5,839,946			
	1,836	86.30	August 5, 2028	77,075			
	100,112	99.33	March 3, 2029	2,898,242			
	6,877	117.67	August 4, 2029	72,965			
	66,861	117.77	March 2, 2030	702,709			
Per Bank	29,849	117.92	September 1, 2030	309,236	56,450	7,241,453	—
President and Chief Executive Officer							
Richard Dufresne	65,636	99.33	March 3, 2029	1,900,162	36,047	4,624,070	—
Chief Financial Officer	36,008	117.77	March 2, 2030	378,444			
	154,919	124.14	May 10, 2030	641,365			
Robert Sawyer	122,989	71.32	May 12, 2028	7,005,453	89,526	11,484,339	—
Former Chief Operating Officer	92,120	99.33	March 3, 2029	2,666,874			
	50,537	117.77	March 2, 2030	531,144			
Jeff Leger	33,167	55.69	March 1, 2025	2,407,593	33,644	4,315,871	192,330 [3]
President, SDM	25,667	65.55	March 4, 2026	1,610,091			
	51,000	70.06	February 27, 2027	2,969,220			
	46,359	62.67	March 4, 2028	3,041,614			
	35,927	99.33	March 3, 2029	1,040,087			
	19,710	117.77	March 2, 2030	207,152			
Barry Columb	10,171	55.69	March 1, 2025	738,313	34,529	4,429,323	—
President, President's Choice Financial	39,357	65.55	March 4, 2026	2,468,865			
	51,000	70.06	February 27, 2027	2,969,220			
	46,359	62.67	March 4, 2028	3,041,614			
	28,788	99.33	March 3, 2029	833,413			
	5,504	115.84	May 11, 2029	68,470			
	21,763	117.77	March 2, 2030	228,729			

(1) The value of outstanding vested and unvested option-based awards is calculated based on the closing price for the Common Shares on the TSX on December 30, 2023, which was $128.28.

(2) The value of RSUs and PSUs held by the NEOs is calculated based on the closing price of the Common Shares on the TSX on December 30, 2023, which was $128.28, multiplied by the number of RSUs or PSUs held, as applicable. The value of a PSU award assumes vesting at 100% of target.

(3) Mr. Leger elected to take all or a portion of his STIP award in the form of EDSUs for certain years.

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table sets forth the value of option-based and share-based awards of the NEOs that vested during fiscal 2023, as well as the value of non-equity incentive plan compensation that the NEOs earned during fiscal 2023. The dollar value of the option-based and share-based awards is calculated using the number of units vested/earned multiplied by the closing price of the Common Shares on the TSX on the applicable vesting date.

Name	Option-Based Awards — Value Vested During The Year ($)	Share-Based Awards — Value Vested During The Year ($)	Non-Equity Incentive Plan Compensation — Value Earned During The Year (1) ($)
Galen G. Weston Chairman	4,368,548	3,745,602	1,759,885
Per Bank President and Chief Executive Officer	—	—	910,660
Richard Dufresne Chief Financial Officer	229,346	—	1,327,625
Robert Sawyer Former Chief Operating Officer	1,604,161	—	2,096,250
Jeff Leger President, SDM	1,777,425	1,950,556	887,250
Barry Columb President, President's Choice Financial	2,118,398	1,950,556	806,829

(1) Payments made in accordance with the Corporation's STIP.

PENSION PLAN AND LONG SERVICE EXECUTIVE ARRANGEMENTS

The Corporation's retirement programs are designed to facilitate the retirement of executives who have served over the long term. The NEOs, other than Mr. Weston, who does not participate in any pension plan, participate in the same retirement programs as other executives and receive no additional enhancements in determining their pension benefits. The NEOs, other than Mr. Weston, participate in the Consolidated Executive Plan as well as the corresponding SERP or the SDM Executive Pension Plan. All newly hired or newly appointed executives join the defined contribution portion of the Consolidated Executive Plan.

SDM EXECUTIVE PENSION PLAN

The SDM Executive Pension Plan provides for an annual pension benefit equal to 2% of the average of the highest consecutive 36-months base salary (excluding incentive awards) times years of credited service, limited to 70% of the average 12-month base salary (excluding incentive awards) immediately prior to retirement. The following table sets forth details regarding Mr. Leger, who participates in the SDM Executive Pension Plan:

Name	Number of Years Credited Service (#)	Annual Benefits Payable ($)		Opening Present Value of Defined Benefit Obligation ($)(1)	Compensatory Change ($)	Non-Compensatory Change ($)	Closing Present Value of Defined Benefit Obligation ($)(2)
		At Year End	At Age 65				
Jeff Leger	15	194,700	339,100	2,025,000	60,000	508,000	2,593,000

(1) Discount rate is 5.30%.

(2) Discount rate is 4.60%.

CONSOLIDATED EXECUTIVE PLAN - DEFINED BENEFIT PROVISIONS AND SERP

The Consolidated Executive Plan includes defined benefit plan provisions that provide a reasonable level of retirement income to executives to reward them for their service. Pension entitlements for an executive who participates in the defined benefit portion of the Consolidated Executive Plan is based on length of service and eligible salary. The total annual benefits payable under the defined benefit component of the Consolidated Executive Plan and corresponding SERP combined is capped at $125,000 per year. The defined benefit provisions of both plans were closed to new participants in 2006. None of the Corporation's NEOs participate in the Consolidated Executive Plan - Defined Benefit Provisions.

CONSOLIDATED EXECUTIVE PLAN - DEFINED CONTRIBUTION PROVISIONS AND SERP

Executives who do not participate in the defined benefit component of the Consolidated Executive Plan participate on a non-contributory basis in the defined contribution component of the Consolidated Executive Plan and corresponding SERP. Contributions for these plans were set as a percentage of base salary (maximum of $250,000). In 2023, contributions to the Consolidated Executive Plan were capped at $31,560 per year, as set forth in the following table:

Age + Years of Service	Employer Contributions as a Percentage of Base Salary
<50	13%
50-60	15%
60+	17%

The Corporation or Weston, as applicable, provide SERP benefits (both defined benefit and defined contribution) to executives for pension accrual in excess of registered plan limits. As noted above, the SERP is an unfunded obligation of the Corporation or Weston and executives who participate in the SERP must comply with certain eligibility provisions in order to receive payment; most notably, executives are not eligible to receive SERP payments while employed by a competitor of the Corporation.

The following table sets forth details regarding the plan participation of Messrs. Bank, Dufresne, Sawyer and Columb during 2023:

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Accumulated Value at Year End [(1)] ($)
Per Bank	—	37,500	40,300
Richard Dufresne	503,700	42,500	634,700
Robert Sawyer	77,500	42,500	128,300
Barry Columb	1,029,500	42,500	1,244,800

(1) The accumulated value includes interest (investment returns) earned by each member during the financial year ended December 30, 2023.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS AND EMPLOYEES

As of March 11, 2024, none of the current or former directors or executive officers of the Corporation or any of its subsidiaries was indebted to the Corporation or any of its subsidiaries (other than "routine indebtedness" under applicable Canadian securities laws). The following table sets forth certain indebtedness (other than "routine indebtedness" under applicable Canadian securities laws) of the current and former employees of the Corporation and any of its subsidiaries as of March 11, 2024.

Purpose	Aggregate Indebtedness to the Corporation or its Subsidiaries ($)	Aggregate Indebtedness to Another Entity ($)
Share purchases	—	—
Other	837,045	—

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below, management is not aware of any material interest, direct or indirect, in any material transaction of: (i) any director or executive officer of the Corporation; (ii) any director or executive officer of Choice Properties Real Estate Investment Trust; (iii) any director or executive officer of Weston; or (iv) any person beneficially owning or controlling, directly or indirectly, more than 10% of the Corporation's outstanding Common Shares.

As of March 11, 2024, Weston beneficially owned, directly and indirectly, a total of 162,825,925 Common Shares, representing approximately 52.5% of the then outstanding Common Shares; and Mr. Galen G. Weston, the controlling shareholder of Weston, also directly and indirectly owned 473,636 Common Shares, representing approximately 0.15% of the outstanding Common Shares. Additional information about or relating to the Corporation can also be found at www.loblaw.ca and www.sedarplus.ca.

OTHER INFORMATION

DIRECTOR AND OFFICER LIABILITY INSURANCE

The Corporation maintains insurance for the benefit of its directors and officers, and the directors and officers of its subsidiaries, in respect of the performance by them of their duties. This insurance policy is shared with Weston. The Corporation's annual insurance premium in 2023 was $1,071,950, half of which was paid by Weston. The insurance limit is $200 million per year on an aggregate basis or per occurrence basis. There is no deductible in the case of directors and officers and a deductible of up to $1 million for the Corporation.

NORMAL COURSE ISSUER BID

The Corporation has a normal course issuer bid ("NCIB") on the TSX which allows for the purchase and cancellation of up to 16,055,686 Common Shares at market price. A copy of the Corporation's Notice of Intention to make a NCIB, which has been filed with the TSX, can be obtained by the shareholders, without charge, by contacting the Corporation. As at March 11, 2024, the Corporation had purchased a total of 12,360,112 Common Shares for cancellation at a weighted average price of $123.01 per Common Share under the NCIB.

The NCIB permits the Corporation to purchase Common Shares of the Corporation from Weston pursuant to an automatic disposition plan agreement in order for Weston to maintain its proportionate interest in the Corporation. The maximum number of Common Shares that may be purchased pursuant to the NCIB will be reduced by the number of Common Shares the Corporation purchases from Weston. As at March 11, 2024, the Corporation had purchased a total of 5,803,930 Common Shares from Weston under the automatic disposition plan at a weighted average price of $121.59 per Common Share during the term of the current NCIB.

The current NCIB expires on May 4, 2024. The Corporation intends to refile the NCIB and apply to the TSX to extend the term of the automatic disposition plan to cover the renewed NCIB term.

NON-GAAP FINANCIAL MEASURES

Certain financial measures discussed in this Circular, such as Adjusted EBITDA, EBIT Margin and Adjusted EBIT*, are non-GAAP financial measures. For more information on the Corporation's use of non-GAAP financial measures and reconciliations thereof, please see section 17, "Non-GAAP Financial Measures", included in the Corporation's 2023 MD&A, which is incorporated by reference herein and is available on SEDAR+ at www.sedarplus.ca. As discussed in more detail under the "2023 STIP Performance Measures" and "Performance of 2021 PSUs" sections of this Circular, the Adjusted EBITDA and Adjusted EBIT figures reported in this Circular reflect certain additional adjustments for the purposes of determining 2023 STIP performance and 2021 PSU performance, as applicable, as compared to the Adjusted EBITDA and Adjusted EBIT figures reported in the MD&A.

These measures do not have a standardized meaning prescribed by GAAP and therefore they may not be comparable to similarly titled measures presented by other publicly traded companies, and they should not be construed as an alternative to other financial measures determined in accordance with GAAP.

** Adjusted EBIT is referred to in the Corporation's 2023 MD&A as "Adjusted Operating Income".*

ADDITIONAL INFORMATION

The Corporation is a reporting issuer under the applicable legislation of all of the provinces and territories of Canada and is required to file consolidated financial statements and information circulars with the various securities commissions. The Corporation has filed with those securities commissions its Annual Information Form which, among other things, contains all of the disclosure required by Form 52-110F1 under National Instrument 52-110 – *Audit Committees*.

Copies of the Corporation's latest Annual Information Form, the Corporation's 2023 Annual Report and this Circular can be obtained upon request from the Vice President, Investor Relations of the Corporation at 1 President's Choice Circle, Brampton, Ontario L6Y 5S5.

Financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Additional information about or relating to the Corporation can also be found at www.loblaw.ca and www.sedarplus.ca or by dialing in for regularly scheduled conference calls. Additional information regarding Weston can be found at www.weston.ca and www.sedarplus.ca.

CONTACTING THE BOARD OF DIRECTORS

Shareholders, employees and other interested parties may communicate directly with the Board through the Independent Lead Director by writing to:

Independent Lead Director
c/o Executive Vice President, Chief Legal Officer & Secretary
Loblaw Companies Limited
22 St. Clair Avenue East, Suite 2001 Toronto, Ontario M4T 2S7

Shareholders may also contact the Independent Lead Director with any proposals for director nominees.

BOARD APPROVAL

The contents and sending of this Circular to shareholders entitled to receive notice of the Meeting, to each director, to the external auditor of the Corporation and to the appropriate government agencies have been approved by the Board.

Signed "Nick Henn"

Nick Henn
Executive Vice President, Chief Legal Officer and Secretary

Dated in Toronto, Ontario

March 19, 2024

SCHEDULE A
LOBLAW COMPANIES LIMITED

Mandate of the Board of Directors

1. **ROLE**

The role of the Board is to provide governance and stewardship to Loblaw Companies Limited (the "Company") which consists of reviewing corporate strategy, assigning responsibility to management for achievement of that strategy, establishing limitations on the authority delegated to management and overseeing performance against approved objectives. In fulfilling this role, the Board regularly reviews management's strategic plans to ensure that they continue to be responsive to the changing business environment in which the Company operates. The Board oversees the Company's approach to corporate governance, succession planning, capital structure and finance matters, risk management activities, compliance and ethics matters, internal controls over financial reporting, disclosure controls and procedures, environmental, social and governance matters, and information systems. Through its oversight, the Board assesses whether or not it is reasonable to conclude, based on its review and discussions with management and the external auditor, that the Company accurately and fairly reports financial and other information to shareholders, other stakeholders and the public. The Board is required to appoint corporate officers. The Board satisfies itself as to the integrity of senior management, that the Company engages in ethical and legal conduct and that senior management maintains a culture of integrity throughout the Company.

2. **RESPONSIBILITIES**

To ensure that it fulfills its role, the Board, or any Committee so delegated by the Board, will oversee the following:

a. **Strategic Goals, Corporate Performance, Performance Objectives and Operational Policies**

The Board will review and, if advisable, approve broad strategic objectives and values against which corporate performance will be measured. In this regard, the Board will:

- Determine, from time to time, the appropriate criteria against which to evaluate performance, and set corporate strategic goals and objectives within this context.
- Monitor and evaluate performance against both corporate strategic goals and objectives.
- Approve long-term strategies.
- Review and approve management's strategic and operational plans so that they are consistent with long-term goals.
- Oversee the development, execution and fulfillment of the Company's strategic plans and the operational policies within which management will operate.
- Approve material transactions, including acquisitions, sales of assets or shares, and financing arrangements.
- Review and approve the Company's dividend policy and approve the payment of dividends.
- Approve targets and budgets against which to measure corporate and executive performance.

b. **Finance and Capital Matters**

- Review with management and receive periodic reports on the Company's target capital structure.
- Review with management and receive periodic reports on the Company's consolidated balance sheet, including cash, investment assets and debt position.
- Receive periodic reports from rating agencies and updates on any material discussions or communications with rating agencies.

c. **Executive Compensation and Succession Planning**

- Satisfy itself of the appropriateness of all executive and colleague compensation matters and that a portion of executive compensation is linked appropriately to corporate performance.
- Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

d. **Delegation of Management Authority to the President and Chief Executive Officer**

- Delegate to the President and Chief Executive Officer the authority to manage and supervise the business of the Company and to make any decisions regarding the Company's ordinary course of business and operations that are not specifically reserved to the Board under the terms of that delegation of authority.
- Determine what, if any, executive limitations may be required in the exercise of the authority delegated to management.

e. **Financial Disclosure**

- Oversee the Company’s financial reporting and disclosure obligations in accordance with applicable law.
- Based on reviews and discussions with management and the external auditor, approve the Company’s financial statements, management’s discussion and analysis and related releases.
- Oversee the Company’s compliance with applicable audit, accounting and reporting requirements, including in the areas of internal controls over financial reporting and disclosure controls and procedures.

f. **Enterprise Risk Management Program**

- Oversee the Company’s enterprise risk management program, including its design and structure and assessment of its effectiveness.
- Approve the Company’s enterprise risk management policy, the risk appetite statement, and management’s approach to enterprise risk management and its mitigation practices, including the identification, assessment and mitigation of the principal risks. Satisfy itself as to the effective oversight of risk management of individual risks by the Board or by the Risk and Compliance Committee, through the receipt of periodic reports from the Committee Chair or management, as appropriate.
- Delegate, as appropriate, the oversight of enterprise risk management design and structure, assessment of its effectiveness and the oversight of the principal risks to the Risk and Compliance Committee.

g. **Related Party Transactions**

- Approve all proposed material related party transactions and any related party transactions that are not dealt with by a “special committee” of independent directors pursuant to applicable securities legislation.

h. **External Communications**

- Satisfy itself that there is effective communication between the Board and the Company’s shareholders, other stakeholders and the public.
- At least annually, with the assistance of the Audit Committee, review and approve any material changes to the Company’s Disclosure Policy.

i. **Corporate Governance**

- Develop, and review compliance with, a set of corporate governance principles and guidelines.
- Appoint a Lead Director who is independent to provide leadership to the Board and the independent directors, including presiding over meetings or sessions of the non-management directors and consulting with the Chairman and the President and Chief Executive Officer on any matters arising out of such sessions.
- Ensure that independent directors hold regular meetings without the attendance of management or non-independent directors.
- On the recommendation of the Governance, Employee Development, Nominating and Compensation Committee, approve the appointment of directors or recommend the election of director nominees to the Board at the annual meeting of shareholders.
- Develop, adopt and regularly review position descriptions for the Chairman, the President and Chief Executive Officer, the Lead Director and the Chair of each committee of the Board.
- Assess the effectiveness and performance of the Board and its committees as well as their individual members.
- Oversee significant compensation decisions for the directors and for senior executive management.

j. **Environmental, Social and Governance (“ESG”), Ethics and Compliance**

- Oversee and monitor the Company’s approach, policies and practices related to ESG matters.
- On the recommendation of the Risk and Compliance Committee and the Audit Committee, approve the Company’s annual ESG Report.
- Oversee actions taken by management to ensure that senior executives maintain a culture of integrity throughout the Company.
- Review and approve a written code of conduct which is applicable to employees, officers and directors of the Company, and oversee compliance with the code.
- Receive periodic reports on the Company’s compliance and ethics matters.

3. COMPOSITION

The Board shall be comprised of a majority of independent directors. For this purpose, a director is independent if they would be independent within the meaning of the applicable Canadian securities laws, as the same may be amended from time to time. The Board is responsible for the composition and organization of the Board, including: the number, qualifications and remuneration of directors; diversity considerations; the number of Board meetings; quorum requirements; and meeting procedures.

4. COMMITTEES

The Board may establish committees of the Board where required or prudent. The Board may delegate to such committees of the Board matters for which the Board is responsible, including the approval of Board and management compensation, the conduct of performance evaluations and oversight of internal controls, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities. The Board has established the following committees:

- the Audit Committee (comprised entirely of independent directors);
- the Governance, Employee Development, Nominating and Compensation Committee (comprised entirely of independent directors);
- the Risk and Compliance Committee (no more than one member of the Committee shall be a management director); and
- the Pension Committee (a majority of whom shall be non-management directors).

The Board shall provide a forum for discussion and reporting of all matters considered by the committees. Circumstances may warrant the establishment of new committees, the disbanding of current committees or the reassignment of authority and responsibilities amongst committees. The authority and responsibilities of each committee are set out in a written mandate, as approved by the Board. At least annually, each mandate shall be reviewed by the respective committee and submitted to the Board for approval with such amendments as the committee proposes. Each Committee Chair shall provide a report to the Board on material matters considered by the Committee at the next regular Board meeting following such Committee's meeting.

5. ORIENTATION AND CONTINUING EDUCATION

With the Governance, Employee Development, Nominating and Compensation Committee, the Board shall ensure that all directors receive a comprehensive orientation program and continuing education in connection with their role, responsibilities, the business of the Company, and the skills they must use in their roles as directors.

6. EQUITY OWNERSHIP BY DIRECTORS

The Board shall oversee directors' compliance with the Company's Share Ownership Policy.

7. RETENTION OF EXPERTS

The Board may engage any professional advisors including legal, accounting or other experts, at the expense of the Company, as it considers necessary to perform its duties.

8. REVIEW AND APPROVAL

The Mandate of the Board of Directors shall be reviewed and approved by the Board annually.

SCHEDULE B
SHAREHOLDER PROPOSAL

Proposal 1

The following Shareholder Proposal has been submitted for consideration by The Accountability Board (TAB). The proposal and supporting statement are set out in italics below:

Dear fellow shareholders,

In January 2024, METRO Inc. shareholders passed a proposal, via majority vote, asking that if virtual access to the company's annual meetings is provided, it be added as a complement to—not a substitute for—in-person meetings. We now ask Loblaw shareholders to consider this issue as well.

For context, Loblaw's latest ESG report says that input from the company's "large and diverse set of stakeholders...is critical to our success" and lists its Annual General Meetings (AGMs) in just a five-point list of "engagement channels" through which it engages shareholders and investors.

In 2020 and 2021, Loblaw held its AGMs through virtual means only, with its Management Circulars citing the COVID-19 pandemic as the reason. But in 2022 and 2023, without its Circulars citing any reason whatsoever, the company chose to continue virtual-only AGMs, rather than allowing shareholders to attend in-person.

Especially since Loblaw describes stakeholder engagement as "critical" to its success, this is highly concerning.

For example, the Ontario Teachers' Pension Plan (which has roughly $250 billion in assets under management) has said, "we have concerns arising from our experience with reliance on virtual-only meetings" and that shareholder meetings should, therefore, "be a hybrid meeting – a combination of virtual and in-person."

And in supporting the METRO proposal, Institutional Shareholder Services (ISS) commented that virtual meetings offer some benefits, but also raised significant concerns about virtual-only AGMs.

"While many investors recognize the potential benefits of enabling participation at shareholder meetings via electronic means as a potential enhancement to shareholder rights," wrote ISS, "they also raise concerns about moves to eliminate physical shareholder meetings, arguing that virtual-only meetings may hinder meaningful exchanges between management and shareholders, enable management to avoid uncomfortable questions, increase the likelihood of marginalizing certain shareholders, and contribute to an erosion of shareholder rights."

As ISS concluded, "compelling investor feedback indicates that a significant majority of shareholders want to retain the ability to attend shareholder meetings in person, even if in a given year they elect to participate only virtually."

Indeed, all shareholders should be permitted to exercise the same meeting rights, whether in person or remotely.

***RESOLVED**: Shareholders ask Loblaw to hold its annual meetings in-person, with virtual access added as a complement to, but not a substitute for, in-person meetings.*

The Board of Directors recommends that shareholders vote against this shareholder proposal.

Loblaw is committed to actively engaging with its large and diverse set of stakeholders, which includes engaging with its shareholders at its annual meeting. Loblaw originally transitioned to a virtual shareholders meeting as a result of the COVID-19 pandemic. Since that time, Loblaw has decided to continue with virtual shareholders meetings for the time being as it has found them to be inclusive, cost effective, and have a lower environmental impact while still providing a meaningful opportunity for shareholders to engage with management.

Each year, shareholders are provided detailed instructions on Loblaw's website, in the management proxy circular, in the form of proxy and the voting instruction form regarding how to register as a proxyholder in order to be able to participate in the meeting, including asking questions and voting. The requirements to participate in the virtual shareholders meeting are substantially the same as previous in-person meetings, so the transition to virtual meetings has not served as an impediment for shareholders to participate in the meetings and engage with management. In addition, for its Annual Meeting of Shareholders scheduled for Thursday, May 2, 2024, Loblaw has enhanced its virtual meeting platform to facilitate shareholders or their proxy holders to ask questions of management not only through the on-line chat platform but also via live telephone.

Loblaw understands the importance of shareholder engagement during it shareholder meetings and is committed to ensuring that shareholders have the opportunity to fully participate, virtually or via live telephone. Loblaw has followed the guidance from the Canadian Securities Administrators, providing adequate disclosure regarding how shareholders can access and participate in the virtual meetings and ensuring that shareholders have the opportunity to actively participate at a level that is similar to the previous in-person meetings.

The Board of Directors recommends that shareholders vote AGAINST this shareholder proposal.

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