



EMPIRE

COMPANY LIMITED

**Annual General Meeting of Shareholders
September 9, 2021 - 11:00 a.m. (Atlantic Time)**

PARTICIPANTS

James M. Dickson

Chair of the Board, Empire Company Limited

Michael Medline

President & CEO, Empire Company Limited

Heidi Jamieson

Senior Vice President, Finance Reporting and Treasury, Sobeys Inc.

Jane McDow

Assistant Secretary, Empire Company Limited

Tabatha Bull

Guest Speaker

President and CEO of the Canadian Council for Aboriginal Business

Damian Warner

Guest speaker, Olympic champion



PRESENTATION

Operator

Thank you for standing by. This is the conference operator. Welcome to the Empire Company Limited Annual General Meeting of Shareholders. As a reminder, all participants are in listen only-mode and the conference is being recorded. Today's discussion includes forward-looking statements. The Company cautions that such statements are based on management's assumptions and beliefs and are subject to uncertainties and other factors that could cause actual results to differ materially. The Company refers you to the Empire news release and MD&A for more information on these assumptions and factors. I would now like to turn the presentation over to Mr. Jim Dickson, Chair of Empire Company Limited.

James M. Dickson

Thank you Operator, and good morning ladies and gentlemen.

And welcome to the Annual General Meeting of Empire Company Limited.

My name is Jim Dickson, and I am Chair of the Board of Empire and I will be chairing of the meeting today.



In response to the ongoing public health impacts of COVID-19 and to mitigate health and safety risks for all involved, we have again chosen to host our Annual Meeting through this virtual meeting platform. The meeting is also accessible in listen-only mode through the North America toll-free number 1-866-428-0907. Once again, that number is 1-866-428-0907.

I would like to begin by acknowledging the Indigenous Peoples of all the lands that we are on as we come together virtually today. I would like us all to take a moment to acknowledge the importance of the territory in which we each call home.

I am joining you from Pictou County, Nova Scotia in Mi'kmaki. I would like to acknowledge the traditional homelands of the local Mi'kmaq people of Pictou Landing First Nation who have been living on these lands since time immemorial.

We do this to reaffirm our commitment and responsibility in improving our relationships with the first peoples of this land and to improve our own understanding of local Indigenous cultures and communities. From coast to coast to coast, we acknowledge the ancestral territories of all the Inuit, Métis, and First Nations people that call this land home.

In accordance with our Company's articles and applicable company law, a quorum of shareholders or their proxies is also physically in present at



this meeting at Empire's office at 115 King Street here in Stellarton, Nova Scotia.

On the call with me this morning are:

- Michael Medline, our President and Chief Executive Officer;
- Michael Vels, Chief Financial Officer;
- Doug Nathanson, our Senior Vice President, General Counsel and Corporate Secretary;
- Heidi Jamieson, our Senior Vice President, Finance Reporting and Treasury, Sobeys; and
- Jane McDow, our Assistant Secretary.

And also joining us online are my fellow Directors and other members of our senior management team.

Doug Nathanson will act as Secretary of the meeting today.

I have asked Cindy Harrett and Lori Grinton of AST Trust Company of Canada to act as Scrutineers for the meeting.

Our agenda today includes:

- First, the business and formal part of the meeting;
- We will then close the formal meeting, after which I look forward to sharing a few remarks with you.
- Michael Medline will then provide some remarks.



- We will then do our best to answer any questions that you may have.

And finally, we will hear from our guest speaker today, Tabatha Bull, Tabatha is President and CEO of the Canadian Council for Aboriginal Business.

Questions and comments may be provided by shareholders or their registered proxies through the question box identified by the messaging icon on the navigation bar at the top of your screen. When submitting a question, please indicate your name and whether the question relates to a motion that's being considered as part of the formal business of the meeting or whether the question is general in nature. Questions directly related to a particular motion will be addressed at the time of that motion, while general questions will be addressed following Michael's remarks. Questions covering a common topic may be grouped together. If there are questions relevant to meeting matters that are unanswered this morning due to time constraints, we will respond to you after the meeting.

I now call the meeting to order.

Notice of this Meeting has been duly given. The Secretary has advised me that we have 98,138,079 Class B voting common shares represented at this meeting either in person or by proxy, and this represents 100 percent of the total outstanding Class B voting common shares of our company.



Quorum is present and I declare this Annual General Meeting to be duly constituted.

For shareholders or registered proxyholders who have logged into this webcast using a control number, once the voting opens, the polling icon will appear on the navigation bar at the top of your screen. The resolutions and voting choices will then be displayed.

We hold here proxies for all of the Class B common shares and will vote them as directed unless otherwise revoked. Unless you want to change your vote, there is no further action required. We will conduct all other voting by ballot through the facilities of this webcast.

So, you may choose to vote immediately, or wait until conclusion of discussions of the applicable resolutions prior to casting your vote. There will also be an opportunity to ask questions on the resolutions.

Voting is now open. Shareholders and registered proxyholders may now cast their votes through the webcast platform. Please ensure you scroll down on your screen to view all resolutions. If you have submitted a proxy, there is no need for you to do anything as your vote will be logged automatically.

Once discussion on all items of business has concluded, I will give you time to enter your votes and then declare voting closed on all



resolutions. The results of the meeting will be published following the meeting in accordance with the rules of the TSX.

The Minutes of the Annual General Meeting held last year September 10, 2020 have been provided and are available through the link provided with this webcast or in the Investor Centre section of our website at empireco.ca. As the Minutes have been made available, unless there are any objections, I will dispense with a formal reading of the Minutes.

Are there any objections?

Having received no objections, we will proceed without reading the minutes.

Unless Class B shareholders have any comments on the minutes, they will be considered final as presented.

And having received no comments, the Minutes are approved as presented.

At this time, I would like to introduce the fifteen nominees who are standing for election to our Board of Directors for the ensuing year:

- Michelle Banik
- Cynthia Devine
- Sharon Driscoll
- Gregory Josefowicz



- Sue Lee
- William Linton
- Michael Medline
- Martine Reardon
- Frank Sobey
- John Sobey
- Karl Sobey
- Paul Sobey
- Rob Sobey, and
- Martine Turcotte and myself,
- Jim Dickson

As noted in the Notice of Annual General Meeting and Management Information Circular, at this meeting we are to approve the following regular items of business:

1. The election of each of the directors I have just introduced and also to fix the maximum number of directors at 18;
2. The directors' remuneration as set out in the circular;
3. The appointment of PricewaterhouseCoopers LLP as auditor for fiscal 2022; and finally
4. The authorization of the directors to fix the remuneration of PricewaterhouseCoopers LLP.



Are there any questions on any of these matters? And as a reminder, questions can be provided through the question box identified by the message icon at the top of the screen.

No questions have been received.

And as proxies for 100 percent of the voting shares have been deposited in favour of these matters, we have the necessary votes for their approval.

I'll now turn to the Advisory Resolution on Executive Compensation, which both Class A and Class B shareholders will vote on.

This is an advisory vote, so it is not binding on the Board of Directors of Empire. However, the Board and in particular, our Human Resources Committee, continue to be interested in feedback from all shareholders on our approach to executive compensation.

Our philosophy is based on the fundamental principle of pay-for-performance to align the interests of our executives with those of our shareholders.

We believe this approach to compensation allows us to attract, motivate and retain highly qualified executives who are encouraged to make decisions and take actions that will drive long-term sustainable growth and shareholder value.



Of the proxies received, 100 percent of the Class B shares and 82.9 percent of the Class A shares were in favour of the advisory resolution on executive compensation, so we have enough votes already to pass this resolution.

Are there any questions or comments? As a reminder, comments, again, can be provided through the question box identified by the message icon at the top of the screen.

Having received no questions or comments, please proceed to register your vote if you have not already done so.

And we will move on to the next item of business.

A copy of the audited Consolidated Financial Statements for the year ended May 1, 2021 have been made available to shareholders and are also accessible through this webcast via the link provided.

While there is no requirement that these documents be approved by the shareholders, at this stage we are open to any discussion or questions anyone may have. Are there any questions related to the audited Consolidated Financial Statements?

Again, thank you, no questions have been received.



So, ladies and gentlemen, that concludes the formal business of the meeting. I will pause now to allow any who have not already done so, to cast their votes through the webcast platform by clicking their desired selections.

Thank you, the voting is now closed.

Based on proxies received and votes cast at the meeting, I declare each item passed as outlined in the Notice of Meeting and our Management Information Circular.

At this time, are there any other business-related questions that anyone would like to bring forward from the floor? If so, again, please use the question box identified by the message icon at the top of the screen.

As there appear to be no further items, I now ask Heidi Jamieson for a motion to terminate the meeting.

Heidi Jamieson

Mr. Chair, my name is Heidi Jamieson. I move that the meeting be terminated.



James M. Dickson

Thank you, Heidi. And I ask Jane McDow to second the motion.

Jane McDow

Mr. Chair, my name is Jane McDow. I second the motion.

James M. Dickson

Thank you, Jane.

Unless there are any objections, we will consider the motion carried.

Are there any objections?

Having received none, I now declare the motion carried and the formal business of the meeting terminated.

So, before I hand things over to our President and CEO, Michael Medline, I'd like to take the opportunity to say just a few words.

It's a privilege to meet with you today, albeit once again virtually.

Ladies and gentlemen, the challenges faced by our company and our team in fiscal 20/21 were unprecedented. However, the operating and financial results that we have achieved as an organization over the past year I believe are a direct reflection of the strength of our incredible frontline teammates, in our stores and our distribution centres across



Canada. Our frontline team showed up to work when many other workers across our country were forced to stay home. They helped keep millions of families across Canada safe and well fed. During this pandemic, our team has stepped up their support to their local communities like never before. They were resilient, compassionate and dedicated, and most importantly, they lived our values of care, trust and respect.

Many people say that the true strength of any organization relies on the integrity of the team. Our team of 134,000 people across Canada stands firmly behind our values and we are very proud of our family-focused culture.

This year our team at Empire and Sobeys mourned the great loss of Donald R Sobey. During a career that spanned more than five-and-a-half decades with our companies, Donald played a vital role in shaping Empire into the great Canadian business that it is today. Donald made tremendous contributions to our country, both as a business leader and as a very generous philanthropist. Donald was a staunch supporter of the arts community, he was passionate about equality in education, and he was instrumental in the development of many scholarships for universities and colleges across Canada. The impacts of Donald's generosity will be felt for many years to come.

During this past year we also bade farewell to our great friend and colleague Jim Gogan. Jim spent his entire career with Empire and the



then the Sobeys Group of Companies ultimately retiring from his position as President and CEO of Empire in 1999, after which he continued to serve on our board for several years.

These two incredible leaders left an indelible mark on our industry, our communities and on our hearts.

Fiscal 2021 also ushered in a renewed focus for our diversity, equity and inclusion strategy. We are focused on increasing representation for a diverse spectrum of teammates, with a particular focus on persons who identify as Black and Indigenous. You'll hear more later this morning about why this is important, and how we are doing with these initiatives when we hear from one of our guest speakers, Tabatha Bull, President and CEO of the Canadian Council for Aboriginal Business, who are partnering with us to develop our Indigenous Inclusion strategy.

Empire also recently published our first Sustainable Business Report. That report adds further disclosure and information with respect to how we are driving growth and building a sustainable future for our people, our products and our planet.

Focusing on growth is important for our teammates, our customers, our partners and, of course, our shareholders. And we look forward to sharing more on our evolving sustainable business plans at future meetings. As they say, there is always more we can do in this area.



I'd also like to take a moment to welcome Michelle Banik to our Board of Directors. Michelle is an accomplished global C-Suite executive with a distinguished career in the Human Resources sector spanning a diverse portfolio of companies. I'm very proud to serve on a board which shares many diverse voices and perspectives.

It has been incredible to see our transformation plans come to life at Empire over the last five years. And of course, none of this would have been possible without the leadership of our President and CEO, Michael Medline. Michael has led our team, not only through the pandemic, but more importantly through many significant and necessary changes for our business. In less than five years at the helm, Michael and his team have completely revived our business, embraced innovation, restored employee morale, and returned Empire to profitable, sustainable growth.

Just over a year ago we launched an ambitious three-year strategy, Project Horizon. Despite the many challenges of the pandemic, we are already exceeding our Project Horizon targets. Our strong, focused, and united culture continues to fuel higher-performance and better business results.

I'm pleased to report that our Board, the executive team and the entire company have stayed focused and committed to that plan over this past year. We stuck with our strategy and, most importantly, we didn't deviate from our core values as we worked through our strategic initiatives and the many challenges of the pandemic. This focus has paid off in the



strong operating results we're now enjoying, once again taking our team and our business to new heights.

We are moving full-steam ahead towards our Project Horizon goals with the great confidence that Michael and his executive team will deliver on all targets. We will continue to tackle this bold but achievable plan as evidenced by the results we've seen to date.

So, thank you again for joining us today. I will now turn the meeting over to Michael Medline for his remarks.

Michael Medline

Good Morning everyone and thank you for joining us.

Jim, you captured the highlights of the last year so well.

I share your pride in our team's ability to deliver results, innovate and live our values.

There were many proud moments this year, and a few somber ones too, as we sadly lost Donald R. Sobey, a great philanthropist and savvy business leader.



Our Empire team is made up of 134,000 incredible people across Canada. Our frontline heroes in our stores and RSCs are the lifeblood of our business.

At Empire, our goal is to be Canada's finest retailer. Put industry-best numbers up on the board. In a way that is consistent with Sobeys' values.

With year one of Project Horizon in the books, we're on track to achieve our ambitious growth targets.

We continue to reap huge benefits from expanding and renovating our store network, improving our store operations and leveraging advanced data and analytics. Our strategic sourcing and owned brands efforts are also driving further efficiencies and value.

E-commerce is absolutely key to overall retail success across the globe. Voilà, our home-delivery grocery e-commerce business, has set a new bar for grocery e-commerce in Canada. Customers just love the service. More Canadians will be able to experience it as we expand to Montreal in 2022, and then Calgary in 2023. And our curbside pickup service is expanding in Western and Atlantic Canada.

Farm Boy also continues to blaze a trail for us in Ontario. We've opened 14 stores since we partnered with them. Their customer satisfaction is second to none.



And we are more than halfway through our FreshCo expansion plan in Western Canada.

In March, we welcomed a crown jewel of grocery into our family of brands. And I'd like to welcome our new partners CEO Anthony Longo and his team to their first Empire AGM.

Returning capital to shareholders continues to be a key priority for us. It is why we have continued to increase the dividend and have been buying back shares, reflecting our growing confidence in the strength of our business.

All the while, we continued to give back to the communities we serve. At Empire, we believe that doing good is good for business.

I am particularly proud of four ESG focus areas that that we zeroed in on this year.

First, we continued to champion our charitable and philanthropic causes that are so important to the communities we serve. This includes advancing our Child and Youth Mental Health Initiative in partnership with the Sobey Foundation.

Second, this year, we also launched our first ESG report, with data that helps bring our people, product and planet successes to life. We are very proud of this report.



Third, we renewed our commitments to improve Diversity, Equity and Inclusion. This year, we have made great strides in our partnership with the Black North Initiative and created a refreshed strategy to support Black and Indigenous and other teammates and communities.

Finally, in partnership with the Food, Health & Consumer Products of Canada, we championed a blueprint for Canada's Grocery Supply Code of Practice. A first in our industry, it has moved the needle on the important issue of the health of retailer-supplier relationships for our industry and for Canada.

Another highlight for our team, was our important role as the first official grocer of our Team Canada Olympians. Our Feed the Dream campaign supported our athletes and created an emotional connection with our customers, further entrenching our role as a champion of the connection between family, food and sport.

I'm proud to be a part of a team that continues to build and grow based on our values.

I'd like to thank our shareholders, our business partners and the Sobey Family for their enduring support.

Thank you to our Board of Directors. They are our biggest supporters when it comes to Empire's values-based approach to business. And importantly, they hold us accountable for results. I'd like to give a special



thank you to our incredible Chair, Jim Dickson, for his unwavering support. Jim's counsel and experience are invaluable as we work to push Empire to greater heights.

And, of course, none of this would be possible without our world-class Executive Committee. Our team is relentless in their commitment and focus to our people and our business. And they are so committed to growing and strengthening the next generation of leaders and talent at Empire. I'm proud to work with them.

Thank you to everyone for joining us today. We look forward to years of profitable growth on behalf of you, our shareholders.

James M. Dickson

Thank you Michael.

We've now reached the part of the meeting that every Chair looks forward to, and that is to ask, are there any general questions?

As a reminder, shareholders and registered shareholders may provide questions through the question box identified by the message icon at the top of the screen.

It appears that there are no questions.

So, with that, thank you, and I will now introduce our guest speaker.



Today, we are welcoming Tabatha Bull, president and CEO of the Canadian Council for Aboriginal Business and a key partner in Empire's Indigenous Inclusion strategy.

Tabatha is an Anishnaabe Kwe from Nipissing First Nation. As CCAB's president and CEO, she is committed to help rebuild and strengthen the path toward reconciliation and a prosperous Indigenous economy to benefit all Canadians.

With a focus on Indigenous economic development, Tabatha often works with various heads of organizations, companies, government officials and departments, notably her role with the federal government's COVID-19 Supply Council. She serves the Indigenous community through her commitment, sense of duty and support to Indigenous business and the economy.

An electrical engineer, Tabatha informs Canada's energy sector by participating on the boards of Ontario's electricity system operator IESO, the Positive Energy Advisory Council, the MARS Energy Advisory Council, and the C.D. Howe Institute's Energy Policy program.

At Empire, our Diversity, Equity and Inclusion team has partnered with Tabatha and her team at CCAB to advance our Indigenous Inclusion strategy, which includes advancing internal awareness of issues faced by the Indigenous Community; a strategy to attract, grow and retain indigenous talent; developing business relationships with members of



the Indigenous community; and finally strengthening our community relationships.

So Tabatha, I want to thank you for your time joining us today. I'll hand the meeting over to you for your comments.

Tabatha Bull

Miigwetch Jim.

Aanii Tabatha n'indignikaaz, Nipissing n'indoonjibaa, Migizi Dodem. Hello and thank you all. My name is Tabatha, as Jim mentioned, I am a member of Nipissing First Nation and I belong to the Eagle clan.

I want to humbly thank Jim for recognizing, in the best way possible, the land that we are all sitting on as we gather virtually. By introducing myself in Anishnabemewowin, I also recognize my ancestors and all ancestors who came here before me. I want to note that the land acknowledgement isn't just words, it is a moment for all of us to think about where we live and work and who was here first. I encourage everyone on this call to take a moment to do that in the next few days.

I am honoured and humbled to be here today to speak about CCAB's relationship journey with Sobeys and I want to acknowledge the choice made by Empire leadership to provide space on today's agenda for a discussion on Indigenous inclusion. There is no doubt



that I am speaking to an influential group, that each of you has a significant potential to create impactful change through growing the Indigenous economy. Not only as shareholders, but as investors, employers, employees and consumers.

With the recent confirmation of children's remains at former residential schools and the continued news about missing and murdered Indigenous women and girls, Canadians are beginning to learn and understand the extent of the damage caused by generations of oppression suffered by Indigenous people. Awareness of the past, acknowledging the harm inflicted, atonement for the causes, and action to change behaviour are necessary steps to make this country whole.

In part, the role of the CCAB is to build relationships and partnerships between Indigenous and non-Indigenous businesses, helping to grow the economy, which means prosperity for Indigenous peoples and the whole country.

In 1867, through the Indian Act, Indigenous inherent economic rights were systematically and expressly stripped. Many Canadians do not know that from 1881 until as recently as 2014; the Indian Act still contained a permit system to control First Nations' ability to sell products off the reserves. Nor that until 1951, Indigenous peoples were not considered Indians under the Indian Act if they obtained a post-secondary school degree, which then meant if you were a



lawyer or an engineer or a doctor, your Indian status was stripped away. We lost mentors and role models for our youth and the opportunity for intergenerational wealth, which made ways to generations of financial struggle and trauma. This is why we all have a role to support an Indigenous economy and why we must work together to ensure all Canadians are dedicated to building respectful, economic partnerships.

Although Indigenous peoples were effectively excluded from the Canadian economy, they have persisted. Indigenous peoples are the youngest and fastest-growing demographic in Canada, and they are creating businesses at nine times the rate of the average non-Indigenous Canadian. Today, there are close to 60,000 Indigenous businesses across Canada, in every sector and size and every province and territory. The outlook is positive, but there is significant work to do!

And Empire Company and the Sobeys teams are doing the work. I first met some of the Sobeys team almost exactly a year ago. I recall leaving that meeting incredibly impressed with the work done on gender inclusion and excited to see where the partnership could take us. Since then, we have met with the Diversity, Equity & Inclusion council, the Supplier Diversity steering committee and had the opportunity to speak at various internal events. In July, Sobeys committed to the Progressive Aboriginal Relations program. These are significant steps forward.



A Canada-wide survey on Indigenous and non-Indigenous businesses, conducted by CCAB in partnership with Environics Research, showed intense mutual interest in improving and facilitating procurement opportunities as one of the critical elements of economic reconciliation. The Empire team has a duplicative opportunity in this space - both in the services and products you procure for your businesses and in the opportunity you provide to Indigenous businesses and consumers, by providing a space on your shelves. Indigenous-owned businesses like Birchbark Coffee and Mary Manette Seafood who are on Sobeys shelves today.

I am often asked “what can I do as an individual to help the Indigenous community and economy?” and my answer is almost always – you have power in your wallet. As consumers we can make an impact by changing the way we buy goods and services, by directing the money we already spend towards a positive impact. Consumers today are aware of how and where they spend their money, which is why we have seen that strong push for environmentally sustainable businesses. Purchasing goods and services from Indigenous businesses, where sustainability and social responsibility are rooted within their business models, like Birchbark Coffee who provides a water purification system to a First Nation home for every 50 bags they sell. Empire has an opportunity to make even more choices available to consumers that not only support Indigenous entrepreneurs, but are also ethical, socially responsible and good for Canada.



I want to end by thanking Empire, Sobeys, each of your teammates, stores and franchisees who are finding their way on this journey. By engaging in cultural understanding and strengthening relations, we can walk the shared path towards an inclusive economy and prosperity for all Canadians. Economic reconciliation is where we each can make a tremendous impact every day!

Chi miigwetch.

James M. Dickson

Thank you very much, Tabatha, I have to say that at Empire and Sobeys we feel fortunate to have such engaged and visionary partners as you and your team at CCAB.

In the spirit of partnership, and celebrating the groups that Empire supported and cheered on this past year, we're going to close this year's meeting with a clip from one of our Team Sobeys Olympic Athletes, Canadian Decathlete Olympic Champion and Olympic Gold Medalist in the Tokyo 2020 games, Damian Warner.

Damian Warner

Hello everyone. It's Damian Warner here. We all know how difficult the last year and a half has been. The uncertainty of the pandemic has affected us all in many similar but also different ways. We've leaned on friends, family and our communities to get us through these difficult times. It's the continued support that we give and receive that allows us



to persevere. As a new dad, family means more to me now more than ever before. Sobeys supported my community and family as I trained to compete in Tokyo this summer. Your ongoing commitment to supporting Canadian families is so important. Having the peace of mind that Sobeys was there to support me, allowed me to focus on my journey, my family and to prepare for the Olympics. I want to extend a huge thank you for to entire the Sobeys family for your unwavering support in my journey. I achieved my childhood dream of becoming an Olympic champion and I want to thank you for believing in me. Thank you.

James M. Dickson

And now, on behalf of the Board of Directors of Empire Company Limited, I would like to thank all of you for taking the time to join us today. We'll close the meeting. Enjoy the rest of your day.