

Clawback Policy

1. Who does this policy apply to?

This clawback policy (the "Policy") applies to certain senior executives of Loblaw Companies Limited and its Canadian subsidiaries (collectively, the "Company"), including the Company's management board members and certain other executives as may be designated by the Company's Governance, Talent and Compensation Committee (the "Governance Committee") from time to time (each an "Executive").

2. Purpose

The purpose of this Policy is to establish a framework for the recovery of incentive compensation awarded to Executives in circumstances involving material financial restatements or misconduct justifying just cause termination. This Policy ensures compliance with regulatory requirements and supports the Company's commitment to integrity and accountability.

3. Definitions

Just Cause: As may be defined in the Executive's employment agreement or, if the employment agreement is silent or if the Executive does not have an employment agreement, means conduct or actions or omissions which would be recognized as "just cause" under applicable employment law, which includes but is not limited to (i) committing a serious criminal or regulatory offence which would in the reasonable opinion of the Company reflect negatively on the Company and/or its affiliated companies and their public reputation or goodwill; or (ii) a material violation of the Company's Code of Conduct including, but not limited to, harassment.

Recoverable Compensation: Any annual or long-term incentive compensation, including awards under short-term incentive plans ("STIP") and long-term incentive plans ("LTIP"), whether cash or share-based, granted, vested, or earned by an Executive during the two most recently completed fiscal years of the Company prior to: (i) the Restatement; or (ii) the date on which the Company becomes aware of events giving rise to Just Cause termination.

Recoverable Compensation shall (i) be reduced by any personal income taxes or legally required withholdings paid by the Executive in respect of such compensation, and (ii) shall exclude any STIP granted to the Executive or LTIP awards settled or exercised, as applicable, prior to the date such Executive became subject to this Policy or any predecessor clawback agreement.

Restatement: An accounting restatement of the Company's annual or interim financial statements resulting from a correction of a material error due to the Company's material non-compliance with any applicable financial reporting requirement under applicable securities law.

4. Policy Administration

The Governance Committee may recover Recoverable Compensation from Executives pursuant to this Policy in the event of:

4.1 Restatement Clawback

If a Restatement is required and an Executive engaged in misconduct causing or partially causing such Restatement, the Company shall be entitled, at the sole discretion of the Governance Committee, to require the forfeiture or repayment of all or a portion of the Executive's Recoverable Compensation.

4.2 Just Cause Clawback

If an Executive engages in misconduct justifying termination for Just Cause but no Restatement is required, the Company shall be entitled, at the sole discretion of the Governance Committee, to require forfeiture or repayment of all or a portion of the Executive's Recoverable Compensation.

5. Methods of Recovery

To recoup Recoverable Compensation, actions may include (to the fullest extent permitted by applicable law and in the Governance Committee's sole and absolute discretion, without limitation): (i) forfeiture or cancellation of unpaid or unvested Recoverable Compensation; (ii) recoupment of the value of any Recoverable Compensation previously paid; (iii) the right of offset against amounts otherwise payable by the Company to the Executive, to the extent permitted by applicable employment standards legislation; and (iv) any other remedial and recovery action permitted by applicable laws.

6. Governance Committee Discretion

In applying its discretion, the portion of Recoverable Compensation required to be repaid or forfeited, the Governance Committee shall consider, without limitation, whether the applicable triggering event: (i) resulted in reputational impact to the Company; (ii) resulted in a financial impact to the Company; (iii) was in violation of the law; or (iv) involved another person or colleague (such as harassment).

7. Additional Remedies

Any rights under this Policy are in addition to, and not in lieu of any other remedies or rights that might be available to the Company pursuant to the terms of the Executive's employment agreement or applicable law.

8. Final say and annual review

Responsibility for the interpretation and administration of this Policy is with the Chief Legal Officer. This Policy is reviewed by the Governance Committee annually and approved by the Board of Directors.