MANAGEMENT PROXY CIRCULAR

GEORGE WESTON LIMITED
ANNUAL MEETING OF SHAREHOLDERS
MAY 7, 2019

THIS DOCUMENT CONTAINS:
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
MANAGEMENT PROXY CIRCULAR

Weston
George Weston Limited

March 22, 2019

Dear Fellow Shareholder,

On behalf of the Board and management, we are pleased to invite you to our Annual Meeting of Shareholders, which will be held on Tuesday, May 7, 2019, at 11:00 a.m. (Toronto time) at The Royal Conservatory, TELUS Centre for Performance and Learning, Koerner Hall, 273 Bloor Street West, Toronto, Ontario, Canada. 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. The Circular contains information on our corporate governance practices and our approach to executive compensation. At the meeting, shareholders will be voting on important matters. We hope that you take the time to review these meeting materials and that you exercise your vote. You may vote either in person at the meeting or by completing and sending in your proxy form. Please read 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 in person or through our live webcast, which will be available at the Investor Centre section of our website at www.weston.ca. This meeting is an opportunity to meet, listen to and ask questions of the people who are responsible for the performance of the Corporation. The webcast of the meeting will be archived on our website following the meeting.

We thank you for your continued support of the Corporation and look forward to seeing you at the meeting.

Yours very truly,

Galen G. Weston
Chairman and Chief Executive Officer

Weston
George Weston Limited

MANAGEMENT PROXY CIRCULAR

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Weston
George Weston Limited

Notice of Annual Meeting of Shareholders

The 2019 Annual Meeting of Shareholders of George Weston Limited will be held on Tuesday, May 7, 2019, at 11:00 a.m. (Toronto time) at The Royal Conservatory, TELUS Centre for Performance and Learning, Koerner Hall, 273 Bloor Street West, Toronto, Ontario, Canada, for the following purposes:

1. to receive the consolidated financial statements for the financial year ended December 31, 2018, and the 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 auditor and to authorize the directors to fix the auditor's remuneration (see "Appointment of the Auditor" in the Circular for additional details);
4. to vote on the advisory resolution on the approach to executive compensation; and
5. to transact such other business as may properly be brought before the Annual Meeting or any adjournment or postponement thereof.

Only shareholders of record at the close of business on March 14, 2019 will be entitled to vote at the Annual Meeting.

Notice and Access

George Weston Limited (the "Corporation") is using the "notice and access" procedure adopted by the Canadian Securities Administrators for the delivery of the Circular. 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 Annual Meeting. However, instead of paper copies of the Circular, you are receiving this Notice of Meeting which contains information about how to access the Circular 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.

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 Annual 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 Circular is Posted

The Circular can be viewed online on the Corporation's website, www.weston.ca, or under George Weston Limited's SEDAR profile at www.sedar.com.

Non-Registered and Registered Shareholders

If you would like a paper copy of the Circular, 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

All shareholders may request that paper copies of the Circular 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. A request must be received by April 25, 2019 (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 in advance of the voting deadline and Annual 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: (i) in advance of the voting deadline and Annual Meeting date, then a request may be made by calling Computershare at 1-866-962-0498; or (ii) after the Annual 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 25, 2019 (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 in advance of the voting deadline and Annual Meeting date.

Voting

Non-registered shareholders

Non-registered shareholders are entitled to vote through Broadridge or their intermediary, as applicable, or at the Annual Meeting in person. 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 a non-registered shareholder wishes to attend and vote at the Annual Meeting in person (or have another person attend and vote on the shareholder's behalf), the shareholder must complete the voting instruction form in accordance with the directions provided.

Registered shareholders

Registered shareholders are entitled to vote at the Annual Meeting either in person or by proxy. Registered shareholders who are unable to be present at the Annual Meeting should exercise their right to vote by signing and returning the form of proxy, or voting via the internet, in accordance with the directions on the form. Computershare must receive completed proxies no later than 5:00 p.m. (Toronto time) on May 5, 2019 or, if the Annual Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays) before the date of the adjourned or postponed Annual Meeting.

Dated at Toronto, Ontario, this 22nd day of March, 2019.

BY ORDER OF THE BOARD OF DIRECTORS,

Andrew Bunston
Vice President, Legal and Secretary

1 About the Meeting

VOTING INFORMATION

ABOUT THIS CIRCULAR AND RELATED PROXY MATERIALS

We are providing you with this Management Proxy Circular (the "Circular") and other proxy materials in connection with the 2019 Annual Meeting of Shareholders (the "Meeting") of George Weston Limited (the "Corporation" or "Weston") to be held on Tuesday, May 7, 2019, at 11:00 a.m. (Toronto time) at The Royal Conservatory, TELUS Centre for Performance and Learning, Koerner Hall, 273 Bloor Street West, Toronto, Ontario, Canada.

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, our 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 14, 2019 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 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 the Circular (and other proxy related materials) on a website other than SEDAR, in this case www.weston.ca; and (ii) sending the Notice of Meeting informing holders of common shares of the Corporation ("Common Shares") that the Circular and proxy related materials have been posted on the Corporation's website and explaining how to access them.

On or about April 2, 2019, the Corporation will send to shareholders the Notice of Meeting and the relevant voting document (a form of proxy or a voting instruction form). The Notice of Meeting contains basic information about the Meeting and the matters to be voted on, instructions on how to access the proxy materials, and explains how to obtain a paper copy of the Circular.

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 auditor and authorization of the directors to fix the auditor's remuneration; and
- an advisory resolution on the Corporation's approach to executive compensation.

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 14, 2019, 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 the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("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 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 at the Meeting or by proxy.

1. **Voting at the Meeting**

   If you wish to vote your Common Shares in person at the Meeting, do not complete or return the form of proxy sent to you. Your vote will be taken and counted at the Meeting. Please register with Computershare upon arrival at the Meeting.

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:

   - by mail, courier or hand to Computershare at the address listed below; or
   - 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 and Chief Executive Officer, and Andrew Bunston, Vice President, Legal 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 be present at the Meeting to vote your Common Shares. 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.

   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. (Toronto time) on May 5, 2019, 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 he or she sees fit.

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

- **FOR the election of the directors;**
- **FOR the re-appointment of KPMG LLP as the auditor of the Corporation and the authorization of the directors to fix the auditor's remuneration; and**
- **FOR the advisory resolution on the Corporation's approach to executive compensation.**

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 in person at the Meeting, you should take these steps:

   - 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.
   - Do not otherwise complete the form, as you will be voting at the Meeting.
   - Please register with Computershare upon arrival at the Meeting.

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, he or she must be present at 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. Do not otherwise complete the form, as your proxyholder will be voting at the Meeting. When your proxyholder arrives at the Meeting, he or she should register with Computershare.

Q: Can I revoke my proxy or voting instruction?

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. (Toronto time) on May 5, 2019, 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 deposited 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; or
- 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.

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 the date that any adjourned or postponed Meeting has been reconvened. 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 named in the form. If you have not specifically appointed a person as proxyholder, a management representative named in the enclosed proxy form 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 14, 2019, there were 153,520,982 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, for any matter for which a vote is taken at the Meeting by ballot, the votes cast regarding such matter, 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 Annual Report, which includes its annual financial statements and notes, the Circular and the Annual Information Form, are available for review on its website at www.weston.ca or under the Corporation's SEDAR profile at www.sedar.com.

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 14, 2019, the record date for the Meeting, there were 153,520,982 Common Shares issued and outstanding. As of such date, Mr. W. Galen Weston beneficially owned, directly and indirectly through entities which he controls, including Wittington Investments, Limited ("Wittington"), a total of 81,465,025 Common Shares, representing approximately 53.1% 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**

- Eleven nominee directors 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 AUDITOR**

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

RECEIVE THE FINANCIAL STATEMENTS

The Corporation's audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2018, together with the auditor's report thereon will be placed before the shareholders at the Meeting. These documents are included in the Corporation's 2018 Annual Report. Copies of the 2018 Annual Report in English or French may be obtained from the Secretary of the Corporation upon request and will be available at the Meeting. The 2018 Annual Report in English or French is also available under the Corporation's SEDAR profile at www.sedar.com or on the Corporation's website at www.weston.ca.

ELECTION OF THE BOARD OF DIRECTORS

The Board has determined that 11 director nominees will be elected at the Meeting. Nine of the nominees are currently directors of the Corporation, and all 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 8, tell you about each director'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, experiences and diversity of perspectives.

Independence

Eight of the 11 nominated directors are independent. None of these independent directors has 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

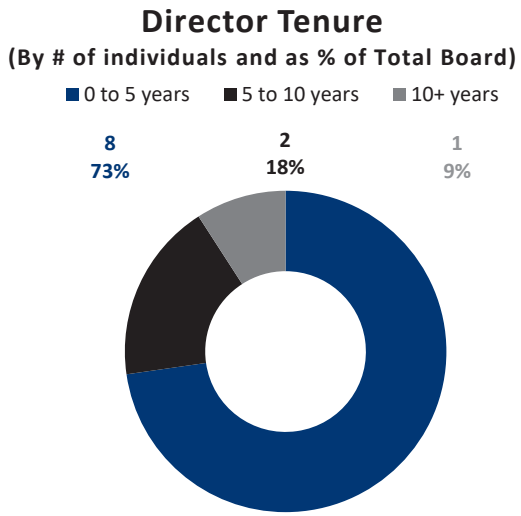
Each director nominee has a wealth of experience in leadership, governance and strategic planning and collectively, they possess the skills and expertise that enable the Board to carry out its responsibilities. The skills matrix set out below is used to assess the Board's overall strengths and to assist 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. The matrix is not intended to be an exhaustive list of each director nominee's skills.

Skills	Ferrier	Binning	Lockhart	Marwah	Nixon	Prichard	Sawyer	Strauss	Stymiest	A. Weston	G. Weston
Executive Leadership/Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Retail/Consumer/Marketing			✓				✓	✓		✓	✓
Financial Expertise		✓		✓	✓	✓	✓	✓	✓		
Supply Chain/Distribution	✓										
Accounting and Financial Reporting		✓		✓	✓		✓		✓		
Risk Management/Compliance	✓	✓	✓	✓	✓	✓	✓	✓			
HR/Compensation	✓		✓	✓		✓			✓		✓
Digitalization and Technology					✓				✓	✓	
Real Estate			✓							✓	✓
US/International Consumer Market	✓	✓						✓		✓	✓
Legal						✓					

Each director nominee was nominated in large part because of his or her 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 Gender Diversity

The Board has a diversity policy and a tenure policy. The tenure policy provides that the Chairman and the Governance, Human Resources, Nominating and Compensation Committee (the "Governance Committee") will undertake an assessment of a director's continued participation on the Board upon reaching the age of 75 or upon a change in principal occupation, whichever occurs first. The average tenure of the director nominees is 4.4 years. The following diagram shows director tenure broken down by the applicable time periods set out below:



The Board believes that these tenure statistics, and the high calibre of director nominees who are standing for election for the first time or who have joined the Board in the past several years, demonstrate that the Board's renewal process is working effectively.

The Corporation's board diversity policy has a target that women comprise at least 30% of the Board's directors. This year, 36% of the director nominees are women. Further details on the Corporation's board tenure policy and diversity policy can be found on pages 25 and 34, 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 receives a greater number of votes withheld than votes in favour of their election must immediately tender his or her resignation to the Chairman of the Board. 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 his or her 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 2018 Annual Meeting of Shareholders

In 2018, each director who stood for election at the Annual and Special Meeting of Shareholders received votes in favour from at least 98% of the votes cast. Below are the voting results for the election of directors at the Corporation's Annual and Special Meeting of Shareholders held on May 8, 2018:

Name of Nominee	Votes For		Votes Withheld	
Andrew A. Ferrier	112,566,154	99.91%	102,320	0.09%
Isabelle Marcoux (1)	112,192,673	99.58%	475,801	0.42%
Sarabjit S. Marwah	112,508,142	99.86%	160,332	0.14%
Gordon M. Nixon	112,560,975	99.90%	107,499	0.10%
J. Robert S. Prichard	111,129,654	98.63%	1,538,820	1.37%
Thomas F. Rahilly (2)	112,542,637	99.89%	125,837	0.11%
Robert Sawyer	112,645,096	99.98%	21,926	0.02%
Christi Strauss	112,645,423	99.98%	21,599	0.02%
Barbara Stymiest	112,479,921	99.83%	187,101	0.17%
Alannah Weston	112,571,226	99.91%	95,796	0.09%
Galen G. Weston	110,749,081	98.30%	1,917,941	1.70%

(1) Ms. Marcoux is not standing for re-election at the Meeting.

(2) Mr. Rahilly retired from the Board on October 5, 2018.

Board Interlock Policy

The Board has established a board 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 are also board members of another public entity. The board 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.

Director Profiles

The following is a summary of relevant biographical and compensation information of each director nominee, including a description of their background and experience, year first elected or appointed as a director, age, meeting attendance, other boards on which they sit, 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 2018 and 2017 equity holdings of each director nominee of the Corporation as of March 14, 2019 and March 14, 2018, 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 2018 based on the closing price of the Common Shares on the Toronto Stock Exchange ("TSX") on March 14, 2019, which was $91.77, and for 2017 based on the closing price of the Common Shares on the TSX on March 14, 2018, which was $106.02.

The persons named in the accompanying form of proxy intend to vote **FOR** the nominees listed below:

Paviter S. Binning,
Toronto, Ontario, Canada

Age 58

Weston Board Details:
Director Nominee
Non-Independent

Mr. Binning is the President of Wittington Investments, Limited ("Wittington"). Mr. Binning is the former President and Chief Executive Officer of George Weston Limited and prior to this was the Chief Financial Officer of George Weston. Prior to holding these positions, Mr. Binning was the Chief Financial Officer and Chief Restructuring Officer of Nortel Networks Corporation, Chief Financial Officer of Hanson plc and the Chief Financial Officer of Marconi Corporation plc.

Mr. Binning is a Fellow of the Chartered Institute of Management Accountants (U.K.).

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
—	—	—	—	—	—

EQUITY OWNERSHIP						
Year	Common Shares	DSUs[1]	Total Common Shares and DSUs	Total Market Value of Common Shares and DSUs [2]	Minimum Equity Ownership	In Progress or Satisfies Share Ownership Guidelines
2018	84,047	31,077	115,124	$10,862,610	$900,000	Yes

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks [3]	
		Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
George Weston Limited	2012 to 2017		
Loblaw Companies Limited	2014 to 2017		

(1) *Mr. Binning is the former President and Chief Executive Officer of the Corporation and during his tenure, he elected to receive a portion of his annual bonus in respect of certain years in executive deferred share units.*

(2) *Pursuant to the Director Share Ownership Guidelines, if elected, Mr. Binning's Loblaw Companies Limited ("Loblaw") holdings will count towards his minimum equity ownership in the Corporation. Mr. Binning held 4,579 Loblaw common shares and deferred share units with a value of $297,681 based on the March 14, 2019 Loblaw common share price of $65.01.*

(3) *Mr. Binning and Mr. Weston will both be standing for election at Loblaw's Annual Meeting of Shareholders on May 2, 2019. If Mr. Binning and Mr. Weston are both elected at the Meeting and at Loblaw's Annual Meeting of Shareholders, Mr. Binning will be in a Board interlock with Mr. Weston. Please see page 7 for details on the Board Interlock Policy.*

Andrew A. Ferrier
Auckland, New Zealand

Age 59

Weston Board Details:
Director since 2018
Independent

Mr. Ferrier serves as the Executive Chairman of Canz Capital Limited ("Canz"), a private investment company located in New Zealand. Prior to founding Canz, Mr. Ferrier was the Chief Executive Officer of Fonterra Co-operative Group Limited, a New Zealand-based international dairy company, from 2003 to 2011. He was previously President and Chief Executive Officer and a director of GSW Inc., a Canadian consumer durable goods manufacturer, prior to which he held senior corporate roles in the sugar industry in Canada and internationally.

Mr. Ferrier graduated from the University of New Brunswick with a B.B.A. and from Concordia University with an M.B.A.

In addition to his public board memberships listed below, Mr. Ferrier serves as Board Chair of New Zealand Trade and Enterprise and as council member of the University of Auckland. He is the former Chairman of the Business New Zealand Major Companies Group CEO Forum.

BOARD/COMMITTEE MEMBERSHIP[1]	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	6/6	10/10	100%	2018	117,800
Audit Committee	2/2			2017	—
Risk and Compliance Committee	2/2				

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 Guidelines
2018	—	1,253	1,253	$114,988	$900,000	Yes[2]
2017	—	—	—	—		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
Bunge Limited	2012 to present	—	—
Orion Health Group Limited	2011 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
—	—		

(1) *Mr. Ferrier was elected to the Board and appointed to the Audit Committee and the Risk and Compliance Committee on May 8, 2018.*

(2) *Mr. Ferrier has until 2023 to satisfy the Director Share Ownership Guidelines.*

Nancy H.O. Lockhart, O. Ont.

Toronto, Ontario, Canada

Age 64

Weston Board Details:
Director Nominee
Independent

Ms. Lockhart, a corporate director, is the former Chief Administrative Officer of Frum Development Group and a former Vice President of Shoppers Drug Mart Corporation.

In addition to her public board memberships below, Ms. Lockhart is a director of The Royal Conservatory of Music and a member of the Sotheby's Canada Advisory Board. Ms. Lockhart is also Chair Emeritus of the Crow's Theatre Company. She is a former Chair of the Ontario Science Centre, former President of the Canadian Club of Toronto and a former Chair of the Canadian Film Centre. Ms. Lockhart is also a former director of the Canada Deposit Insurance Corporation, the Centre for Addiction and Mental Health Foundation and the Loran Scholars Foundation.

Ms. Lockhart has an Institute of Corporate Directors ICD.D certification.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
—	—	—	—	—	—

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 Guidelines
2018	1,961	—	1,961	$4,560,713	$900,000	Yes

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks[2]	
		Directors	Boards
Atrium Mortgage Investment Corporation	2013 to present		
Gluskin Sheff & Associates Inc.	2013 to present		
Loblaw Companies Limited	2005 to present[3]		
PAST PUBLIC BOARD MEMBERSHIPS (LAST FIVE YEARS)			
Barrick Gold Corporation	2014 to 2018		

(1) *Pursuant to the Director Share Ownership Guidelines, if elected, Ms. Lockhart's equity holdings in Loblaw will count towards her minimum equity ownership in the Corporation. Ms. Lockhart held 62,202 Loblaw common shares and deferred share units with a value of $4,043,752 based on the March 14, 2019 Loblaw common share price of $65.01. Ms. Lockhart is standing for election at the Choice Properties Real Estate Investment Trust ("Choice Properties" or the "Trust") Annual Meeting of Unitholders and, if elected, her equity ownership in Choice Properties will count towards her minimum equity ownership in the Corporation. Ms. Lockhart held 25,000 Choice Properties trust units with a value of $337,000 based on the March 14, 2019 Choice Properties trust unit price of $13.48.*

(2) *Ms. Lockhart and Mr. Weston will both be standing for election at Choice Properties' Annual Meeting of Unitholders on May 3, 2019. If Ms. Lockhart and Mr. Weston are both elected at the Meeting and at Choice Properties' Annual Meeting of Unitholders, Ms. Lockhart will be in a Board interlock with Mr. Weston. Please see page 7 for details on the Board Interlock Policy.*

(3) *Ms. Lockhart serves as a director of Loblaw and is not standing for re-election at Loblaw's Annual General Meeting of Shareholders on May 2, 2019.*

Sarabjit S. Marwah

Toronto, Ontario, Canada

Age 67

Weston Board Details:
Director since 2013
Independent

Mr. Marwah is a Senator with the Senate of Canada. He is the former Vice-Chairman and Chief Operating Officer of The Bank of Nova Scotia.

Mr. Marwah has an M.B.A. from the University of California, Los Angeles. He obtained an undergraduate degree in Economics (Honours) from the University of Calcutta and a Masters degree in Economics from the University of Delhi.

In addition to his public board memberships listed below, Mr. Marwah serves as a trustee and Chair of the Hospital for Sick Children. He was past Chair of the Humber River Regional Hospital and a past member of the boards of directors of the C.D. Howe Institute and the Toronto International Film Festival.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	15/15	100%	2018	$189,850
Audit Committee[1]	2/2			2017	$203,500
Governance 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 Guidelines
2018	3,500	10,517	14,017	$1,286,340	$900,000	Yes
2017	3,500	8,394	11,894	$1,261,002		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
Cineplex Inc.	2009 to present		
TELUS Corporation	2015 to present	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
—	—		

(1) *Mr. Marwah stepped down from the Audit Committee on May 8, 2018.*

Gordon M. Nixon, C.M., O. Ont.
Toronto, Ontario, Canada

Age 62

Weston Board Details:
Director since 2014
Independent

Mr. Nixon is the Chair of BCE Inc. and the former President and Chief Executive Officer of Royal Bank of Canada, a position he held from August 2001 to August 2014. Mr. Nixon first joined RBC Dominion Securities Inc. in 1979, where he held a number of operating positions, one of which was as Chief Executive Officer.

Mr. Nixon earned a Bachelor of Commerce (Honours) degree from Queen's University and holds Honorary Doctorates of Laws from Queen's University and Dalhousie University. He is a Member of the Order of Canada and the Order of Ontario.

In addition to his public board memberships listed below, Mr. Nixon sits on the Advisory Board of KingSett Canadian Real Estate Income Fund, L.P., is a director of MaRS Discovery District and is a trustee of the Art Gallery of Ontario.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Audit Committee	4/4	17/17	100%	2018	$199,500
Governance Committee	4/4			2017	$209,750

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 Guidelines
2018	5,000	8,065	13,065	$1,198,975	$900,000	Yes
2017	5,000	5,890	10,890	$1,154,558		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
BCE Inc.	2014 to present	—	—
BlackRock, Inc.	2015 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
Royal Bank of Canada	2001 to 2014		

J. Robert S. Prichard, O.C., O. Ont.
Toronto, Ontario, Canada

Age 70

Weston Board Details:
Director since 2000
Independent
Lead Director

Mr. Prichard is the non-executive Chair of Torys LLP and Chair of Bank of Montreal. He is a former Chair of the board of directors of Metrolinx, the regional transportation agency for the Greater Toronto and Hamilton Area as well as a past President and CEO of Metrolinx. Mr. Prichard is a past President and Chief Executive Officer and a former director of Torstar Corporation and President Emeritus of the University of Toronto.

Mr. Prichard graduated from the University of Chicago with an M.B.A., from the University of Toronto with an LL.B., and from Yale Law School with an LL.M. He is an Officer of the Order of Canada, a Member of the Order of Ontario, a Fellow of the Institute of Corporate Directors and a Fellow of the Royal Society of Canada.

In addition to his public board memberships listed below, Mr. Prichard is a trustee of the Hospital for Sick Children.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
Board	9/9	#	%	Year	Amount
Governance Committee (Chair)	4/4	17/17	100%	2018	$257,500
Pension Committee	4/4			2017	$259,250

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 Guidelines
2018	2,000	40,812	42,812	$3,928,857	$900,000	Yes
2017	2,000	37,411	39,411	$4,178,354		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
Bank of Montreal	2000 to present	—	—
Onex Corporation	1994 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
Barrick Gold Corporation	2015 to 2019		

Robert Sawyer

Montreal, Quebec, Canada

Age 65

Weston Board Details:
Director since 2016
Independent

Mr. Sawyer, a corporate director, is the former President and Chief Executive Officer of Rona Inc. Prior to this role, Mr. Sawyer held various senior executive roles with Metro Inc., including Executive Vice President and Chief Operating Officer.

Mr. Sawyer also sits on the board of Walter Group, a private investment company. He was formerly on the board of Accueil Bonneau and is the former President of the annual fundraiser of La Maison du Père and the food bank, Moisson Montreal.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9				
Audit Committee	4/4			2018	$190,000
Risk and Compliance Committee[1]	4/4	17/17	100%	2017	$187,150

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 Guidelines
2018	2,270	4,183	6,453	$592,192	$900,000	Yes[2]
2017	—	2,180	2,180	$231,124		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
Rona Inc.	2013 to 2016		

(1) *The Environmental, Health and Safety Committee was reconstituted as the Risk and Compliance Committee in May 2018. There was one meeting of the Environmental, Health and Safety Committee and three meetings of the Risk and Compliance Committee in 2018.*

(2) *Mr. Sawyer joined the Board in 2016 and originally had until 2021 to satisfy the Director Share Ownership Guidelines. Effective January 1, 2019, the director ownership requirement under the Director Share Ownership Guidelines increased. As a result, Mr. Sawyer now has until December 2023 to satisfy the Director Share Ownership Guidelines. For more details, please see the section titled "Director Compensation Review and Changes for 2019" on page 15 of this Circular.*

Christi Strauss

Minneapolis, Minnesota, United States

Age 57

Weston Board Details:
Director since 2016
Independent

Ms. Strauss, a corporate director, is the former President and Chief Executive Officer of Cereal Partners Worldwide, a General Mills joint venture with Nestlé, a position she held from 2006 to 2012. Ms. Strauss joined General Mills in 1986 where she held various executive positions including the President of General Mills Canada from 1996 to 2006.

Ms. Strauss obtained a Master of Business Administration from the Tuck School of Business at Dartmouth and a Bachelor of Arts in Economics from Dartmouth College.

Ms. Strauss sits on the boards of Social Venture Partners Minnesota and Health Partners International. Ms. Strauss is a past Chair of Advertising Standards Canada and Canadian Food Information Council. She is a former board member of The Stratford Festival and Food and Consumer Products of Canada.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
				Year	Amount
Board	9/9				
Audit Committee	4/4	17/17	100%	2018	$190,000
Risk and Compliance Committee[1]	4/4			2017	$190,000

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 Guidelines
2018	1,000	4,790	5,790	$531,348	$900,000	Yes[2]
2017	1,000	2,775	3,775	$400,226		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
—	—		

(1) *The Environmental, Health and Safety Committee was reconstituted as the Risk and Compliance Committee in May 2018. There was one meeting of the Environmental, Health and Safety Committee and three meetings of the Risk and Compliance Committee in 2018.*

(2) *Ms. Strauss joined the Board in 2016 and originally had until 2021 to satisfy the Director Share Ownership Guidelines. Effective January 1, 2019, the director ownership requirement under the Director Share Ownership Guidelines increased. As a result, Ms. Strauss now has until December 2023 to satisfy the Director Share Ownership Guidelines. For more details, please see the section titled "Director Compensation Review and Changes for 2019" on page 15 of this Circular.*

Barbara Stymiest, F.C.A, F.C.P.A
Toronto, Ontario, Canada

Age 62

Weston Board Details:
Director since 2011
Independent

Ms. Stymiest, a corporate director, is a former member of the Group Executive of Royal Bank of Canada responsible for the overall performance of the bank. Ms. Stymiest is a former Chief Executive Officer of TMX Group Inc., Executive Vice-President and Chief Financial Officer at BMO Capital Markets and Partner of Ernst & Young LLP.

Ms. Stymiest obtained her H.B.A. from the Richard Ivey School of Business, University of Western Ontario. She is a Fellow Chartered Accountant and a Fellow Chartered Professional Accountant.

In addition to her public board memberships listed below, Ms. Stymiest is a director of President's Choice Bank and serves as the Chair of the Canadian Institute for Advanced Research. She is also Vice Chair of the University Health Network and Chair of the Advisory Council for the Ivey Institute for Leadership.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
		#	%	Year	Amount
Board	9/9	20/21	95%	2018	$273,875
Audit Committee (Chair)	4/4			2017	$272,000
Governance Committee	3/4				
Pension Committee (Chair)[1]	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 Guidelines
2018	2,000	15,378	17,378	$1,594,779	$900,000	Yes
2017	2,000	12,833	14,833	$1,572,595		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
BlackBerry Limited	2007 to present	—	—
Sun Life Financial Inc.	2012 to present		
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
—	—		

(1) *Ms. Stymiest was appointed Chair of the Pension Committee following the retirement of Mr. Rahilly on October 5, 2018.*

Alannah Weston
London, U.K.

Age 47

Weston Board Details:
Director since 2016
Non-Independent

Ms. Weston was named Deputy Chairman of Selfridges Group Limited in 2014. Prior to her role as Deputy Chairman, she was the Creative Director of Selfridges from 2004 to 2014.

Ms. Weston graduated from Oxford University with an M.A.

Ms. Weston is the Chair of the Selfridges Group Foundation. She is also on the boards of Garfield Weston Foundation, based in the U.K., and Wittington Investments, Limited. Ms. Weston is also a former trustee of the Blue Marine Foundation, and a former director of Reta Lila Weston Trust and the Reta Lila Howard Foundation.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received	
				Year	Amount
Board	8/9	12/13	92%	2018	$182,500
Risk and Compliance Committee[1]	4/4			2017	$182,500

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 Guidelines
2018	85,640	4,601	90,241	$8,281,417	$900,000	Yes
2017	80,240	2,666	82,906	$8,789,694		

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks	
		Directors	Boards
—	—	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
—	—		

(1) *The Environmental, Health and Safety Committee was reconstituted as the Risk and Compliance Committee in May 2018. There was one meeting of the Environmental, Health and Safety Committee and three meetings of the Risk and Compliance Committee in 2018.*

Galen G. Weston
Toronto, Ontario, Canada

Age 46

Weston Board Details:
Director since 2016
Non-Independent

Mr. Galen G. Weston is the Corporation's Chairman and Chief Executive Officer. He is also the Executive Chairman of Loblaw Companies Limited. He previously held several senior executive positions with Loblaw Companies Limited and its subsidiaries, including as President. Prior to joining Loblaw Companies Limited, 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 and director of President's Choice Bank and a director of Wittington Investments, Limited. Mr. Weston is also the former Chairman and a trustee of Choice Properties Real Estate Investment Trust, a Weston subsidiary.

BOARD/COMMITTEE MEMBERSHIP	Attendance	Attendance Total		Director Fees Received[1]	
				Year	Amount
Board	9/9	9/9	100%	2018	—
				2017	$43,470

EQUITY OWNERSHIP			
Year	Common Shares	DSUs	Total Common Shares and DSUs
2018	315,701	2,098	317,799
2017	255,000	2,057	257,057

The value of Mr. Weston's current eligible holdings is $67,729,659. Mr. Weston satisfies the Executive Share Ownership Guidelines. For details relating to his equity-based share ownership as an executive, please see the table on page 65.

CURRENT PUBLIC BOARD MEMBERSHIPS		Public Board Interlocks[2]	
		Directors	Boards
Loblaw Companies Limited	2006 to present	—	—
PAST PUBLIC BOARD MEMBERSHIPS (LAST 5 YEARS)			
Choice Properties Real Estate Investment Trust	2013 to 2017		

(1) Directors who are members of management do not receive any remuneration for their role as directors of the Corporation. Mr. Weston was appointed Chief Executive Officer of the Corporation on January 18, 2017 and did not receive any remuneration for his role as a director of the Corporation in 2017, but did receive $43,470 as the Chairman of Choice Properties, which was a subsidiary of Loblaw in 2017, until he resigned from that role on April 25, 2017. Following the completion of Loblaw's spin out of its approximate 61.6% interest in Choice Properties in November 2018 (the "Reorganization"), Choice Properties is a subsidiary of the Corporation.

(2) Mr. Weston and Ms. Lockhart will both be standing for election at Choice Properties' Annual Meeting of Unitholders on May 3, 2019. If Mr. Weston and Ms. Lockhart are both elected at the Meeting and at Choice Properties' Annual Meeting of Unitholders, Mr. Weston will be in a Board interlock with Ms. Lockhart. Mr. Weston and Mr. Binning will both be standing for election at Loblaw's Annual Meeting of Shareholders on May 2, 2019. If Mr. Weston and Mr. Binning are both elected at the Meeting and at Loblaw's Annual Meeting of Shareholders, Mr. Weston will be in a Board interlock with Mr. Binning. Please see page 7 for details on the Board Interlock Policy.

Meeting Attendance

The following table provides a summary of each director's attendance at Board and committee meetings in 2018:

Name	Board (9 meetings)	Audit Committee (4 meetings)	Risk and Compliance Committee[1] (4 meetings)	Governance Committee (4 meetings)	Pension Committee (4 meetings)	Overall Attendance (#)	Overall Attendance (%)
Andrew A. Ferrier[2]	6/6	2/2	2/2	—	—	10/10	100%
Isabelle Marcoux	9/9	—	4/4	—	—	13/13	100%
Sarabjit S. Marwah[3]	9/9	2/2	—	4/4	—	15/15	100%
Gordon M. Nixon	9/9	4/4	—	4/4	—	17/17	100%
J. Robert S. Prichard	9/9	—	—	4/4	4/4	17/17	100%
Thomas F. Rahilly[4]	8/8	—	1/1	3/3	3/3	15/15	100%
Robert Sawyer	9/9	4/4	4/4	—	—	17/17	100%
Christi Strauss	9/9	4/4	4/4	—	—	17/17	100%
Barbara Stymiest	9/9	4/4	—	3/4	4/4	20/21	95%
Alannah Weston	8/9	—	4/4	—	—	12/13	92%
Galen G. Weston	9/9	—	—	—	—	9/9	100%
Total	**99%**	**100%**	**100%**	**95%**	**100%**		**99%**

(1) The Environmental, Health and Safety Committee was reconstituted as the Risk and Compliance Committee in May 2018. There was one meeting of the Environmental, Health and Safety Committee and three meetings of the Risk and Compliance Committee in 2018.
(2) Mr. Ferrier was elected to the Board on May 8, 2018. He was also appointed to the Audit Committee and the Risk and Compliance Committee on May 8, 2018.
(3) Mr. Marwah stepped down from the Audit Committee on May 8, 2018.
(4) Mr. Rahilly stepped down from the Risk and Compliance Committee on May 8, 2018. On October 5, 2018, Mr. Rahilly retired from the Board.

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 Guidelines, after which a director has the option to receive up to 50% of all fees in cash, with the balance required to be taken 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 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 director may elect to defer payment until December 15th of the calendar year following the year in which he or she ceases to hold any position with the Corporation or any of its related entities. DSUs do not entitle the director to any voting or other shareholder rights.

Director Share Ownership Guidelines

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 Director Share Ownership Guidelines for non-management directors. Under these Guidelines, 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, the ownership requirement was $700,000 in 2018. Effective January 1, 2019, the ownership requirement under the Director Share Ownership Guidelines increased from $700,000 to $900,000, as further discussed below under "Director Compensation Review and Changes for 2019". For purposes of the Guidelines, securities are valued at their market value and directors are expected to meet the required level of share ownership within five years of initially being elected or appointed to the Board. Given the increased share ownership requirement that took effect in 2019, incumbent directors will have until 2023 to meet the incremental share ownership requirement. All directors either meet the required level of share ownership or are in the process of accumulating securities as required under the Guidelines. For the status of each director nominee under the Director Share Ownership Guidelines, see their profiles on pages 8 to 13 of the Circular. Management directors are not subject to the Director Share Ownership Guidelines but instead must satisfy the Executive Share Ownership Guidelines described on page 64.

2018 Director Compensation Amounts

A summary of the 2018 director compensation amounts is set out below:

Type of Fee	Amount ($)
Annual Fees	
Total Board Retainer	175,000
Chair and Committee Fees	
Lead Director retainer	50,000
Audit Committee Chair	30,000 (1)
Governance Committee Chair	25,000 (1)
Risk and Compliance Committee Chair(2)	15,000 (1)
Pension Committee Chair	15,000 (1)
Member of Board committee	7,500

(1) Includes fees received as a committee member.
(2) The Environmental, Health and Safety Committee was reconstituted as the Risk and Compliance Committee in May 2018.

Mr. Weston did not receive any remuneration for his role as a director of the Corporation in 2018. The details of Mr. Weston's executive compensation are set out in the Compensation Discussion and Analysis. If elected, Mr. Weston will not receive any remuneration in 2019 for his role as a director of the Corporation.

2018 Director Compensation Table

The following table sets out the compensation elements and total compensation earned by each non-management director in 2018 and the manner in which the compensation was paid:

	Fees Breakdown						Allocation of Total Director Fees		
Name	**Board Retainer ($)[1]**	**Committee Chair Retainer ($)**	**Committee Member Retainer ($)**	**Total Director Fees Earned ($)**	**All Other Compensation ($)**	**Total Compensation ($)**	**Cash ($)**	**DSUs ($)[2]**	**Allocation of Fees between Cash and DSUs (%)**
Andrew A. Ferrier[3]	108,500	—	9,300	117,800	—	117,800	—	117,800	100% DSUs
Isabelle Marcoux	175,000	15,000	—	190,000	—	190,000	—	190,000	100% DSUs
Sarabjit S. Marwah	175,000	—	14,850 [4]	189,850	—	189,850	—	189,850	100% DSUs
Gordon M. Nixon	175,000	5,000 [4]	19,500 [4]	199,500	—	199,500	—	199,500	100% DSUs
J. Robert S. Prichard	175,000	75,000 [5]	7,500	257,500	—	257,500	—	257,500	100% DSUs
Thomas F. Rahilly[6]	131,250	11,250	8,475	150,975	—	150,975	—	150,975	100% DSUs
Robert Sawyer	175,000	—	15,000	190,000	—	190,000	—	190,000	100% DSUs
Christi Strauss	175,000	—	15,000	190,000	—	190,000	—	190,000	100% DSUs
Barbara Stymiest	175,000	33,750 [8]	13,125	221,875	52,000 [7]	273,875	—	221,875	100% DSUs
Alannah Weston	175,000	—	7,500	182,500	—	182,500	—	182,500	100% DSUs
Total ($)	**1,639,750**	**140,000**	**110,250**	**1,890,000**	**52,000**	**1,942,000**		**1,890,000**	

(1) Directors are required to take 100% of their board retainer and committee fees in DSUs until they satisfy the Director Share Ownership Guidelines, after which they may elect to receive up to 50% of their total fees in cash, with the balance required to be taken 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) Mr. Ferrier was elected to the Board on May 8, 2018.
(4) Includes fees received for attendance at other meetings of a Board committee.
(5) Includes Lead Director fee.
(6) Mr. Rahilly stepped down from the Risk and Compliance Committee on May 8, 2018. On October 5, 2018, Mr. Rahilly retired from the Board.
(7) Ms. Stymiest also received $52,000, paid in cash, for her role as a director of President's Choice Bank, a subsidiary of Loblaw.
(8) Ms. Stymiest was appointed Chair of the Pension Committee following the retirement of Mr. Rahilly on October 5, 2018.

Director Compensation Review and Changes for 2019

The Board, through the Governance Committee, is responsible for reviewing and approving any changes to the directors' compensation arrangements. In 2018, the Governance Committee engaged Meridian Compensation Partners ("Meridian") to review the compensation paid to the Corporation's non-management directors. Meridian completed a comprehensive review of the Board's compensation practices relative to the comparator group of 30 companies used to benchmark executive compensation. To confirm the appropriateness of the comparator group for assessing director compensation, Meridian also reviewed compensation relative to the 30 companies in the TSX 60 with the highest revenues. Such comparator groups are set out below. As part of this review, Meridian analyzed: (i) the amount of the base retainer; (ii) committee and chair fees; (iii) the lead director fee; and (iv) minimum share ownership requirements.

Comparator Group of 30 of the Corporation's Peers

Alimentation Couche-Tard Inc.	Dollar Tree, Inc.	Power Corporation of Canada
BCE Inc.	Empire Company Limited	Publix
Best Buy Co. Inc.	Enbridge Inc.	Rite Aid Corporation
Bombardier Inc.	The Home Depot, Inc.	Rogers Communications Inc.
Brookfield Asset Management Inc.	Husky Energy Inc.	Suncor Energy Inc.
Canadian Natural Resources Limited	Imperial Oil Limited	Sysco Corporation
Canadian Tire Corporation, Limited	The Kroger Co.	Target Corporation
Cenovus Energy Inc.	Lowe's Companies Inc.	TELUS Corporation
Costco Wholesale Corporation	Metro Inc.	US Foods Holding Corp.
Dollar General Corporation	Nutrien Ltd. (Agrium)	Walgreens Boots alliance, Inc.

Top 30 TSX-Listed Corporations by 2018 Revenue

Alimentation Couche-Tard Inc.	Cenovus Energy Inc.	Royal Bank of Canada
Bank of Montreal	CGI Group Inc.	Saputo Inc.
The Bank of Nova Scotia	Enbridge Inc.	SNC-Lavalin Group Inc.
BCE Inc.	Husky Energy Inc.	SunLife Financial Inc.
Bombardier Inc.	Imperial Oil Limited	Suncor Energy Inc.
Brookfield Asset Management Inc.	Magna International Inc.	Teck Resources Limited
Canadian Imperial Bank of Commerce	Manulife Financial Corporation	TELUS Corporation
Canadian National Railway Company	Power Corporation of Canada	The Toronto-Dominion Bank
Canadian Tire Corporation, Limited	Rogers Communications Inc.	TransCanada Corporation

Following the review, Meridian determined that director compensation was below the market median. As a result of this finding, the Board, on the recommendation of the Governance Committee, approved the following changes to director compensation effective January 1, 2019:

- an increase to the annual base retainer from $175,000 to $225,000;
- an increase to the Governance Committee Chair fee from $25,000 to $30,000; and
- an increase to the Risk and Compliance Committee Chair fee from $15,000 to $30,000.

Non-management directors are expected to hold Common Shares or DSUs with a value of not less than four times the amount of the directors' annual retainer. Based on this multiple of base retainer, the ownership requirement has increased from $700,000 to $900,000 in 2019. No changes were made to any of (i) the Lead Director fee; or the (ii) Audit and Pension Chair fees.

A summary of the 2019 director compensation amounts reflecting the changes is set out below:

Type of Fee	Amount ($)
Annual Fees	
Total Board Retainer	225,000
Chair and Committee Fees	
Lead Director retainer	50,000
Audit Committee Chair	30,000
Governance Committee Chair	30,000
Risk and Compliance Committee Chair	30,000
Pension Committee Chair	15,000
Member of Board committee	7,500

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, 2019:

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]
Andrew A. Ferrier	—	—	113,284
Isabelle Marcoux	—	—	2,267,121
Sarabjit S. Marwah	—	—	950,842
Gordon M. Nixon	—	—	729,157
J. Robert S. Prichard	—	—	3,689,813
Thomas F. Rahilly	—	—	2,775,768
Robert Sawyer	—	—	378,185
Christi Strauss	—	—	433,064
Barbara Stymiest	—	—	1,390,325
Alannah Weston	—	—	415,976

(1) The value of the outstanding DSUs held by the directors is based on the closing price of the Common Shares on the TSX on January 2, 2019, which was $90.41, 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 AUDITOR

Appointment of the Auditor

The auditor of the Corporation is KPMG LLP. The Board, on the recommendation of the Audit Committee, recommends that KPMG LLP be re-appointed as the 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 KPMG LLP's remuneration. The persons named in the accompanying form of proxy intend to vote **FOR** the appointment of KPMG LLP as the Corporation's auditor until the next annual meeting of shareholders.

Audit and Other Service Fees

The Audit Committee oversees the fees paid to the independent auditor, KPMG LLP, for audit and non-audit services. The following table sets forth the aggregate fees billed for professional services rendered by KPMG LLP for the fiscal years 2018 and 2017, respectively:

	2018 $(000's)	2017 $(000's)
Audit fees[1]	8,107	7,470
Audit-related fees[2]	1,166	906
Tax-related fees[3]	242	39
All other fees[4]	234	1,654
Total fees	9,749	10,069

(1) Audit fees include fees for services related to the audit of the Corporation's consolidated financial statements, including the audit of Loblaw's consolidated financial statements and the audits of Shoppers Drug Mart Inc., Choice Properties and President's Choice Bank. Audit fees also include fees for services related to the review of quarterly reports, the acquisition of Canadian Real Estate Investment Trust ("CREIT") by Choice Properties (the "CREIT Acquisition"), auditor involvement with filings, such as prospectuses, and the interpretation of accounting and financial reporting standards.

(2) Audit-related fees include fees for French translation services associated with the Corporation's financial and regulatory filings, the audit of pension plans and for services rendered for certain special projects such as the Reorganization.

(3) Tax-related fees include fees for tax compliance services and advice and for services rendered for certain special projects.

(4) All other fees include fees for services related to legislative and/or regulatory compliance.

As part of the Corporation's corporate governance practices, the Audit Committee has adopted a policy prohibiting the 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 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 37.

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 persons named in the accompanying form of proxy intend to vote **FOR** the adoption of the 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 it into consideration when reviewing the Corporation's executive compensation philosophy.

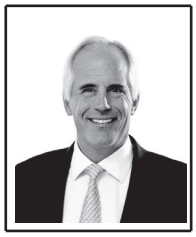
The form of Say on Pay Resolution to be submitted to the shareholders at the Meeting, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

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 George Weston Limited's management proxy circular dated March 22, 2019, delivered in advance of the 2019 Annual Meeting of the shareholders of George Weston Limited.

2 Committee Reports

AUDIT COMMITTEE

Barbara Stymiest (Chair) Independent



Andrew A. Ferrier Independent

Gordon M. Nixon Independent

Robert Sawyer Independent

Christi Strauss 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 and internal audit function. The Committee also oversees procedures for the receipt, retention and follow-up of any complaints regarding the Corporation's accounting, internal controls and auditing matters. Up until May 2018, the Audit Committee assisted the Board in its oversight of the Corporation's enterprise risk management ("ERM") program, which oversight was transitioned to the reconstituted Risk and Compliance Committee (formerly the Environmental, Health and Safety Committee).

Each year, the Audit Committee reviews and evaluates the qualifications, performance and independence of the auditor and recommends the 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 KPMG LLP. The Lead Audit Partner at KPMG LLP may not serve in this role for the Corporation for longer than seven consecutive years and 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 Committee's significant accomplishments in 2018.

2018 Highlights:

- ✓ Oversaw the financial reporting and disclosure of the Corporation regarding the Reorganization
- ✓ Oversaw the implementation of significant new accounting standards
- ✓ Oversaw management's monitoring and mitigation of cyber-security risks (until transitioned to the Risk and Compliance Committee)
- ✓ Supervised the Corporation's Enterprise Risk Assessment and ERM program and reviewed key risks facing the Corporation and how those risks are being managed (until transitioned to the Risk and Compliance 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 meeting, the Audit Committee typically meets separately *in camera* with the Chief Financial Officer, 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 four times in 2018.

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 2018 and it is available at www.weston.ca. The members of the Audit Committee are satisfied that the Committee fulfilled its responsibilities in 2018.

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 31, 2018 and the interim quarters. The Audit Committee also reviewed the auditor's reports thereon and heard directly from the 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 also ensures that adequate disclosure of material issues has been provided, and in 2018, this included a review of disclosure regarding the Reorganization.

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 26, 2019.

Implementation of Significant Accounting Standards

Throughout the year, the Audit Committee reviewed with management the implementation of significant accounting standards.

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 2018, the Committee reviewed and approved the annual audit plan of the internal audit group and the external auditor and received regular reports from internal audit. In addition, the Audit Committee received reports on key audit issues from the external auditor.

At the end of the year-end audit cycle, the Audit Committee conducted an annual assessment of KPMG LLP's performance and effectiveness. In conducting this assessment, the Committee considered factors such as the quality of overall audit services and communications to the Committee and KPMG LLP's independence and objectivity. The Audit Committee was satisfied with KPMG LLP's performance and concluded that KPMG LLP is independent from the Corporation and management. The Audit Committee proposed that the Board recommend to the shareholders the appointment of KPMG LLP as auditor of the Corporation at the Meeting.

Enterprise Risk Management

The Board previously tasked the Audit Committee with overseeing the Corporation's ERM program and certain aspects of the key risks facing the Corporation. In fulfilling this responsibility, the Audit Committee reviewed and recommended to the Board for approval the ERM policy and risk appetite statement, and reviewed the corresponding management action plans.

At Audit Committee meetings throughout the first half of 2018, the Committee received reports from management on the strategic, financial, operational, regulatory, human capital and reputational risks facing the Corporation and how they were being managed. Responsibility for oversight of the ERM program was transitioned to the newly constituted Risk and Compliance Committee in May 2018.

Information Technology

The Audit Committee also received regular reports on information technology matters, including from management's Cyber Security Committee, which is mandated to oversee systems, policies, controls and procedures related to mitigating cyber-security risks. Responsibility for oversight of cyber-security matters was transitioned to the newly constituted Risk and Compliance Committee in May 2018.

Legal, Regulatory, Related Party Transactions and Tax

Throughout 2018, 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.

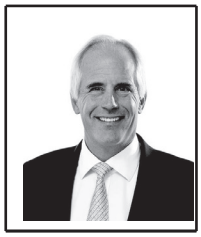
Respectfully submitted,

Audit Committee
Barbara Stymiest (Chair)
Andrew A. Ferrier
Gordon M. Nixon
Robert Sawyer
Christi Strauss

For additional information regarding each member of the Audit Committee, please see pages 8 through 13. For additional information regarding the activities of the Audit Committee, see the Corporation's Statement of Corporate Governance Practices on pages 28 through 36.

RISK AND COMPLIANCE COMMITTEE

Isabelle Marcoux
(Chair)
Independent



Andrew A. Ferrier
Independent

Robert Sawyer
Independent

Christi Strauss
Independent

Alannah Weston
Non-independent

The Risk and Compliance Committee (formerly the Environmental, Health and Safety Committee), on behalf of the Board, oversees the Corporation's legal and regulatory compliance program, the Corporation's enterprise risk management program, the Corporation's policies, management systems and performance with respect to environmental and health, safety and wellness matters and the Corporation's policies and compliance with food safety and product safety matters.

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 Committee's significant accomplishments in 2018.

2018 Highlights:

- ✓ Reconstitution of the Environmental, Health and Safety Committee to become the Risk and Compliance Committee
- ✓ Implementing additional oversight of the Corporation's legal and regulatory and ERM programs by overseeing the creation of the Corporation's Management Risk and Compliance Committee
- ✓ Oversight of the Corporation's application for and receipt of Assurance for Compliance Management Systems from the International Organization for Standardization ("ISO") regarding the Corporation's competition law compliance program
- ✓ Oversight of the Corporation's ERM program (following the formation of the Risk and Compliance Committee)

Overview

The Risk and Compliance Committee was created in May 2018 as a reconstitution of the Environmental, Health and Safety Committee. The reconstitution reflected a desire on the part of the Board and senior management to expand the scope of the former Environmental, Health and Safety Committee to include an enterprise-wide view of risks and to advance the Corporation's compliance programs and procedures. As a result, oversight over the Corporation's ERM and legal and regulatory compliance program was assumed by the Risk and Compliance Committee. All responsibilities of the former Environmental, Health and Safety Committee, including oversight of the Corporation's environmental, occupational health and safety, wellness, food and product safety and corporate social responsibility programs continue to reside with the Risk and Compliance Committee.

The Risk and Compliance Committee meets at least once every quarter. Activities reviewed are based on the Committee's mandate and work plan. At each meeting, the Committee typically invites key members of management to attend and present on relevant issues that are critical to ensuring that it carries out its mandate. In addition, it holds an *in camera* session without management present at each meeting. The Risk and Compliance Committee met four times in 2018 (including one meeting of the former Environmental, Health and Safety Committee).

The Risk and Compliance Committee approved its mandate in 2018 and it is available at www.weston.ca. The members of the Risk and Compliance Committee are satisfied that the Risk and Compliance Committee fulfilled its responsibilities in 2018.

Legal and Regulatory Compliance

In executing its mandate, the Risk and Compliance Committee monitors the Corporation's legal and regulatory compliance program and receives regular reports from the Vice President, Compliance and the compliance 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 management systems, that employees of the Corporation are aware of the Corporation's policies and procedures regarding legal and regulatory compliance and are expected to appropriately manage legal and regulatory compliance issues and that the Corporation effectively

communicates policies and procedures regarding legal and regulatory compliance matters to independent contractors, as appropriate, recognizing their arm's length relationship. The Risk and Compliance Committee also receives and reviews periodic reports from management and independent consultants on legal and regulatory compliance matters.

In 2018, the Risk and Compliance Committee oversaw the Corporation successfully obtaining Assurance for Compliance Management Systems from the ISO regarding the Corporation's competition law compliance program and the creation and implementation of plans to embed a culture of compliance across the business groups within the Corporation.

Enterprise Risk Management

Following its creation in May 2018, the Risk and Compliance Committee assumed accountability for overseeing the design and structure of the Corporation's ERM program and for monitoring and assessing its effectiveness. 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 various key risks facing the Corporation and how they were being managed. Management provides quarterly reports to the Risk and Compliance Committee on the status of certain key risks, anticipated impacts in future quarters, and significant changes in key risk indicators. Additionally, the Risk and Compliance Committee reviewed certain projects undertaken by Weston Foods, a subsidiary of the Corporation, to assess the progress and success of such projects.

Environmental, Occupational Health and Safety and Wellness Matters

The Risk and Compliance Committee also receives periodic reports from management on environmental, occupational health and safety and wellness matters, including relevant risks, programs and initiatives and any major incidents.

Food and Product Safety

The Risk and Compliance Committee receives periodic reports from management and reviews the actions taken by management in order for 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.

Corporate Social Responsibility ("CSR")

The Risk and Compliance Committee also receives periodic reports on Weston Foods' CSR initiatives.

Management Risk and Compliance Committee

In May 2018, the Risk and Compliance Committee approved the creation and the mandate of the Corporation's Management Risk and Compliance Committee. 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 culture within the Corporation and to minimize any adverse consequences caused by any non-compliance with applicable law. The Management Risk and Compliance Committee assists the Risk and Compliance Committee in fulfilling its responsibilities in overseeing the Corporation's ERM and legal and regulatory compliance programs.

Additional Reporting

The Risk and Compliance Committee receives periodic updates from management's Cyber Security Committee and from Loblaw and Weston Foods' Management Risk and Compliance Committees.

Respectfully submitted,

Risk and Compliance Committee
Isabelle Marcoux (Chair)
Andrew A. Ferrier
Robert Sawyer
Christi Strauss
Alannah Weston

For additional information regarding each member of the Risk and Compliance Committee, please see pages 8 through 13. For additional information regarding the activities of the Risk and Compliance Committee, see the Corporation's Statement of Corporate Governance Practices on pages 28 through 36.

PENSION COMMITTEE

Barbara Stymiest
(Chair)
Independent

J. Robert S. Prichard
Independent

The Pension Committee, on behalf of the Board, oversees the administration, management, design and governance of the Corporation's pension plans, as well as the administration and management of the Corporation's benefit obligations.

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 Committee's significant accomplishments in 2018.

2018 Highlights:

- ✓ Oversaw the annuitization of certain of the Corporation's defined benefit pension plans
- ✓ Oversaw the strategy for implementing a flexible benefit program
- ✓ Oversaw the strategy and process for merging several of the Corporation's pension plans

Oversight of the Corporation's Pension 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.

Annuitization of Certain of the Corporation's Pension Plans

The Pension Committee oversaw the Corporation's annuitization of certain of its pension plans which was undertaken to reduce the financial risks of the Corporation's defined benefit pension plans. In doing so, the Pension Committee assessed the risks associated with the transactions and reviewed and approved the structure of the transactions and the timelines for implementing the transactions.

Flexible Benefit Program

In 2018, the Pension Committee oversaw the strategy for offering a flexible benefit program to employees across Canada. The purpose of such flexible benefit program is to mitigate future cost increases to the Corporation and harmonize core benefits to employees.

Merger of Pension Plans

In 2018, the Pension Committee oversaw the strategy, process and timelines for merging several of the Corporation's pension plans to realize operational efficiencies and thereby reduce costs and administration requirements.

Respectfully submitted,

Pension Committee
Barbara Stymiest (Chair)
J. Robert S. Prichard

For additional information regarding each member of the Pension Committee, please see pages 8 through 13. For additional information regarding the activities of the Pension Committee, see the Corporation's Statement of Corporate Governance Practices on pages 28 through 36.

GOVERNANCE COMMITTEE

J. Robert S. Prichard (Chair) Independent

Sarabjit S. Marwah Independent

Gordon M. Nixon Independent

Barbara Stymiest 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 and Chief Executive Officer, a review of the composition of the Board committees.

As part of its mandate, the Governance Committee, together with the Chairman and Chief Executive Officer, 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 design of the Corporation's executive compensation programs, including its incentive programs and the individual compensation of the named executive officers (the "NEOs") identified on page 39. 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 Committee's mandate. All members of the Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and, in most cases, served as directors of other publicly traded companies. The chart below sets out the relevant experience of each member of the Governance Committee:

Name of Member	Experience in Governance and Executive Compensation
Sarabjit S. Marwah	• Executive experience as former Vice-Chairman and Chief Operating Officer of The Bank of Nova Scotia • Chair of the Compensation, Nominating and Corporate Governance Committee of Cineplex Inc. and member of TELUS' Corporate Governance Committee
Gordon M. Nixon	• Executive experience as former President and Chief Executive Officer of Royal Bank of Canada • Member of the Management Development and Compensation Committee of BlackRock Inc. • Chair of BCE Inc. and member of the Corporate Governance Committee and Management Resource & Compensation Committee
J. Robert S. Prichard	• Executive experience as former President and Chief Executive Officer of Torstar Corporation, former President and Chief Executive Officer of Metrolinx, and President Emeritus of the University of Toronto • Chairman of the Board of Bank of Montreal , member and former Chair of Bank of Montreal's Governance and Nominating Committee and member of Bank of Montreal's Human Resources Committee (which is responsible for executive compensation) • Former director and member of Barrick Gold Corporation's Compensation Committee • Former Lead Director and Chair of the Governance Committee at Four Seasons Hotels Inc.
Barbara Stymiest	• Executive experience as former member of the Group Executive of Royal Bank of Canada, former Chief Executive Officer of TMX Group Inc., former Executive Vice-President and Chief Financial Officer of BMO Capital Markets • Member of Blackberry Limited's Compensation, Nomination and Governance Committee • Director and former member of Sun Life Financial Inc.'s Management Resources Committee

Board Succession Planning and Nomination Process

The Board regularly reviews potential vacancies on the Board. The Governance Committee assists the Board by maintaining an evergreen list of potential candidates and identifying individuals for the Board's consideration at the appropriate time. The Corporation has in place a board tenure policy, which provides that the Chairman and the Governance Committee will undertake an assessment of a director's continued participation on the Board upon reaching the age of 75 or a change in principal occupation, whichever occurs first. The board tenure policy does not apply to the Chairman or any management directors.

In addition to the formal board tenure policy, 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 of director tenure, the evaluation process and turnover with an explanation of how the Corporation's approach ensures diversity of skills, experience and background 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 Committee's significant accomplishments in the past year:

2018 Highlights:

- ✓ Development and oversight of the implementation of a rigorous compliance function at the Corporation
- ✓ Oversight of the reallocation of responsibilities among the Corporation's committees, including the reconstitution of the former Environmental, Health and Safety Committee as the Risk and Compliance Committee
- ✓ Oversight of the Board succession plan

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 January 1, 2018, Mr. Richard Dufresne was appointed President and Chief Financial Officer of the Corporation. Mr. Dufresne has been the Chief Financial Officer of the Corporation since 2012 and was the Chief Financial Officer of Loblaw from 2014 to 2017. Mr. Dufresne has extensive experience in the food retail sector.

Board Composition and Succession

The Governance Committee's focus is to maintain a strong, vibrant and engaged Board that understands the Corporation's businesses. 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. The Corporation's board diversity policy includes a target that women will comprise at least 30% of the Board's directors. The list of nominees for the upcoming Meeting includes 4 women out of 11, representing approximately 36% of the Board's composition.

In October 2018, Mr. Thomas F. Rahilly retired from the Board after having served over 11 years. On behalf of the Board, the Governance Committee would like to acknowledge Mr. Rahilly for his dedicated service and outstanding contribution to the Corporation.

Ms. Isabelle Marcoux will be retiring from the Board after having served 12 years. On behalf of the Board, the Governance Committee would like to acknowledge Ms. Marcoux for her dedicated service and outstanding contribution to the Corporation.

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 his or her 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 Chief Executive Officer and other Board members to discuss the Board's expectations in regards to contribution and commitment obligations.

The Governance Committee has identified Mr. Paviter S. Binning and Ms. Nancy H.O. Lockhart as suitable director nominees. Both director nominees have the requisite skills, experience and qualifications to be Board members. Mr. Binning and Ms. Lockhart will stand for election at the Meeting.

Director Compensation

In 2018, the Governance Committee engaged Meridian to conduct a comprehensive review of the compensation paid to the Corporation's non-management directors. Meridian completed a comprehensive review of the Board's compensation practices relative to the comparator group of 30 companies used to benchmark executive compensation. To confirm the appropriateness of the comparator group for assessing director compensation, Meridian also reviewed compensation relative to the 30 companies in the TSX 60 with the highest revenues. As part of this review, Meridian analyzed (i) the amount of the base retainer; (ii) committee and chair fees; (iii) the lead director fee; and (iv) minimum share ownership requirements, and ultimately determined that the Corporation's director compensation was below the market median, compared to the relevant comparator groups.

The Governance Committee recommended that the Board approve an increase to (i) each director's annual base retainer from $175,000 to $225,000; (ii) the Governance Committee Chair fee from $25,000 to $30,000; and (iii) the Risk and Compliance Chair fee from $15,000 to $30,000, each effective January 1, 2019, which increases were approved by the Board.

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 2018

The Board reviewed the Corporation's financial performance in 2018, and determined the NEOs' incentive payouts in part based on such performance:

- Weston Foods' Short Term Incentive Plan and Loblaw's Short Term Incentive Plan paid out at 18.8% and 108.5% of target, respectively, for the applicable NEOs.
- The 2016 PSUs that vested in 2019 had a payout factor at 81.3% of target for the Corporation's NEOs (excluding individual performance component) and a payout factor at 111.6% of target for the Loblaw 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 Corporation's 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 short, medium and long-term compensation plans ("STIP", "MTIP" and "LTIP", respectively). In particular, the Corporation believes that the granting of performance share units ("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, MTIP 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 MTIP program is designed to incent Weston Foods' executives on two equally weighted metrics: sales and return on capital. The MTIP program rewards executives for improvements in these two performance measures (against targets) over a three-year performance period.

The 2018 LTIP balances the use of (i) stock options, which align an executive's interest with 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. As reflected in the section "Compensation Decisions for 2019", the Corporation discontinued the use of RSUs for the 2019 LTIP granted to executives such that the LTIP now balances the use of stock options and PSUs. The Corporation also expects executives to meet minimum share ownership guidelines that apply to executives at the senior vice president level and higher, to reinforce the alignment between executive compensation and long-term shareholder interests.

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.

In 2018, the Governance Committee oversaw the reallocation of responsibilities among the Corporation's committees, including the reconstitution of the former Environmental, Health and Safety Committee as the Risk and Compliance Committee, the reallocation of oversight responsibility over the Corporation's risk management program from the Audit Committee to the Risk and Compliance Committee and the reallocation of oversight responsibility over the Corporation's legal and regulatory compliance program from the Governance Committee to the Risk and Compliance Committee.

The Governance Committee also continues to work with management to ensure adherence to a robust process for reviewing and approving related party transactions. The Governance 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 them when they arise.

The Governance Committee is confident that the Corporation has strong and practical governance systems in place. At the same time, the Governance Committee remains committed to the ongoing evaluation of its practices and monitoring of emerging best practices to deliver shareholder value.

Respectfully submitted,

Governance Committee
J. Robert S. Prichard (Chair)
Sarabjit S. Marwah
Gordon M. Nixon
Barbara Stymiest

For additional information regarding each member of the Governance Committee, please see pages 8 through 13. For additional information regarding the activities of the Governance Committee, see the Corporation's Statement of Corporate Governance Practices on pages 28 through 36.

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 which comply with the Canadian Securities Administrators' Corporate Governance Guidelines (the "Governance Guidelines"). The Governance Committee regularly reviews the Corporation's corporate governance practices to ensure they reflect evolving best practices in a rapidly changing environment.

The Corporation's website, www.weston.ca, includes additional governance information, including the Corporation's Code of Conduct, Disclosure Policy, Majority Voting Policy, the position description for the Chairman of the Board and mandates of the Board and its committees.

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 an annual multi-day meeting 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 non-operational matters such as pensions, tax, food and workplace safety, 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 or Loblaw's 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 risk 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; regulatory; human capital; and reputational risks. Management provides periodic updates to the applicable committees of the Board or Loblaw's 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 or Loblaw's board either to the full Boards or to committees of the Boards.

Two areas of focus for the Board in recent years include cyber-security and data breaches as well as ongoing regulatory compliance. The Corporation has implemented security measures, including employee training, monitoring and testing, maintenance of protective systems and contingency plans, to protect and prevent the unauthorized access of confidential information and to reduce the likelihood of disruptions to its information technology services. With respect to regulatory compliance, the Corporation's independent compliance office, led by the Vice-President, Compliance, oversees implementation of enterprise-wide policies and procedures required to ensure compliance with all applicable laws, including competition law compliance. The Vice-President, Compliance reports directly into the Risk and Compliance Committee.

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 Wittington, Loblaw and Choice Properties, and reviews and approves any material related party transactions.

The Corporation, Loblaw 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 a framework that facilitates 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" of this Circular.

Board Leadership Structure

In September 2016, Mr. Galen G. Weston was appointed as Chairman of the Board, succeeding his father, Mr. W. Galen Weston. Mr. Galen G. Weston was subsequently appointed to the role of Chief Executive Officer on January 18, 2017. The Board believes that combining the Chair and Chief Executive Officer positions under the strong leadership of Mr. Galen G. Weston benefits all stakeholders. This structure provides for clear and effective authority as it enables one person to represent both the Corporation and the Board. Furthermore, Mr. Galen G. Weston represents the long-term interests of shareholders. However, recognizing the importance of strong independent board oversight, the Board has re-appointed an independent director, Mr. J. Robert S. Prichard, to serve as 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 Lead Director. The following is a description of the roles of the Chairman and Lead Director:

Chairman and Chief Executive Officer
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 in 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
J. Robert S. Prichard

- 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 he or she is independent within the meaning of the Governance Guidelines. The Governance Committee determined that 8 of the 11 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. Paviter S. Binning, President of Wittington, the controlling shareholder of Weston, Galen G. Weston, who is Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw and a relative of Mr. W. Galen Weston, the Corporation's principal shareholder and Alannah Weston, who is Deputy Chairman of Selfridges Group Limited and a relative of Mr. W. Galen Weston, the Corporation's principal shareholder, were determined not to be independent because they have a material relationship with the Corporation.

	Status of Director Nominees		
Name	**Independent**	**Not Independent**	**Reason for Non-Independent Status**
Paviter S. Binning		x	President of Wittington, the controlling shareholder of Weston
Andrew A. Ferrier	x		
Nancy H.O. Lockhart	x		
Sarabjit S. Marwah	x		
Gordon M. Nixon	x		
J. Robert S. Prichard	x		
Robert Sawyer	x		
Christi Strauss	x		
Barbara Stymiest	x		
Alannah Weston		x	Deputy Chairman of Selfridges Group Limited and a relative of Mr. W. Galen Weston
Galen G. Weston		x	Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw and a relative of Mr. W. Galen 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 2018, can be found on pages 8 through 13 of this Circular.

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 a 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 Lead Director. The 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 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. In 2018, Andrew Ferrier joined the Risk and Compliance Committee and Audit Committee after his election to the Board. All committees may engage outside advisors or consultants as necessary and have the authority to approve fees for any such engagements.

The Audit, Governance and Pension Committees are comprised solely of independent directors. All other committees are comprised solely of non-management directors, in each case with a majority of members being 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. Each committee reviews its mandate and the position description annually 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.weston.ca.

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

1. *Audit Committee*

The Audit Committee reviews with management and the 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 control over financial reporting and information systems. In addition, the Audit Committee is responsible for:

- recommending the appointment of the auditor;
- reviewing and approving the annual audit plan for the auditor;
- reviewing the independence of the auditor;
- considering and evaluating with management the adequacy 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 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 auditor and pre-approval of non-audit related fees to the auditor;
- assessing the performance of the Corporation's internal audit function; and
- reviewing and approving any material related party transactions.

The Audit Committee, whose current members are Barbara Stymiest (Chair), Andrew A. Ferrier, Gordon M. Nixon, Robert Sawyer and Christi Strauss, had four meetings in 2018. Further information relating to the Audit Committee's accomplishments in 2018 is set out in the "Audit Committee Report to Shareholders" on pages 18 through 20.

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;
- overseeing the implementation of the continuing education and training program 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 J. Robert S. Prichard (Chair), Sarabjit S. Marwah, Gordon M. Nixon and Barbara Stymiest, had four meetings in 2018. Further information relating to the Governance Committee's accomplishments in 2018 is set out in the "Governance Committee Report to Shareholders" on pages 25 through 27.

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 Barbara Stymiest (Chair) and J. Robert S. Prichard, had four meetings in 2018. Further information relating to the Pension Committee's accomplishments in 2018 is set out in the "Pension Committee Report to Shareholders'' on page 23.

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; environmental, health, safety and wellness matters; food safety and product safety matters, including safe preparation, handling and manufacturing standards. 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 Committee reviews and recommends to the Board for approval the Corporation's ERM policy and risk appetite statement.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;
- reviewing and overseeing the Corporation's policies, procedures, practices and compliance in the areas of environmental affairs, food safety and workplace health and safety;
- receiving periodic reports on risks and risk management activities in relation to environmental affairs, food safety and workplace health and safety;
- reviewing regular reports by management relating to the implementation of the Corporation's information technology systems;
- reviewing regular reports from management's Cyber-Security Committee on systems, policies and procedures related to the mitigation of cyber-security risks;
- reviewing and monitoring the Corporation's policies relating to ethics and conflicts of interest of officers and employees;
- reviewing actions taken by management with respect to environmental and occupational health and safety matters;
- reviewing actions taken by management with respect to food safety programs to address safe manufacturing, handling and preparation standards;
- receiving and reviewing periodic reports from management on any elements of the Corporation's corporate social responsibility program; and
- receiving timely reports on any major incidents or violations of the Corporation's policies and any food safety issues.

The Risk and Compliance Committee, whose current members are Isabelle Marcoux (Chair), Andrew A. Ferrier, Robert Sawyer, Christi Strauss and Alannah Weston, had four meetings in 2018 including one meeting of the Environmental, Health and Safety Committee prior to its reconstitution as the Risk and Compliance Committee. Further information relating to the Risk and Compliance Committee's accomplishments in 2018 is set out in the "Risk and Compliance Committee Report to Shareholders'' on pages 21 through 22.

New Director Orientation

The Governance Committee is responsible for the orientation of new directors and their education about the business of the Corporation. The Governance Committee coordinates an in-depth orientation session for all new directors, which is attended by the Chairman and CEO and other senior executives 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, 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 2018, 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
Annuity Purchase Funding Reform	February 20, 2018	Pension Committee
Crisis Management Processes	March 2, 2018	Former Environmental, Health and Safety Committee (now the Risk and Compliance Committee)
Artificial Intelligence	May 1, 2018	Board
Environmental and Social Governance	May 7, 2018 July 30, 2018	Governance Committee Risk and Compliance Committee
Corporate Structure	June 19, 2018	Board
Governance Insights	July 30, 2018	Governance Committee
Tour of Facilities	September 10, 2018	Board
Update on Cannabis Legalization	November 19, 2018	Risk and Compliance Committee
Update on non-GAAP Financial Measures	November 19, 2018	Audit Committee

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. This process includes a confidential survey completed by each of the directors on matters including the operation of the Board and its committees, the adequacy of information provided to directors, Board structure and an assessment of Board and committee Chairs. Additionally, the Governance Committee Chair conducts one-on-one interviews with the directors to further augment the assessment process. The survey and interview results are reviewed by the Governance Committee and then presented to the full Board by the Lead Director.

Following the 2018 assessment, the members of the Board made recommendations for improvements in certain areas, including board composition and recommended relevant topics for future Board meetings. Each year, the Governance Committee reviews committee composition, recommends committee Chairs and takes 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 and Chief Executive Officer and other senior executives.

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 board tenure policy 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 his or her 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 and gender and recognizes the benefits of promoting diverse candidates to the Board. The Corporation has a target that women comprise at least 30% 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 kept with the records of the Governance Committee.

Ms. Isabelle Marcoux will not be standing for re-election at the Meeting. The Board has identified Mr. Paviter S. Binning and Ms. Nancy H.O. Lockhart, each of whom as the requisite skills, experience and qualifications to be a Board member, as suitable director nominees. Mr. Binning and Ms. Lockhart will stand for election at the Meeting.

Before being put forward as a director nominee, a 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.

Board and Management Diversity

The Corporation values diversity of views, thought, experience, skill sets, gender and ethnicity and supports the identification and nomination of female directors and candidates for executive officer positions. Diversity, including gender 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 executive officers. The Board believes that diversity is important to ensure that directors and executives 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 in 2015. 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. The board diversity policy provides that, when identifying suitable candidates for appointment to the Board, the 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 and geographic background may be considered in his or her assessment. In 2017, the Board enhanced the policy by adding a target that women will comprise at least 30% of the Board's directors. Four of the 11 director nominees are women, representing 36% of the Board's composition. In addition, at Loblaw, 5 of the 12 director nominees are women, representing approximately 42% of that board's composition, and 4 of 10 trustee nominees at Choice Properties are women, representing 40% of its board.

The Board's diversity policy 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 Committee reviews: (i) the number of women and candidates representing diverse ethnicities considered or brought forward for board positions; and (ii) the skills, knowledge, experience and character of female candidates and candidates representing diverse ethnicities to ensure that these candidates are being fairly considered relative to other candidates.

The Governance Committee considers its targets and takes into consideration other diversity criteria during the Board candidate selection process. The Governance Committee's approach in circumstances where female candidates or candidates representing diverse ethnicities are not selected is to satisfy itself that there are justifiable reasons to support the selection.

The Corporation is committed to an inclusive and diverse workplace. Approximately 56% of vice-president level positions, or higher, at the Corporation are held by women. At Choice Properties, approximately 31% of vice-president level positions, or higher, are held by women. At Loblaw, approximately 28% of vice-president level positions, or higher, are held by women. The Corporation is committed to ensuring that it attracts and retains the most highly qualified and experienced directors and executive officers and recognizes that gender diversity is an important consideration in creating and maintaining an effective Board and senior management team.

CORPORATE GOVERNANCE MATTERS

Ethical Business Conduct

The Corporation's Code of Conduct reflects the Corporation's 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.weston.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 his or her manager or the Human Resources Department. If a director has a conflict of interest with respect to any matter, he or she 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.

The Corporation encourages the reporting of violations and potential violations of the Code and has established an Integrity Action Line (or "whistleblower" line), which is a toll-free number that any employee or director may use to report conduct that he or she feels violates the Code or otherwise constitutes fraud or unethical conduct. A fraud reporting protocol has also been implemented to ensure 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.weston.ca. The Legal Department 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.

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

Environmental and Social Issues

The Corporation's corporate governance principles extend to environmental and social issues, including the management of environmental and social risks. The Corporation believes that its customers, investors, employees and other stakeholders care deeply about the Corporation's commitment to being a force for positive change. By integrating consideration of environmental and social risks into its day-to-day business activities, implementing a robust compliance program and undertaking impactful charitable activities, the Corporation strives to be an inclusive employer and a trusted brand.

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.weston.ca, sets out governance information, including the Corporation's Code of Conduct, Disclosure Policy and mandates of the Board and of its committees.

4 Compensation Discussion and Analysis

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INTRODUCTION

This Compensation Discussion and Analysis describes the compensation programs of the NEOs. For 2018, the NEOs were:

Name	Position
Galen G. Weston	Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw (formerly Chairman and Chief Executive Officer of Loblaw)
Richard Dufresne	President and Chief Financial Officer of the Corporation
Stephen Johnson	President and Chief Executive Officer of Choice Properties
Sarah R. Davis	President of Loblaw
Michael Motz	Chief Operating Officer of Loblaw

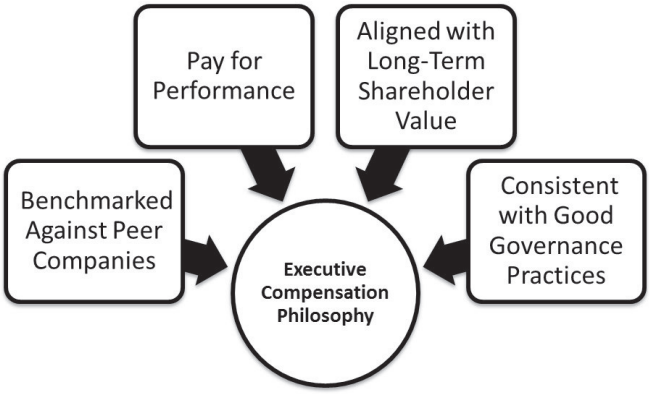
Mr. Weston previously held the position of Chairman and Chief Executive Officer of Loblaw and was appointed Executive Chairman of Loblaw in January 2019. Effective in January 2019, recognizing her performance over the past two years, Loblaw announced that Ms. Davis would assume expanded responsibilities in her role as President.

Mr. Johnson became President and Chief Executive Officer of Choice Properties on May 4, 2018, following the CREIT Acquisition. On February 13, 2019, Choice Properties announced that Mr. Johnson had made the decision to retire effective May 1, 2019. At this time, Choice Properties also announced that Mr. Rael Diamond would be appointed as President and Chief Executive Officer of the Trust upon Mr. Johnson's retirement.

Effective January 1, 2018, Loblaw appointed Michael Motz as Chief Operating Officer of Loblaw. Mr. Motz tendered his resignation as an officer of the Corporation in January 2019, effective April 2019.

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. Four 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 2018 ranged from 81.0% to 94.7% of their total direct target compensation, as discussed under "Components of Executive Compensation for 2018" on page 44.

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. 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. 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 2018, 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.

Similar to the Corporation, the Governance Committees of Loblaw and the Trust approved executive compensation philosophies that underlie the principles of their respective executive compensation programs, as further set out in the "Executive Compensation Philosophy" sections of their respective management proxy circulars, each of which are available at www.sedar.com.

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 2018 short, medium and long-term incentive plans included a variety of performance measures, including share price appreciation, earnings and sales performance, compliance and return on capital. 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 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.

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 senior executives, including the NEOs. Under the policy, the Corporation can require an executive to repay STIP and LTIP payouts if: (i) the executive engages in misconduct that results in the need for the correction or restatement of financial results; (ii) the executive receives an award calculated on the achievement of those financial results; and (iii) the award received would have been lower had the financial results been properly reported. The clawback policy also provides that the Board may, in its discretion, clawback an executive's STIP and LTIP payouts if the executive commits a material breach of the Code whether or not it resulted in a correction or restatement of financial results. The policy applies to all incentive payments received by the executive over the two-year period preceding the triggering event.

3. Share Ownership Requirements

Senior executives, including the NEOs, are required to maintain a significant equity investment in the Corporation. The Corporation's Executive Share Ownership Guidelines (the "Guidelines") are designed to align executives' interests with those of the Corporation's shareholders, and to mitigate the likelihood of undue risk taking. These Guidelines establish 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 Chief Executive Officer and the President to maintain his or her required share ownership level for one year following the end of his or her employment.

Senior executives, including NEOs, are subject to a mandatory holding requirement that requires an executive subject to the Guidelines 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 Guidelines apply to a broad group of senior management, as further discussed under Executive Share Ownership Guidelines on page 64.

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.

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 trading windows.

ROLE OF MANAGEMENT AND COMPENSATION CONSULTANTS

ROLE OF MANAGEMENT IN THE COMPENSATION AND EVALUATION PROCESS

Weston and Loblaw

In 2018, the Chairman and Chief Executive Officer, the Chief Talent Officer and the Chief Legal 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 Weston and Loblaw NEOs and the specific business goals to be used as performance targets for the various incentive programs. The views of the Chairman and Chief Executive Officer are valued because of his on-going involvement with key senior executives. As a result, he was in the best position to effectively assess the performance of the Weston and Loblaw NEOs and how their efforts have contributed to the achievement of the Corporation's strategic objectives and operational targets.

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 Chief Talent Officer and the Chief Legal Officer assisted the Chairman 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.

Choice Properties

The Chair and the President and Chief Executive Officer of Choice Properties participate in the compensation design process, evaluate the performance of key senior executives and make recommendations to the Choice Properties Governance Committee with respect to the compensation of the other executives and the specific business goals to be used as performance targets for the various incentive programs. The views of the Chair and the President and Chief Executive Officer are valued because of their ongoing involvement with key senior executives. As a result, they are in the best position to effectively assess the performance of the other executives and how their efforts have contributed to the achievement of the Trust's strategic objectives and operational targets. The Chair makes recommendations to the Choice Properties Governance Committee with respect to the compensation of the President and Chief Executive Officer.

The evaluations of executives are based on the achievement of objectives and targets related to both the Trust and the individual and include an assessment of each executive's leadership capabilities and team development skills. The results of these evaluations are presented to the Choice Properties Governance Committee. The Chief Financial Officer and Chief Operating Officer assist the Chair and the President and Chief Executive Officer in developing and presenting management's recommendations and supporting materials to the Choice Properties Governance Committee regarding the design of the incentive plans.

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.

ROLE OF MERIDIAN COMPENSATION PARTNERS

Weston and Loblaw

In 2017, Meridian was engaged by the Corporation and Loblaw to review and recommend, if appropriate, compensation adjustments for certain executives of the Corporation and Loblaw as part of its ongoing review of the Corporation's and Loblaw's executive compensation.

In 2018, Meridian was retained to review and benchmark Galen G. Weston's compensation, in addition to other senior executives of Loblaw, relative to Loblaw's executive compensation comparator group. Meridian was also engaged to assist in evaluating the competitiveness of Loblaw's STIP and LTIP with its peers and industry, as well as for alignment with Loblaw's growth-and-efficiency-focused strategic initiatives. In 2018, Meridian conducted benchmarking related to the Corporation's and Loblaw's executive compensation peer groups, the results of which led to slight adjustments to the Corporation's executive compensation comparator group.

Meridian is not an independent compensation advisor. In 2018 and 2017, Meridian received $68,520 and $23,053, respectively, from the Corporation for executive compensation advisory services to the Governance Committee.

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 2018 or 2017.

Choice Properties

In 2017, the Choice Properties Governance Committee retained Meridian to conduct a comprehensive benchmarking analysis of the compensation of certain of the Trust's senior officers and to provide an overview of market practices and design considerations for the Trust's short-term and long-term compensation plans. The key elements of compensation reviewed in this analysis included base salary, STIP and LTIP compensation, referred to as "target direct compensation".

In 2018, the Choice Properties Governance Committee retained Meridian to review the Trust's incentive plans for executives, with a focus on how each element compares to the Trust's peers, general market trends and good governance practices. As part of this review, Meridian reviewed annual incentive plan performance measures and weightings, LTIP mix and weighting, performance plan measures, and vesting periods of equity awards.

In 2018, Meridian also reviewed and opined on recommendations by management on the harmonization of compensation following the CREIT Acquisition.

The role of management and compensation consultants relating to the compensation practices of the Loblaw NEOs and the Choice Properties NEO are further set out in the "Role of Management and Compensation Consultants" section of Loblaw's management proxy circular, and "Role of Management and Compensation Consultants" section of Choice Properties' management proxy circular, respectively, which are both available at www.sedar.com.

ROLE OF OTHER COMPENSATION CONSULTANT PARTNERS

In 2018, Willis Towers Watson assisted in benchmarking compensation for a senior Loblaw executive with expertise in the communications field. Willis Towers Watson is not an independent compensation advisor and received $2,153 for this engagement.

COMPENSATION COMPARATOR GROUP

In addition to its periodic review of individual executive compensation, in 2018, Meridian reviewed the comparator group used to benchmark Loblaw's executive compensation and confirmed that, although it remained size and industry appropriate, a few changes 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, and one that is larger than any other Canadian retailer. 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.

Loblaw's 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 63rd percentile based on revenue and at the 32nd percentile based on market capitalization of this blended comparator group in 2018.

The group of comparator companies is set out below:

Canadian Retail Companies	US Retail Companies	Large Canadian Companies	
Alimentation Couche-Tard Inc.	Best Buy Co Inc.	BCE Inc.	Imperial Oil Limited
Canadian Tire Corporation, Limited	Costco Wholesale Corporation	Bombardier Inc.	Nutrien Ltd.
Empire Company Limited	Dollar General Corp.	Brookfield Asset Management Inc.	Power Corporation of Canada
Metro Inc.	Dollar Tree Inc.	Canadian Natural Resources Limited	Rogers Communications Inc.
	The Home Depot, Inc.	Cenovus Energy Inc.	Suncor Energy Inc.
	The Kroger Co.	Enbridge Inc.	TELUS Corporation
	Lowe's Companies, Inc.	Husky Energy Inc.	
	Publix Super Markets, Inc.		
	Rite Aid Corporation		
	Sysco Corporation		
	Target Corporation		
	Walgreen Co.		
	US Foods Holdings Corporation		

The Choice Properties Governance Committee approved the peer group below for 2018, which is comprised of various Canadian real estate entities, including retail REITs, diversified REITs, office REITs and real estate companies. The selected companies are industry peers. At the time the peer group was approved (pre-CREIT Acquisition), all of the comparators were within one-half to two times of the Trust's revenue or asset size. Based on pre-CREIT Acquisition revenue and asset size, the Trust was positioned at the 67th and 82nd percentiles, respectively, of the blended comparator group. Post-CREIT Acquisition, Choice Properties is the largest entity in the group based on both assets and revenue.

The group of comparator entities is set out below:

Comparator Group		
Allied Properties REIT	Crombie REIT	Morguard Corp.
Artis REIT	Dream Office REIT	RioCan REIT
Canadian REIT	First Capital Realty Inc.	SmartCentres REIT
Cominar REIT	H&R REIT	

The benchmarking information was used as a point of reference and considered by the Choice Properties Governance Committee in addition to the scope of the roles, internal pay equity, performance, experience in the role and the competitive market for talent when establishing the compensation for executives.

LOBLAW'S 2018 COMPENSATION ANALYSIS

The Loblaw Governance Committee reviews the compensation of NEOs on a bi-annual basis. In 2018, Meridian was engaged to review certain of the Loblaw NEOs' compensation and to consider any adjustments for 2019.

The Loblaw Governance Committee reviewed the compensation analysis undertaken by Meridian. Based on this review, the Loblaw Governance Committee approved certain adjustments to the direct compensation of two of the NEOs, being Galen G. Weston and Sarah R. Davis. In approving the adjustments for Galen G. Weston, the Loblaw Governance Committee satisfied itself that the complexity of managing both the Executive Chairman role at Loblaw and the Chairman and Chief Executive Officer role at Weston warranted the increase in direct compensation. In 2018, Mr. Weston's compensation was equally shared between Weston and Loblaw. With respect to Sarah Davis' compensation adjustments, the Loblaw Governance Committee took into consideration her increased responsibilities as President of Loblaw and concluded that the adjustments are competitive and aligned with Loblaw's compensation philosophy.

WESTON'S 2018 COMPENSATION ANALYSIS

The Governance Committee reviewed the compensation analysis undertaken by Meridian. Based on this review, the Governance Committee approved certain adjustments to the direct compensation of Galen G. Weston. In approving the adjustments for Galen G. Weston, the Governance Committee satisfied itself that the complexity of managing both the Executive Chairman role at Loblaw and the Chairman and Chief Executive Officer role at Weston warranted the increase in direct compensation. As noted above, Mr. Weston's compensation is equally shared between Loblaw and Weston.

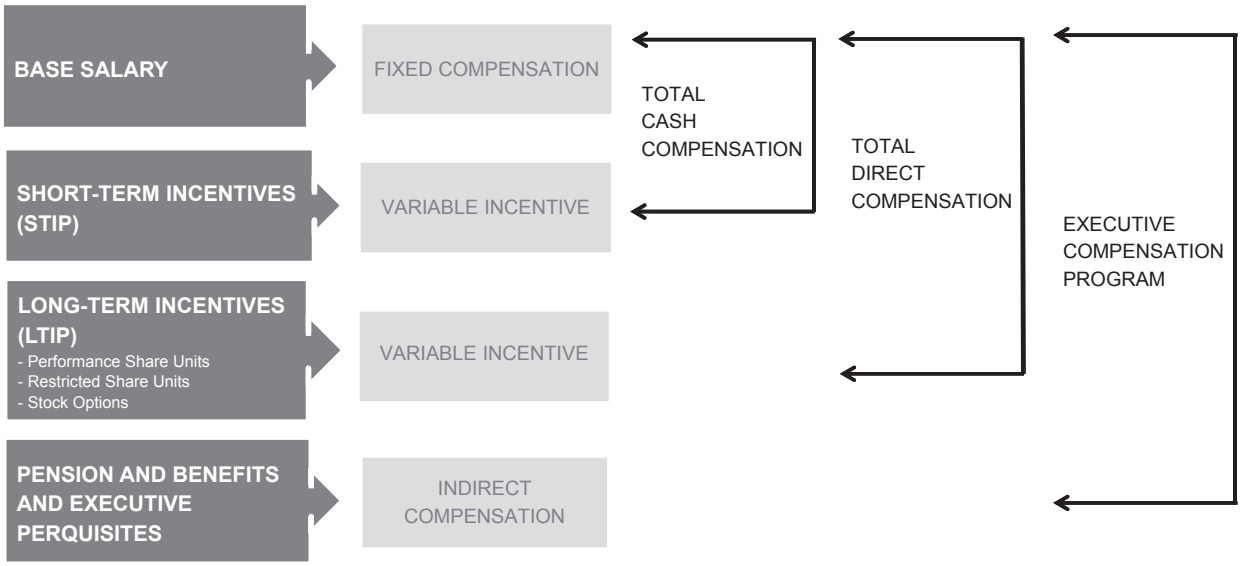
CHOICE PROPERTIES' 2018 COMPENSATION ANALYSIS

The Choice Properties Governance Committee reviewed the compensation analysis undertaken by Meridian, which included a review of incentive plans for executives, with a focus on how each element compares to the Trust's peers, general market trends and good governance practices. The analysis also included a review of annual incentive plan performance measures and weightings, LTIP mix and weighting, performance plan measures, and vesting periods of equity awards.

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

The 2018 compensation of the Weston and Loblaw NEOs 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. With the exception of the benefits and perquisites sections of the table below, the table does not apply to the Choice Properties NEO, Stephen Johnson. For details of the Choice Properties compensation components, refer to the disclosure regarding Stephen Johnson commencing on page 61. Benefits, pensions and perquisites comprise a relatively small part of an NEO's total annual compensation.

Base Salary	Short-Term Incentives	Medium-Term and 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 employees 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 range from zero to a maximum of 200% of an executive's target bonus for Loblaw and 185% for the Corporation.
		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 Guidelines. • EDSUs are settled in Common Shares or Loblaw common shares, as applicable, 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 or Loblaw common shares, as applicable, 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 Loblaw's success in achieving revenue and return on capital targets and on the Weston Foods' MTIP results, and in certain cases, on individual performance. • PSUs are settled in Common Shares or Loblaw common shares, as applicable, 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	Executive DB Plan SDM Pension Plan		Post-employment	• The Corporation, Loblaw and SDM's pension plans are designed to provide a reasonable level of retirement income to executives to reward them for their service. • Pension entitlements for an executive in the Corporation and Loblaw's Executive DB Plan and SDM Pension Plan are based on length of service and eligible salary. • The total annual benefits payable under the Corporation and Loblaw's Executive DB Plan are capped at $125,000 per year. The SDM Pension Plan is uncapped. • The Executive DB Plan was closed to new participants in 2006. The SDM Pension Plan was closed in 2014.
	Executive DC Plan		Post-employment	• Since 2006, new executives participate on a non-contributory basis in the Corporation's or Loblaw's Executive DC Plan. • Contributions were set as a percentage of base salary (maximum of $250,000) and in 2018 were capped at $26,500 per year.
	Supplemental Executive Retirement Plan ("SERP")		Post-employment	• The SERP is an unfunded obligation of the Corporation and Loblaw. • Senior executives of the Corporation and Loblaw 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 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 2018

INTRODUCTION

For 2018, the Corporation includes among its NEOs, for the first time, an executive of Choice Properties. Whereas the compensation programs of Weston and Loblaw have historically been comprised of similarly-structured incentive vehicles, those of Choice Properties introduce new elements to the Corporation's executive compensation disclosure for 2018. To simplify the presentation, this section of the Compensation Discussion and Analysis has been organized so as to first address the similarly-structured Base Salary, Short-Term Incentive Plans and Long-Term Incentive Plans of the Weston and Loblaw NEOs, followed by a section addressing the same elements for the Choice Properties NEO. The remaining sections of the Compensation Discussion and Analysis address all of the NEOs, as applicable.

WESTON AND LOBLAW

Base Salary

For Weston and Loblaw, 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 or the Loblaw Governance Committee, as applicable, reviews the base salary of the NEOs bi-annually. The applicable 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 Weston and Loblaw NEO for 2018. For further details with respect to the reasons for any increase in annualized base salary from 2017, refer to the section titled "2018 Compensation Decisions Regarding the Named Executive Officers" on page 65.

Name	2018 Base Salary ($)	Increase From 2017 (%)
Galen G. Weston	1,180,000 (1)	Nil
Richard Dufresne	900,000	12.5
Sarah R. Davis	900,000	Nil
Michael Motz	820,000	2.5

(1) *Mr. Weston's aggregate base salary of $1,180,000 is shared equally between Weston and Loblaw, with each paying $590,000 towards Mr. Weston's base salary in 2018.*

SHORT-TERM INCENTIVE PLANS

The Corporation and Loblaw have separate short-term incentive plans for the executives of each of the Corporation, Weston Foods and Loblaw. The STIP programs are 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 goals, which may vary from year to year. The Governance Committee believes that the STIP programs are balanced as they are comprised of different performance measures that are designed to focus executives on the key drivers of the operating businesses and value creation over both the short 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 its STIP and the Weston Foods STIP. The Loblaw Governance Committee is responsible for the plan design and awards made pursuant to the Loblaw STIP. The Governance Committee receives periodic reports on the performance of such STIP metrics, including performance against targets.

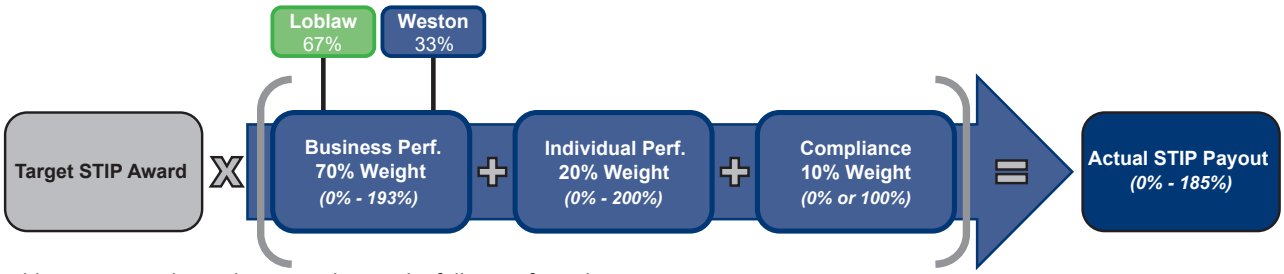
All participating executives have STIP award targets that are expressed as a percentage of their base salary, with such targets determined by the executive's position and level within the organization. Depending on actual performance relative to the performance targets, payouts for each performance target range from: (i) zero to a maximum of 180% of target for each component of the Weston Foods STIP; and (ii) zero to a maximum of 200% of target for each component of the Loblaw STIP. The Weston Foods STIP includes a condition that the business performance payouts cannot exceed 100% of target unless the earnings target has been met. For 2018, the Loblaw STIP included a condition that the compliance performance payout could not exceed 100% of target unless the combined performance of the four other business performance metrics had exceeded target.

For 2018, the Corporation's STIP included an individual performance component weighted at 20% of its NEOs' overall STIP target. The Loblaw STIP also included an individual performance component weighted at 25% of each Loblaw NEO's overall STIP target. For 2018, the Governance Committees of the Corporation and Loblaw, in assessing individual performance, took into account the executive's role

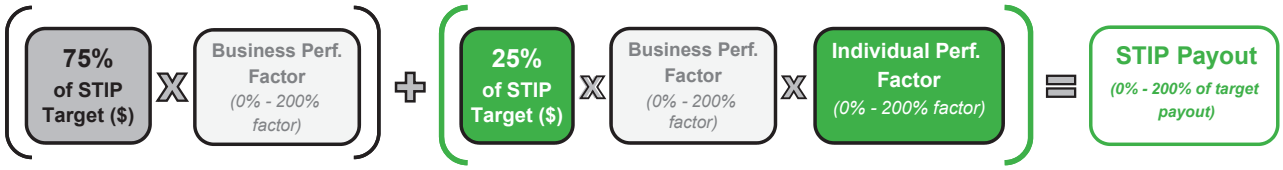
in the overall achievement of the Corporation's or Loblaw's goals, as applicable, and the individual performance objectives and leadership qualities of the executive. Mr. Weston's overall STIP design was determined by the Governance Committees of the Corporation and Loblaw to reflect his responsibilities at both organizations.

Under the Weston and Loblaw 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.

The Corporation's STIP awards are determined using the following formula:



Loblaw STIP awards are determined using the following formula:



The Governance Committees of the Corporation and Loblaw determine the appropriate STIP performance measures and weightings for each NEO, based on their roles and responsibilities within the Corporation and Loblaw, as well as the individual performance factors. The following table sets forth the applicable STIP programs and weightings that were used in determining the aggregate STIP awards for each NEO for 2018:

Name	Title	STIP Programs	Weighting (%)
Galen G. Weston	Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw	Loblaw STIP Weston STIP (1)	50 50
Richard Dufresne	President and Chief Financial Officer of the Corporation	Weston STIP (1)	100
Sarah R. Davis	President of Loblaw	Loblaw STIP	100
Michael Motz	Chief Operating Officer of Loblaw	Loblaw STIP	100

(1) The Corporation's STIP is comprised of a Loblaw STIP component, a Weston Foods STIP component and an individual component (refer to the formula used to calculate the Corporation's STIP awards above).

The following table sets forth details regarding the STIP targets and maximum aggregate STIP award achievable for 2018 for each NEO:

Name	Base Salary ($) (1)	STIP Target as Percentage of Base Salary (%)	STIP Target ($)	Maximum STIP ($)
Galen G. Weston	1,180,000	150	1,770,000	3,416,100
Richard Dufresne	900,000	125	1,125,000	2,081,250
Sarah R. Davis	900,000	125	1,125,000	2,250,000
Michael Motz	820,000	125	1,025,000	2,050,000

(1) 2018 STIP awards are calculated using each NEOs actual base salary in the year.

WESTON FOODS STIP

Plan Design

The Weston Foods STIP is designed to incent Weston Foods executives to achieve the Weston Foods business plan and strategic objectives. At the beginning of each fiscal year, the Governance Committee establishes the Weston Foods STIP design, including specific business performance measures, weightings and targets, and presents it to the Board for approval. 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 Weston Foods annual business plan, budget and strategic objectives. Following year-end, the Governance Committee reviews the financial results of Weston Foods against the performance targets and considers, in its judgment, whether any adjustments are required to account for unexpected events during the year.

Excluding the personal component, Weston Foods' STIP for 2018 was based on the following performance measures:

Weston Foods STIP – 2018 Business Performance Measures		
Weston Foods Sales (40.6%)	**Weston Foods Earnings (40.6%)**	**Pursuit Measures (18.8%)** *Compliance (1/3)* *Productivity (1/3)* *Enterprise Resource Planning (1/3)*

A description of each performance measure is set forth below:

Weston Foods Sales

The Weston Foods sales target for 2018 ($2,241 million) was designed to focus executives on growth in revenue of the Weston Foods business.

	Threshold		Target		Maximum
Performance Range	$2,129 million or less	Each additional 0.53% ($11.2 million)	$2,241 million	Each additional 0.50% ($11.3 million)	$2,331 million
Payout Factor (% of Target)	0%	+10%	100%	+10%	180%

Weston Foods Earnings

The Weston Foods earnings target for 2018 ($171.1 million) was designed to focus executives on delivering adjusted earnings before interest and income taxes ("Adjusted EBIT")* pursuant to Weston Foods' annual and multi-year business plans.

	Threshold		Target		Maximum
Performance Range	$128.0 million or less	Each additional 1% ($1.72 million)	$171.1 million	Each additional 1% ($1.70 million)	$205.0 million
Payout Factor (% of Target)	0%	+4%	100%	+4%	180%

*Non-Generally Accepted Accounting Principles (GAAP) financial measure. Please see note in the "Other Information" section of this Circular.

Weston Foods Pursuit Measures

For 2018, the Weston Foods business added three pursuit measures, being compliance, productivity and enterprise resource planning.

The compliance target for 2018 was designed to focus executives on Weston Foods' ongoing commitment to legal and regulatory compliance. Achievement of the compliance metric was determined based on Weston Foods' compliance initiatives in pursuit of ISO Assurance for competition law compliance, operational effectiveness (quarterly performance in employee health and safety, food safety and environment) and on-time completion of mandatory compliance training.

The productivity target for 2018 was designed to focus executives on ongoing earnings improvement as Weston Foods undertook a broad transformation of its business. Achievement of the productivity metric was determined based on Weston Foods' achievement of 2018 budgeted savings.

The enterprise resource planning ("ERP") target for 2018 was designed to focus executives on operational improvements and efficiencies. Achievement of the ERP metric was determined based on Weston Foods' performance with respect to delivery standards (on-time/on-budget), enhancing the internal controls framework and customer disruption measures.

The Weston Foods STIP includes a condition that the business performance payouts cannot exceed 100% of target in a given year unless the earnings target has been met.

2018 Weston Foods STIP Calculation

In early 2019, the Governance Committee reviewed Weston Foods' 2018 financial results and calculated the Weston Foods 2018 STIP payout factor as follows:

Performance Objective	Weighting (%)	Target ($)	Actual ($)	Calculated Payout Factor (% of Target)
Sales	40.6	2,241 million	2,109.9 million	0.0%
Earnings*	40.6	171.1 million	124.6 million	0.0%
Pursuit Measures	18.8	n/a	n/a	100.0%
Calculated Weston Foods STIP payout factor				18.8%

*Non-Generally Accepted Accounting Principles (GAAP) financial measure. Please see note in the "Other Information" section of this Circular.

The Weston Foods' STIP represents approximately 12% and 23% of Messrs. Weston's and Dufresne's overall STIP targets, respectively. The following table sets forth the Weston Foods components of the STIP awards for Messrs. Weston and Dufresne in 2018:

Name	Weston Foods Sales ($)	Weston Foods Earnings ($)	Weston Foods Pursuit Measures ($)	Weston Foods STIP Award ($)(1)
Galen G. Weston	0	0	37,990	37,990
Richard Dufresne	0	0	48,292	48,292

(1) 2018 STIP awards are calculated using each NEO's actual base salary in the year.

LOBLAW STIP

Plan Design

In 2018, the Loblaw STIP was designed so that NEOs would be focused on key drivers of the Loblaw and Shoppers Drug Mart ("SDM") businesses, along with a strong focus on compliance. The Loblaw STIP was designed with the following five business performance measures, weightings and targets to drive Loblaw's strategic goals in 2018:

Loblaw STIP - 2018 Business Performance Measures

(1) NPS is the Net Promoter Score for the Loblaw business. CSI is the Customer Satisfaction Index of the SDM business.

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 2018 ($45,865 million) was designed to focus executives on growth in consolidated revenues (excluding the consolidation of franchises).

	Threshold			Target		Maximum
Performance Range	Less than $45,521 million	$45,521 million	Each additional 0.15% ($68.8 million)	$45,865 million	Each additional 0.15% ($68.8 million)	$46,553 million or more
Payout Factor (% of Target)	0%	50%	+10%	100%	+10%	200%

Consolidated Earnings Target

The consolidated earnings target for 2018 ($4,028 million) was designed to focus executives on delivering adjusted earnings before interest, income taxes, depreciation and amortization ("Adjusted EBITDA"*) (excluding the consolidation of franchises) pursuant to Loblaw's and SDM's combined annual and multi-year business plans.

	Threshold			Target		Maximum
Performance Range	Less than $3,927 million	$3,927 million	Each additional 0.5% ($20.2 million)	$4,028 million	Each additional 0.5% ($20.1 million)	$4,229 million or more
Payout Factor (% of Target)	0%	50%	+10%	100%	+10%	200%

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

Compliance

The compliance target for 2018 was designed to focus executives on Loblaw's ongoing commitment to legal and regulatory compliance. Achievement of the compliance metric was determined based on Loblaw's three compliance initiatives of ISO Assurance, operational effectiveness testing (for occupational health and safety, food safety and pharmacy) and on-time completion of mandatory compliance training (for occupational health and safety, food safety, competition law and pharmacy). If Loblaw achieved its compliance target, then to the extent that the combined performance of the consolidated sales, consolidated earnings, operating leverage and consolidated NPS/CSI targets exceeded 100%, the same combined performance factor would be applied to the compliance metric. To the extent that the compliance targets were not met, any performance payout for the compliance metric would be at the discretion of the Loblaw Governance Committee. There would be no payout in respect of the compliance metric in the event that Loblaw experienced a major non-compliance incident, even if the compliance targets were achieved.

Initiative	Target
ISO Assurance	Yes/No achievement
Operational Effectiveness Testing	Established targets
On-time completion of mandatory compliance training	Established targets

Operating Leverage Target

The operating leverage target for 2018 was based on achieving an improvement in Loblaw's retail selling, general and administrative expenses (SG&A) (excluding depreciation and amortization and the consolidation of franchises) expressed as a percentage of sales. The target for 2018 was 19.58%.

	Threshold			Target		Maximum
Performance Range	Higher than 19.63%	19.63%	Each 1.0 basis point improvement	19.58%	Each 0.5 basis point improvement	19.53% or lower
Payout Factor (% of Target)	0%	50%	+10%	100%	+10%	200%

Consolidated NPS/CSI Target

Consolidated NPS/CSI refers to the NPS of the Loblaw business and the CSI of the SDM business. The consolidated NPS/CSI target for 2018 (53.7 pts for NPS and 71.2% for CSI) was designed to focus executives on customer satisfaction and loyalty. The 2018 target was based on achieving an improvement in Loblaw's NPS and SDM's CSI, and was based on a weighted average of the NPS and CSI payout factors for 2017.

			Threshold		Target		Maximum
Performance Range	NPS	Less than 51.2 pts	51.2 pts	Each 0.5 pts improvement	53.7 pts	Each 0.25 pts improvement	56.2 pts or more
	CSI	Less than 68.7%	68.7%	Each 0.5% improvement	71.2%	Each 0.25% improvement	73.7% or more
Payout Factor (% of Target)	NPS	0%	50%	+10%	100%	+10%	200%
	CSI	0%	50%	+10%	100%	+10%	200%

2018 Loblaw STIP Calculation

In February 2019, the Loblaw Governance Committee reviewed Loblaw's 2018 financial results and determined the Loblaw 2018 STIP payout as follows:

Performance Objective		Weighting (%)	Target	Actual	Payout Factor (% of Target)
Consolidated Sales		35	$45,865 million	$45,795 million	89.8
Consolidated Earnings		35	$4,028 million	$4,039 million	105.5
Compliance		10	Established Targets	Targets Achieved	108.5
Operating Leverage		10	19.58%	19.24%	200.0
Consolidated NPS/CSI	NPS	10	53.7 pts	53.6 pts	92.9
	CSI		71.2%	70.2%	
Overall STIP Payout					108.5

Key Factors Influencing Results

Early in 2019, the Loblaw Governance Committee reviewed Loblaw's 2018 financial results and determined the key factors contributing to each component's performance relative to target. These factors included:

- The decrease in consolidated sales relative to target was largely driven by continued competitive intensification and management's strategy to maintain stable margins and focus on productive tonnage growth to maintain profitability.
- The increase in consolidated earnings relative to target was driven by stable margins and operating efficiency.
- The increase in operating leverage relative to target was driven by greater focus on process and efficiency and driving cost discipline.

In 2018, Loblaw continued to focus on compliance, with industry-leading competition compliance programs administered by the independent compliance function led, in 2018, by the Group Chief Compliance Officer. Intensive compliance re-training and certification was carried out for all merchants, store managers and senior leaders. Loblaw received Assurance for Compliance Management Systems regarding the Corporation's competition law compliance program in the third quarter of 2018 and achieved all of its compliance targets by the end of 2018.

The following table sets forth the Loblaw performance measures that were used in determining the Loblaw portion of Mr. Weston's STIP awards for 2018:

Name	Consolidated Sales ($)	Consolidated Earnings ($)	Compliance ($)	Operating Leverage($)	Consolidated NPS/CSI ($)	Loblaw STIP Award (at 108.5%) ($)[1]	Individual Performance ($)	Loblaw STIP Award ($)
Galen G. Weston	208,849	244,857	72,017	132,511	61,935	720,169	384,090	1,104,259

(1) STIP awards are calculated using the NEO's actual base salary received in 2018. Mr. Weston's base salary is paid equally by the Corporation and Loblaw, with the Weston and Loblaw portions thereof being subject to the Corporation's STIP and Loblaw's STIP, respectively. Full details of Mr. Weston's compensation from Loblaw are set forth in Loblaw's management proxy circular, which is available at www.sedar.com.

The following table sets forth the Loblaw performance measures and weightings that were used in determining the STIP awards for each Loblaw NEO for 2018:

	2018 Loblaw STIP Award [1]							
Name	Consolidated Sales ($)	Consolidated Earnings ($)	Compliance ($)	Operating Leverage ($)	Consolidated NPS/CSI ($)	STIP (Business Performance at 108.5%) ($)	Individual Performance ($)[2]	Loblaw STIP Award ($)
Sarah R. Davis	265,486	311,260	91,547	168,446	78,730	915,469	488,250	1,403,719
Michael Motz	241,887	283,592	83,410	153,473	71,732	834,094	278,031	1,112,125

(1) STIP awards are calculated using the NEO's actual base salary received in 2018, 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.

Individual STIP Components for the Corporation and Loblaw

The Governance Committee considered the overall performance of the Chairman and Chief Executive Officer and the President and Chief Financial Officer of the Corporation to determine the individual component of each NEO's STIP award. The Loblaw Governance Committee considered the overall performance of its NEOs, including Loblaw's Executive Chairman (former Chairman and Chief Executive Officer), President and Chief Operating Officer.

Galen G. Weston, Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw

The individual performance component of the STIP amount awarded to the Chairman and Chief Executive Officer was determined by the Governance Committees of both the Corporation and Loblaw based on Mr. Weston's achievement of both quantitative and qualitative factors established in early 2018. The quantitative factors were based on the execution of strategic objectives and achievement of the 2018 financial plan. The qualitative factors included the Governance Committees' assessment of Mr. Weston's leadership performance. Based on this assessment, the Governance Committees of the Corporation and Loblaw concluded that Mr. Weston demonstrated superior performance in 2018. Mr. Weston's individual component is targeted at 20% of his overall STIP target. In light of the above considerations, the Governance Committees of both the Corporation and Loblaw awarded Mr. Weston an aggregate amount of $667,290 for the individual component of his STIP award, of which the Weston and Loblaw components were $283,200 and $384,090, respectively.

Richard Dufresne, President and Chief Financial Officer of the Corporation

The individual performance component of the STIP amount awarded to the President and Chief Financial Officer was determined by the Governance Committee based on Mr. Dufresne's achievement of both quantitative and qualitative factors established in early 2018. The quantitative factors were based on the financial performance of the Corporation, including Mr. Dufresne's progress in delivering on the 2018 financial plan. The qualitative factors included the Governance Committee's assessment of Mr. Dufresne's leadership performance and role in implementing strategic objectives. Based on this assessment, the Governance Committee concluded that Mr. Dufresne demonstrated superior performance in 2018. Mr. Dufresne's individual component is targeted at 20% of his overall STIP target. In light of the above considerations, the Governance Committee awarded Mr. Dufresne an amount of $360,000 for the individual component of his STIP award.

Loblaw NEOs

Sarah R. Davis, President of Loblaw

The 2018 STIP award for Ms. Davis reflected Ms. Davis' role as President of Loblaw during the year, and included an individual performance component weighted at 25% of her overall STIP target. In assessing individual performance,the Loblaw Governance Committee took into account quantitative factors including Ms. Davis' role in compliance plan implementation and delivering on the Corporation's strategic initiatives and 2018 business plan. The Loblaw Governance Committee also considered qualitative factors, such as Ms. Davis' leadership qualities and her role in implementing the Corporation's strategic and culture plans. Based on these criteria, the Loblaw Governance Committee awarded Ms. Davis an individual performance component of $488,250.

Michael Motz, Chief Operating Officer of Loblaw

The 2018 STIP award for Mr. Motz reflected his role as Chief Operating Officer of Loblaw during the year and included an individual performance component weighted at 25% of his overall STIP target. In assessing individual performance, the Loblaw Governance Committee took into account quantitative factors including Mr. Motz's role in the overall achievement of Loblaw's strategic initiatives and operating objectives and in delivering on the 2018 business plan. In addition, the Loblaw Governance Committee considered qualitative factors, such as Mr. Motz's leadership across the enterprise at the operational level and his role in implementing multiple

cross-functional initiatives. Based on these criteria, the Loblaw Governance Committee awarded Mr. Motz an individual performance component of $278,031.

TOTAL AGGREGATED STIP AWARDS FOR 2018

The following tables set out the aggregated STIP awards paid to NEOs of the Corporation and Loblaw in respect of the 2018 fiscal year.

Name	Weston Foods STIP Award ($)	Loblaw STIP Award ($)	Weston Compliance ($)	Individual STIP Award ($)	2018 STIP Award ($)
Galen G. Weston	37,990	1,169,140 (1)	88,643	667,290	1,963,063 (2)
Richard Dufresne	48,292	570,726	112,682	360,000	1,091,700
Sarah R. Davis	n/a	915,469	n/a	488,250	1,403,719 (3)
Michael Motz	n/a	834,094	n/a	278,031	1,112,125 (3)

(1) This amount includes the Loblaw business performance component of the Corporation's STIP together with the amount received under the business performance component of the Loblaw STIP.

(2) Mr. Weston's total STIP award for 2018 was $1,963,063 of which Loblaw paid $1,104,259. Full details of Mr. Weston's compensation from Loblaw are set forth in Loblaw's management proxy circular, which is available at www.sedar.com.

(3) The full details of the compensation of Ms. Davis and Mr. Motz from Loblaw are set forth in Loblaw's management proxy circular, which is available at www.sedar.com.

Executive Deferred Share Unit Plan

The Corporation's EDSU Plan enables an executive to receive up to 100% of his or her 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 or Loblaw 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 or Loblaw 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 or Loblaw common share is calculated by using the volume-weighted average of the trading price of the Common Shares or Loblaw 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 or Loblaw common shares while an EDSU is outstanding. Loblaw has also adopted a similar EDSU Plan for its executives.

LONG-TERM INCENTIVE PLAN

Weston's and Loblaw's equity-based LTIPs are designed to retain and incent executives by allowing them to participate in increased shareholder value creation by providing them with equity-based incentive awards that vest over time. Under the LTIPs, Weston and Loblaw award 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 or Loblaw's common shares, as applicable. Executives eligible for LTIP grants generally receive them on an annual basis.

Annual LTIP grants for the Weston and Loblaw NEOs have historically been comprised of 1/3 stock options, 1/3 RSUs and 1/3 PSUs. As reflected in the section "Compensation Decisions for 2019", Weston discontinued the use of RSUs for the 2019 long-term incentives granted to executives. The Weston and Loblaw 2018 LTIPs balanced the use of (i) stock options, which align an executive's interest with shareholders in share price appreciation; (ii) RSUs, which serve as a key component in retaining executives and aligning them with shareholders; and (iii) PSUs, which focus executives on the delivery of key objectives set forth in the strategic plan.

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 applicable 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 Weston's year-end financial results in accordance with Weston'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.

On November 1, 2018, Loblaw completed the Reorganization. In connection with the Reorganization, the value of a Loblaw common share decreased on closing of the Reorganization to reflect that Loblaw no longer held an interest in Choice Properties. Pursuant to the Reorganization, Loblaw public shareholders retained the value of their investments in Loblaw prior to the Reorganization and received 0.135 of a Weston Common Share for each Loblaw common share held. In addition, to ensure that holders of Loblaw stock-based compensation were neither penalized nor rewarded for the Reorganization and to ensure that their interests remained aligned with the performance of Loblaw, the following adjustments were made to Loblaw's outstanding stock-based compensation awards:

1. Loblaw created a new stock option plan (the "New Stock Option Plan") to give effect to the Canada Revenue Agency's advance income tax rulings regarding certain pre-closing transactions undertaken by Loblaw and its subsidiaries immediately prior to the completion of the Reorganization. The New Stock Option Plan is substantively the same as Loblaw's previously existing stock option plan, which was cancelled upon the completion of the Reorganization. Each holder of Loblaw stock options issued under the previous Loblaw stock option plan exchanged all of such holder's existing Loblaw stock options for a number of Loblaw stock options issued under the New Stock Option Plan. Each new Loblaw stock option entitled its holder to acquire a number of Loblaw common shares for an exercise price that, when taken together with the number of new Loblaw stock options issued under the previously existing Loblaw stock option plan, resulted in the aggregate "In the Money Amount" (defined as the amount by which the fair market value of the Loblaw common share subject to the particular Loblaw stock option exceeds the exercise price of the Loblaw stock option) of the holder's new Loblaw stock options not exceed the In The Money Amount of the holder's Loblaw stock options issued under the previously existing Loblaw stock option plan ("Stock Option Adjustment").
2. The number of Loblaw DSUs, Loblaw PSUs and Loblaw RSUs held by each holder thereof was proportionately increased to reflect the reduction of the fair market value of the Loblaw common shares ("PSU Adjustment" and "RSU Adjustment", respectively, and together with the Stock Option Adjustment, the "Adjustments").

The Adjustments were approved by the Loblaw Governance Committee. Further details regarding the Adjustments in respect of the Reorganization are set out in Loblaw's management proxy circular dated September 19, 2018, which is available at www.sedar.com.

In 2018, the Governance Committee approved LTIP awards to Messrs. Weston and Dufresne as follows:

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	1,180,000	400	2,360,076 (4)	Stock Options, RSUs and PSUs
Richard Dufresne	900,000	300	2,700,000	Stock Options, RSUs and PSUs

(1) Other than one-time grants, LTIP awards are calculated using each NEO's actual base salary received in 2018.
(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) In addition to his annual LTIP grant from the Corporation, Mr. Weston received an annual LTIP grant from Loblaw, the details of which are set out below. The aggregate grant date fair value of Mr. Weston's annual LTIP grant from the Corporation and Loblaw is $4,720,083 which reflects approximately 400% of his 2018 actual base salary and the cost of his LTIP is split equally between the Corporation and Loblaw.

In 2018, the Loblaw Governance Committee approved the following Loblaw LTIP awards to Ms. Davis and Messrs. Weston and Motz:

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	1,180,000	400	2,360,007 (4)	Stock Options, RSUs and PSUs
Sarah R. Davis	900,000	300	2,699,974	Stock Options, RSUs and PSUs
Michael Motz	820,000	300	2,460,058	Stock Options, RSUs and PSUs

(1) Other than one-time grants, LTIP awards are calculated using each NEO's actual 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 received an annual LTIP grant from Loblaw comprised of 88,390 stock options, 11,885 RSUs and 11,885 PSUs, with an aggregate grant date fair value of $2,360,007. The aggregate grant date fair value of Mr. Weston's annual LTIP grant from the Corporation and Loblaw is $4,720,083 which reflects approximately 400% of his 2018 actual base salary and the cost of his LTIP is split equally between the Corporation and Loblaw.

The key features of the Corporation's stock option plan (the "Stock Option Plan"), RSU Plan and PSU Plan are described below. For a description of the key features of Loblaw's LTIP, please refer to Loblaw's management proxy circular at www.sedar.com.

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

	As at December 31, 2018	As at March 14, 2019
Issued and Outstanding Common Shares	153,370,108	153,520,982
Outstanding Options to Purchase Common Shares		
Number Outstanding	1,545,080	1,739,847
Number Outstanding as a Percentage of the Issued and Outstanding Common Shares	1.0%	1.1%
Maximum Number of Common Shares Issuable Pursuant to the Stock Option Plan at Any Time		
Number Issuable	6,453,726	6,453,726
Number Issuable as a Percentage of the Issued and Outstanding Common Shares	4.2%	4.2%
Common Shares Available for Future Option Grants		
Number Available	3,862,587	3,515,321
Number Available as a Percentage of the Issued and Outstanding Common Shares	2.5%	2.3%

The Stock Option Plan provides that Common Shares issuable pursuant to outstanding 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 67 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 2018.

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 0.18% in 2018, 0.13% in 2017 and 0.17% in 2016.

In 2018, Messrs. Weston and Dufresne received stock option grants from Weston as described in the table below:

Name	Options Granted (#)	Exercise Price ($)	Grant Date Fair Value ($)	Vesting Schedule	Term of Grant
Galen G. Weston	57,463	104.81	786,668	20% per year over 5 years	7 years
Richard Dufresne	65,741	104.81	899,994	20% per year over 5 years	7 years

In 2018, Ms. Davis and Messrs. Weston and Motz received stock option grants from Loblaw as described in the table below:

Name	Options Granted (#)[1]	Exercise Price ($)	Grant Date Fair Value ($)	Vesting Schedule	Term of Grant
Galen G. Weston	88,390	66.19	786,671	20% per year over 5 years	7 years
Sarah R. Davis	101,124	66.19	900,004	20% per year over 5 years	7 years
Michael Motz	92,135	66.19	820,002	20% per year over 5 years	7 years

(1) On November 1, 2018, Ms. Davis' and Messrs. Weston and Motz's Loblaw options were adjusted pursuant to the Stock Option Adjustment, as described on page 54. The adjustments are not reflected in this table. The full details of the NEOs' adjusted stock options outstanding as at December 29, 2018 are set forth in the Section "Incentive Plan Awards - Outstanding Option-Based Awards and Share-Based Awards" on page 76.

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. The RSU Plan was amended effective 2017 to provide that 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. This amendment only applies to RSUs granted in 2017 and thereafter.

In 2018, Messrs. Weston and Dufresne were awarded RSUs from the Corporation as follows:

Name	RSUs Granted (#)	Grant Value Per Unit ($)	Grant Date Fair Value ($)	Vesting Date
Galen G. Weston	7,506	104.81	786,704	March 9, 2021
Richard Dufresne	8,587	104.81	900,003	March 9, 2021

In 2018, Ms. Davis and Messrs. Weston and Motz were awarded RSUs from Loblaw as follows:

Name	RSUs Granted (#) [1]	Grant Value Per Unit ($)	Grant Date Fair Value ($)	Vesting Date
Galen G. Weston	11,885	66.19	786,668	March 1, 2021
Sarah R. Davis	13,597	66.19	899,985	March 1, 2021
	14,613 [2]	68.43	999,968	September 12, 2021
Michael Motz	12,389	66.19	820,028	March 1, 2021

(1) *On November 1, 2018, Ms. Davis' and Messrs. Weston and Motz's Loblaw RSUs were adjusted pursuant to the RSU Adjustment, as described on page 54. The adjustments are not reflected in this table. The full details of the NEOs' adjusted RSUs outstanding as at December 29, 2018 are set forth in the Section "Incentive Plan Awards - Outstanding Option-Based Awards and Share-Based Awards on page 76.*

(2) *Ms. Davis received a special one-time RSU award in September 2018. The full details of Ms. Davis' LTIP grant are set out in the section "2018 Compensation Decisions Regarding the Named Executive Officers" on page 65.*

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 reduce the number of stock options granted and potential shareholder dilution. PSUs also serve as a pay-for-performance incentive to reward executives for the achievement of prescribed corporate goals and share price appreciation. Like RSUs, PSUs also 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, also typically three years in length. However, the number of PSUs that vest during such period depends on the achievement of certain performance measures.

The Corporation's PSU performance measures include Loblaw's PSU performance measures, Weston Foods' MTIP performance measures, and an individual component. For 2018, the Loblaw PSU performance measures were consolidated revenue, excluding gas bar and consolidated franchises, and return on capital. For 2018, MTIP awards were made to eligible executives at Weston Foods to reward executives for improvements in sales and return on capital (against targets) over a three-year performance period.

The Corporation's PSU performance measures and weightings for Messrs. Weston and Dufresne are set out below:

Performance Measure	Weighting (%)
Individual Component	33
Loblaw PSU Performance	45
Weston Foods MTIP Performance	22

Ms. Davis' and Mr. Motz's PSUs are based 100% on Loblaw's PSU performance measures.

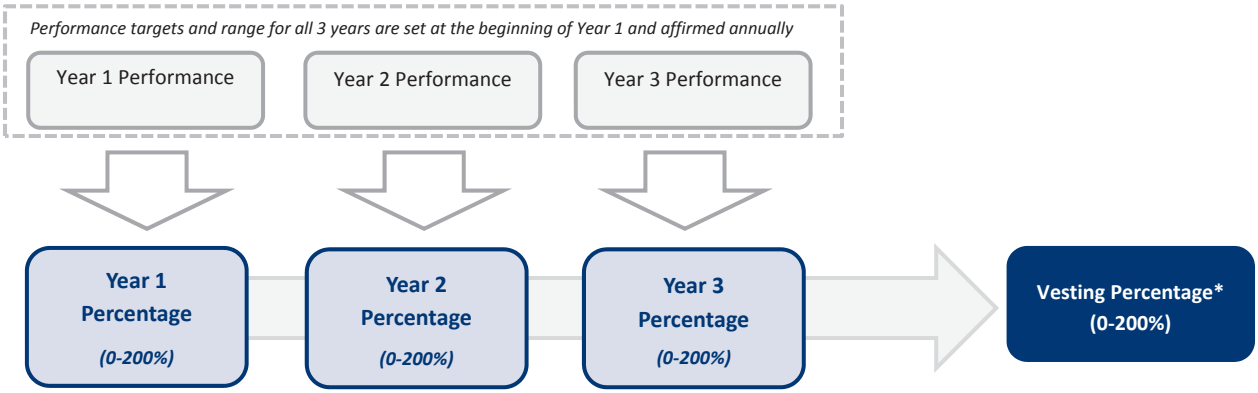
Though the Governance Committee closely monitors the Corporation's performance relative to that of its peers when making compensation decisions, the Governance Committee believes that the best approach for the Corporation is to tie its executive compensation to performance metrics that are aligned with 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.

The Loblaw Governance Committee has determined that relative total shareholder return is not an appropriate performance measure for Loblaw's 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 Corporation's Governance Committee has likewise determined that relative total shareholder return is not an appropriate performance measure for the Corporation's PSUs due to its inapplicability to Loblaw as well as the lack of size-appropriate Canadian peers of the Corporation and the significantly different inflation, foreign exchange and macro-economic factors to which comparable U.S. peers are subject.

The Loblaw Governance Committee has determined that consolidated revenue is appropriate as a significantly-weighted performance measure for the Loblaw 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 Loblaw 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.

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

PSUs vest at the end of the applicable three-year performance period, however the number of PSUs that vest is determined by averaging results against target in each year in the performance period. Setting yearly performance targets 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 emerging trend among retail organizations to adopt shorter targets 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. The PSU Plan was amended effective 2017 to provide that 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 will be subject to the same vesting conditions applicable to the underlying PSUs. This amendment only applies to PSUs granted in 2017 and thereafter.

The performance targets for the PSUs granted in 2018 relating to Weston Foods' MTIP performance and Loblaw's performance metrics relate to a three-year period ending in 2021 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. 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 at the time of payout of PSUs.

In 2018, Messrs. Weston and Dufresne were awarded PSUs from Weston 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	7,506	104.81	786,704	March 9, 2021
Richard Dufresne	8,587	104.81	900,003	March 9, 2021

In 2018, Ms. Davis and Messrs. Weston and Motz were awarded PSUs from Loblaw for which the grant date fair value assumes vesting at 100% of target:

Name	PSUs Granted (#) (1)	Grant Value Per Unit ($)	Grant Date Fair Value ($)	Vesting Date
Galen G. Weston	11,885	66.19	786,668	March 1, 2021
Sarah R. Davis	13,597	66.19	899,985	March 1, 2021
Michael Motz	12,389	66.19	820,028	March 1, 2021

(1) On November 1, 2018, Ms. Davis' and Messrs. Weston and Motz's Loblaw PSUs were adjusted pursuant to the PSU Adjustment, as described on page 54. The adjustments are not reflected in this table. The full details of the NEOs' adjusted PSUs outstanding as at December 29, 2018 are set forth in the Section "Incentive Plan Awards - Outstanding Option-Based Awards and Share-Based Awards" on page 76.

Performance of 2016 PSUs

In 2016, the Corporation's Weston and Loblaw NEOs were awarded PSUs whose vesting was tied to achieving specific Weston Foods' MTIP and Loblaw targets related to consolidated revenue, excluding, for Loblaw, gas bar and consolidated franchises, and return on capital over a three-year period. The return on capital measure for Loblaw was defined as Loblaw's adjusted earnings before interest and taxes ("Adjusted EBIT"*) divided by capital at the start of the year. At the time of grant, the performance targets relating to the 2016 measures, namely, Weston Foods' MTIP and Loblaw's return on capital and enterprise consolidated revenue metrics, were forward-looking as they related to the three-year period ending in 2018 and were developed taking into account Weston Foods' and Loblaw's business strategies, plans and initiatives and their expectations regarding financial and operational performance. The targets were intended to be challenging – neither impossible nor easy to achieve.

In early 2019, the Governance Committee reviewed the performance of the 2016 PSU grants against target and determined the PSU payout for the Corporation was 83.6% of target, which was comprised of a Loblaw PSU payout of 111.6% and a Weston Foods MTIP payout of 27.7%.

2016 PSU PERFORMANCE				
	Weighting	**Measures**	**Performance**	**Overall Payout**
Loblaw	**2/3**	*Enterprise Consolidated Revenue (50%)* *Return on Capital (50%)*	*111.6%*	**83.6%**
Weston Foods	**1/3**	*Weston Foods Performance (66.7%)* *GWL RSUs (33.3%)*	*27.7%*	

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

The target and performance for the Loblaw component of PSUs awarded in 2016, which were equally weighted on Loblaw results from 2016, 2017 and 2018 and paid out in 2019, are set out below:

Measures	2016		2017		2018		Overall Result
	Target	***Results***	*Target*	***Results***	*Target*	***Results***	
Enterprise Consolidated Revenue ***50% weighting***	*Max: $45,386* **$44,715** *Min. $44,380*	**$44,631**	*Max. $46,195* **$45,512** *Min. $45,171*	**$45,171**	*Max. $46,553* **$45,865** *Min. $45,521*	**$45,795**	**37.9%**
Loblaw Return on Capital ***50% weighting***	*Max. 12.66%* **12.16%** *Min. 11.66%*	**12.88%**	*Max. 14.75%* **14.25%** *Min. 13.75%*	**14.50%**	*Max. 15.27%* **14.77%** *Min. 14.27%*	**14.73%**	**73.7%**
Performance	**143.7%**		**99.9%**		**91.4%**		**—%**
Vesting	**47.9%**		**33.3%**		**30.4%**		**—%**
Overall Payout							**111.6%**

The target and payout for the Weston Foods MTIP component of PSUs awarded in 2016 were paid out in 2019 as set out below:

Measure	Business Performance Weighting (%)	Payout (%)
Weston Foods MTIP		
Weston Foods Performance Payout	66.7	0.0%
GWL RSUs	33.3	83.0%
Overall Payout		**27.7%**

2016 Individual Component PSU Performance Results

Richard Dufresne, President and Chief Financial Officer

The individual component of Mr. Dufresne's 2016 PSUs was evaluated by the Governance Committee based on his achievement of certain strategic objectives that were established and delivered upon over the three year period, including, in connection with his former role as Chief Financial Officer of Loblaw, his role in the delivery on Loblaw's financial plan, and his critical role in creating shareholder value over the past three years through various initiatives. Mr. Dufresne's individual component is targeted at 33% of his 2016 PSU target, which was 1,161 PSUs. In light of these considerations, the Governance Committee awarded Mr. Dufresne 387 PSUs, representing 100% of target for this individual component of his PSU award.

2016 PSU Payout Summary

In 2019, the Governance Committee determined that the 2016 grant of the Corporation's PSUs paid out at 83.6% of target (excluding the individual component for Mr. Dufresne). The 2016 grant of Loblaw PSUs, which excludes the Weston Foods MTIP component, paid out at 111.6% of target for Ms. Davis and Messrs. Weston, Dufresne and Motz. The number of PSUs that vested pursuant to these performance results is set out in the table below:

		Vesting of 2016 PSU Award						
Name	**2016 PSUs, Following PSU Adjustment (#)**	**Loblaw Return on Capital Component (#)**	**Enterprise Consolidated Revenue Component (#)**	**Weston Foods MTIP component (#)**	**Individual Component (#)**	**Total number of PSUs Vested (#)**	**Actual Settlement Value ($)**	
Galen G. Weston	25,288	18,638	9,584	—	—	28,222	1,838,544	(1) (2)
Richard Dufresne	5,229	3,853	1,982	—	—	5,835	380,188	(1) (2)
	1,161	380	196	72	387	1,035	95,190	(3)
Sarah R. Davis	7,471	5,506	2,832	—	—	8,338	543,231	(1) (2)
Michael Motz	9,195	6,776	3,485	—	—	10,261	668,474	(1) (2)

(1) On November 1, 2018 the Loblaw PSUs were adjusted pursuant to the PSU Adjustment, as described on page 54. The post-PSU Adjustment amounts are set out above. The full details of the NEOs' adjusted PSUs outstanding as at December 29, 2018 are set forth in the Section "Incentive Plan Awards - Outstanding Option-Based Awards and Share-Based Awards" on page 76.

(2) The actual value of the PSU settlements was based on the market price of Loblaw common shares on March 4, 2019, the vesting date of the PSUs, which was $65.1454.

(3) The actual value of the PSU settlements was based on the market price of Common Shares on March 11, 2019, the vesting date of the PSUs, which was $91.9706.

THE CHOICE PROPERTIES NEO: STEPHEN E. JOHNSON

This section of the Compensation Discussion and Analysis addresses the 2018 compensation arrangements applicable to the Choice Properties NEO, Mr. Stephen Johnson. For a broader discussion of the compensation philosophy of Choice Properties, the components of compensation and descriptions of the STIP and LTIP in which the other Choice Properties NEOs participate, refer to Choice Properties' management proxy circular available at www.sedar.com.

Base Salary

Base salaries for Choice Properties' NEOs are set on an individual basis and not within formalized salary ranges by position. Base salaries are set taking into account an executive's level of responsibility and experience, internal equity among executives and the executive's overall performance. The Choice Properties Governance Committee annually reviews the base salaries of the NEOs and may make adjustments to an NEO's salary as a result of a change in the NEO's duties and responsibilities, a change in the performance and contribution of the NEO or as a result of competitive factors.

Mr. Johnson's annualized base salary for the period of January 1 to May 3, 2018 was $780,500. His actual salary received for January 1 to May 3, 2018 was $269,172. Following the CREIT Acquisition, Mr. Johnson's new employment agreement stipulated that his base salary for the period from May 4 to December 31, 2018 would be $1.00. In September 2018, Mr. Johnson was awarded a long-term incentive grant comprised of New RUs under the New RU Plan (each as defined in the section "Long-Term Incentive Plan" on page 62), with a grant date fair value of $3,642,158, which represented his compensation, other than certain ancillary amounts and perquisites, for the post-CREIT Acquisition period of May 4 to December 31, 2018. As Mr. Johnson's post-CREIT Acquisition compensation was set in the aggregate, with no identified allocation for base salary, calculating the increase in his base salary from 2017 would not provide for an adequate assessment of his percentage increase. Please refer to the section titled "2018 Compensation Decisions Regarding the Named Executive Officers" on page 65 for additional detail on Mr. Johnson's base salary for 2018.

Bonus

Under the employment arrangements for Mr. Johnson approved by the Choice Properties Governance Committee in September 2018, Mr. Johnson was not eligible to receive a STIP award for the period from the date of completion of the CREIT Acquisition through December 31, 2018. For details regarding the Trust's STIP program, please refer to Choice Properties' management proxy circular available at www.sedar.com.

Mr. Johnson's contractual arrangements did provide, however, that he would be eligible to receive a one-time award with a target value of $500,000 based on his performance from the date of completion of the CREIT Acquisition to December 31, 2018. In early 2019, the Choice Properties Governance Committee evaluated Mr. Johnson's post-CREIT Acquisition performance and awarded Mr. Johnson a one-time award of $550,000, representing 110% of the target value of such award. Mr. Johnson elected to take the award in the form of a cash payment.

STIP Award from Previous Employer, CREIT

Prior to the closing of the CREIT Acquisition, CREIT's Governance Committee approved a pro-rata STIP payout for Mr. Johnson, at target, for the period from January 1 to May 3, 2018. Mr. Johnson elected to receive this bonus in the form of restricted units of CREIT under CREIT's restricted unit plan, which was substantially equivalent to the Trust's New RU Plan described on page 62.

Mr. Johnson's 2018 pre-CREIT Acquisition STIP award was based on his annualized base salary on January 1, 2018 of $780,500 and STIP target at that time of 125% multiplied by a pro-rata factor based on the applicable period, resulting in a target award value of $331,445. Mr. Johnson elected to receive his STIP payment in the form of CREIT restricted units granted on April 26, 2018. The grant date fair value of the portion of the CREIT restricted unit grant applicable to his STIP payment was $329,519. Mr. Johnson also received a residual cash amount of $101 in respect of the STIP payment.

Long-Term Incentive Plan

The Trust's equity-based LTIP is designed to retain and incent executives by allowing them to participate in increased total return to holders of Trust Units ("Unitholders"). Executives eligible for LTIP grants generally receive them on an annual basis. The value of an LTIP grant to a participating executive is generally based on a percentage of the executive's base salary. All grants are reviewed and approved by the Choice Properties Governance Committee as part of its regular review of compensation.

For 2018, Choice Properties awarded executives long-term incentives in the form of Trust Unit options, restricted units of Choice Properties ("RUs"), new restricted units of Choice Properties ("New RUs"), and performance units of Choice Properties ("PUs") under its LTIP, the values of which are directly linked to the market value of units of Choice Properties ("Trust Units"). New RUs are the only LTIP incentive applicable to Mr. Johnson and as such, the details of Choice Properties' new restricted unit plan (the "New RU Plan") are set out below. For further detail on the Choice Properties RU Plan, please see Choice Properties' management proxy circular available at www.sedar.com.

Choice Properties' New RU Plan

Following the completion of the CREIT Acquisition, the Trust adopted the New RU Plan, designed to achieve the following objectives: (1) foster the long-term retention of employees (through multi-year vesting and disposition restriction provisions); (2) provide a performance-driven component to an executive's compensation; (3) align the long-term interest of employees with the interests of Unitholders, through multi-year vesting and the six-year disposition restrictions (seven year restriction for Mr. Johnson); and (4) add a component to the Trust's compensation package to assist in the recruitment of key personnel.

The New RU Plan provides for the award of New RUs (generally annually, following the release of the financial results for the applicable year) to certain employees of the Trust, subject to approval by the Choice Properties Governance Committee. The Trust Units represented by the New RUs granted under the New RU Plan are purchased in the open market and are held by an independent custodian on behalf of each participant until such time as they have vested and the disposition restrictions have been lifted. The participant has the right to vote the Trust Units represented by the New RUs and to receive distributions from the date of grant.

The New RUs have multi-year disposition restriction periods encouraging employees to think and act with a clear focus on long-term value creation. Disposition means selling, pledging or disposing of the New RUs, except as otherwise permitted in the New RU Plan and corresponding instruments of grant.

The most significant difference between the New RUs with longer seven-year disposition restrictions, granted solely to Mr. Johnson, and the New RUs with the standard six-year disposition restriction is the vesting term of the award (the time period that determines when the New RUs are no longer subject to forfeiture), which is more onerous in the case of Mr. Johnson's awards. For standard New RU grants, 1/3 of the New RUs awarded vest on each of the 1st, 2nd and 3rd anniversaries of the grant date and the awards are subject to a disposition restriction until six years following the grant date. For the longer-term New RU Plan awards granted solely to Mr. Johnson, 1/3 of the New RUs awarded vest on each of the 3rd, 4th and 5th anniversaries of the grant date and the awards are subject to a disposition restriction until seven years following the grant date. Once the New RUs have vested, they are no longer subject to forfeiture.

The New RU Plan contains provisions for various termination events providing for the forfeiture of unvested New RUs upon the cessation of employment. For further details on these provisions please refer to Choice Properties' management proxy circular available at www.sedar.com.

Eligibility for New RU Plan awards is generally based on a participant's performance achievement in the year to which the award applies. Other factors that determine the value of New RU Plan awards include: the aggregate compensation amount for an executive, the target pay mix or target percentage of base salary and the market compensation for similar positions.

The table below sets out the New RUs granted under the New RU Plan to Mr. Johnson in respect of 2018 as well as the restricted units granted to Mr. Johnson on April 26, 2018 by CREIT under its restricted unit plan. The value of the New RUs and awards under CREIT's

restricted unit plan, as presented below, are based on the market value of Trust Units or CREIT trust units, as applicable, and does not reflect the fair value of the restricted Trust Units, which is lower than the market value, since the restricted Trust Units are not freely tradeable.

Name	New RUs Granted (#)	Grant Date	Grant Value Per New RU	Grant Date Fair Value ($)	Vesting Schedule	Date no longer subject to disposition restrictions
Stephen E. Johnson	13,037	April 26, 2018	50.55	659,240 (2)	1/3 on grant anniversary in each of 2021, 2022 and 2023	April 26, 2025
	294,673	September 28, 2018	12.36	3,642,158	1/3 on grant anniversary in each of 2021, 2022 and 2023	September 28, 2025

(1) *Grant value per New RU for the New RUs granted to Mr. Johnson on April 26, 2018 reflects the volume weighted average trading price of the CREIT trust units on the TSX for the five trading days immediately preceding the date of the award; the targeted grant value was $662,890 based on a 5-day volume-weighted average price of the CREIT units of $50.83. The grant value per New RU for the New RUs granted September 28, 2018 reflects the volume weighted average trading price of the Trust Units on the TSX for the five trading days immediately preceding the date of the award; the targeted grant value for Mr. Johnson was $3,315,000, based on the May 3, 2018 closing price of the Trust Units of $11.25.*

(2) *The grant of 19,556 restricted units of CREIT awarded to Mr. Johnson on April 26, 2018 included 13,037 CREIT restricted units representing Mr. Johnson's pre-CREIT Acquisition pro-rated LTIP award. Mr. Johnson also received a residual cash payment of $203 in respect of the LTIP award. Not included in the table is an award of 162,000 New RUs granted to Mr. Johnson on December 24, 2018 with a grant date fair value of $1,908,360 which did not form part of Mr. Johnson's 2018 compensation, but represented a liability assumed by the Trust on the close of the CREIT Acquisition in respect of a payout of certain benefits accrued by Mr. Johnson prior to the CREIT Acquisition.*

OTHER COMPENSATION MATTERS AND THEIR APPLICATION TO EACH NEO, AS APPLICABLE

Long-Term Incentive Plan Clawback

All LTIP grants by the Corporation include a clawback provision stating that if an executive accepts employment with a competitor of the Corporation (or Loblaw) 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. Loblaw LTIP awards to its executives also include this provision.

Securities Authorized for Issuance under Equity Compensation Plans as of December 31, 2018

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	1,545,080	$90.79	3,862,587
Equity Compensation Plans Not Approved by Securityholders	N/A	N/A	N/A
Total	**1,545,080**	**$90.79**	**3,862,587**

RETIREMENT AND PENSION ARRANGEMENTS

The retirement and pension arrangements of the Corporation, Loblaw and SDM are designed to provide a reasonable level of retirement income to executives. Senior executives of the Corporation and of Loblaw (other than Mr. Weston and Mr. Motz) participate in either the Corporation's or Loblaw's executive defined benefit registered pension plan (the "Executive DB Plan") or executive defined contribution registered pension plan (the "Executive DC Plan"). Certain senior management of SDM, including Mr. Motz, are provided retirement arrangements through participation 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 Pension Plan") (closed in 2014). Mr. Weston does not participate in any of the Corporation's or Loblaw's pension plans.

All new executives join the Executive DC Plan of the Corporation or of Loblaw as the case may be. In addition, senior executives of the Corporation and Loblaw whose pensionable earnings exceed prescribed levels participate in a non-contributory SERP.

Choice Properties is a participating employer in the Loblaw and Weston retirement arrangements and, accordingly, senior executives participate in the Executive DC Plan or the Vice President defined contribution pension plan (the "VP DC Plan"). Certain pre-CREIT Acquisition CREIT executives, including Mr. Johnson, participate in the defined contribution registered pension plan for CREIT ("RPP"). In addition, certain senior executives of the Trust whose pensionable earnings exceed prescribed levels participate in a non-contributory SERP. Under Mr. Johnson's contractual arrangements, he is not eligible to participate in the SERP.

The details of these retirement and pension arrangements are set out in the section "Pension Plan and Long Service Executive Arrangements" on page 78.

EXECUTIVE BENEFIT PLANS

The Corporation, Loblaw and Choice Properties, as participating employers in Weston's executive benefit program, provide their respective NEOs with designated health, dental, disability and insurance coverage through executive benefit plans paid for by the Corporation, Loblaw and Choice Properties, respectively.

PERQUISITES

NEOs receive a limited number of perquisites. For the NEOs of the Corporation, Loblaw and Choice Properties, these include the use of a car or car allowance, an annual medical examination and a discretionary health care spending account, and, for the NEOs of the Corporation and Loblaw, the right to participate in the employee share ownership plan. Under Mr. Johnson's contractual arrangements, he is not eligible to participate in the Trust's employee unit purchase plan.

EXECUTIVE SHARE OWNERSHIP GUIDELINES

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

Under the Guidelines, Common Shares, DSUs, 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 Guidelines apply to every executive at the senior vice president level and higher. Senior executives of the Corporation, Loblaw or Choice Properties may include their eligible holdings in all of these entities to satisfy the Guidelines.

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

Chief Executive Officer	5x base salary
President	3x base salary
Executive Vice Presidents	2x base salary
Senior Vice Presidents	0.5x base salary

Executives are expected to attain the required ownership level within five years of their appointment. The Chief Executive Officer and the President are subject to post-employment hold periods which require them to maintain their share ownership levels for one year following the end of their employment.

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

The dollar values of each NEO's eligible equity-based holdings, based on the market value as at March 14, 2019 of $91.77, are set forth in the following table:

	Ownership Requirement		Value of Eligible Equity-Based Holdings			Value of Ineligible Equity-Based Holdings			
Name	($)	Multiple of Salary	Common Shares ($)	Vested In-the-Money Stock Options ($)	Eligible Total ($)	RSUs ($)	PSUs [1] ($)	Unvested In-the-Money Stock Options ($)	Ineligible Total ($)
Galen G. Weston [2]	6,000,000	5	59,122,936	8,606,723	67,729,659	3,991,603	5,764,600	2,445,755	12,201,958
Richard Dufresne [3]	2,700,000	3	804,048	1,446,623	2,250,671	1,445,837	2,775,584	467,524	4,688,945
Sarah R. Davis [4]	3,000,000	3	689,106	3,245,209	3,934,315	4,556,505	3,416,824	1,740,819	9,714,148
Michael Motz [4]	1,640,000	2	3,130,101	280,189	3,410,290	3,404,049	1,581,893	1,457,229	6,443,171
			Trust Units, Unrestricted ($)	Trust Units, Restricted ($)					
Stephen Johnson [5]	n/a	3	34,708,709	9,679,570	44,388,279	-	-	-	-

(1) The value of PSU awards assumes vesting at 100% of target.
(2) Mr. Weston is also subject to Loblaw's Executive Share Ownership Guidelines. His Loblaw equity-based holdings are included in the table based on their value on March 14, 2019 at $65.01, being the price on the TSX of a Loblaw common share on that date.
(3) Mr. Dufresne has until 2022 to satisfy the Executive Share Ownership Guidelines. Pursuant to the Executive Share Ownership Guidelines, Mr. Dufresne's Loblaw holdings count towards his minimum equity ownership in the Corporation. His Loblaw equity-based holdings are included in the table based on their value on March 14, 2019 at $65.01, being the price on the TSX of a Loblaw common share on that date.
(4) Ms. Davis and Mr. Motz are subject to Loblaw's Executive Share Ownership Guidelines. Their Loblaw equity-based holdings are set forth in the table based on their value on March 14, 2019 at $65.01, being the price on the TSX of a Loblaw common share on that date.
(5) Mr. Johnson is subject to Choice Properties' Executive Unit Ownership Guidelines. His eligible Choice Properties equity-based holdings are set forth in the table based on the market value of freely tradeable Trust Units on March 14, 2019 at $13.48, being the price on the TSX of a Choice Properties Trust Unit on that date. As discussed in the section "Choice Properties NEO: Stephen Johnson", Mr. Johnson's post-CREIT Acquisition compensation was set in the aggregate, with no identified allocation for base salary.

For a description of the Loblaw Executive Share Ownership Guidelines in respect of Ms. Davis and Messrs. Weston and Motz, please refer to Loblaw's management proxy circular available at www.sedar.com.

For a description of the Choice Properties Executive Unit Ownership Guidelines in respect of Mr. Johnson, please refer to Choice Properties' management proxy circular available at www.sedar.com.

2018 COMPENSATION DECISIONS REGARDING THE NAMED EXECUTIVE OFFICERS

The following outlines the rationale underlying the compensation decisions for each of the Corporation's NEOs for 2018.

Galen G. Weston, Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw

Mr. Weston's aggregate base salary from Weston and Loblaw was set at $1,180,000 in 2017 and did not change in 2018. As Chief Executive Officer of both Weston and Loblaw, the cost of Mr. Weston's 2018 base salary and LTIP, which remained at 400% of his base salary, was split equally between Weston and Loblaw. Mr. Weston's annual target STIP remained at 150%. 50% of Mr. Weston's base salary was subject to the Weston STIP and 50% was subject to the Loblaw STIP. Mr. Weston's annual Loblaw LTIP grant for 2018 had an aggregate grant date fair value of $2,360,007, comprised of 88,390 stock options, 11,885 RSUs and 11,885 PSUs. Mr. Weston's annual LTIP grant from Weston for 2018 had an aggregate grant date fair value of $2,360,076, comprised of 57,463 stock options, 7,506 RSUs and 7,506 PSUs. As discussed in the section "Individual STIP Components for the Corporation and Loblaw", the Governance Committees of both the Corporation and Loblaw awarded Mr. Weston an individual performance component of his STIP award of $667,290.

Richard Dufresne, President and Chief Financial Officer of the Corporation

On January 1, 2018, Mr. Dufresne was appointed to the role of President and Chief Financial Officer of the Corporation. Recognizing Mr. Dufresne's increased responsibilities as President, he received a base salary increase from $800,000 to $900,000. Mr. Dufresne's STIP target remained at 125% of his base salary and his LTIP target increased from 275% to 300% of his base salary.

Mr. Dufresne's LTIP grants from the Corporation for 2018 had an aggregate grant date fair value of approximately $2,700,000, comprised of 65,741 stock options, 8,587 RSUs and 8,587 PSUs. In addition, as discussed in the section "Individual STIP Components for the Corporation and Loblaw", the Governance Committee awarded Mr. Dufresne an individual performance component of his STIP award of $360,000.

Sarah R. Davis, President of Loblaw

Ms. Davis' compensation arrangements were set in 2017 when she was appointed President of Loblaw and did not change in 2018. Ms. Davis' base salary was $900,000 and her STIP and LTIP targets were 125% and 300%, respectively, of her base salary. For 2018, Ms. Davis received an annual LTIP award comprised of 101,124 stock options, 13,597 RSUs and 13,597 PSUs, with an aggregate grant date fair value of $2,699,974. Ms. Davis also received a special one-time grant of 14,613 RSUs with a grant date fair value of $999,968 to reward her leadership and in recognition of the increase in the scope of her role. This one-time grant was made to Ms. Davis to recognize that her compensation was otherwise significantly below the market median, however she had quickly exceeded expectations in her role as President. As such, this one-time grant was warranted to align Ms. Davis' compensation with long-term value creation for shareholders. In addition, as discussed in the section "Individual STIP Components" of the Loblaw Circular, available at www.sedar.com, the Loblaw Governance Committee awarded Ms. Davis $488,250 for the 25% individual performance component of her 2018 STIP award.

Stephen E. Johnson, President and Chief Executive Officer of Choice Properties

Mr. Johnson's pre-CREIT Acquisition base salary for 2018 was $780,500, with STIP and LTIP targets of 125% and 250% of base salary, respectively. On April 26, 2018, Mr. Johnson received an award of restricted units under CREIT's restricted unit plan, which is substantially the same as the New RU Plan, comprised of 19,556 restricted units of CREIT, with an aggregate grant date fair value of $988,556, of which approximately 1/3 represented a STIP payout at target for the pre-CREIT Acquisition period from January 1 to May 3, 2018 (based on Mr. Johnson's target STIP and base salary at that time) and approximately 2/3 represented a 2018 LTIP award prorated for the pre-CREIT Acquisition period from January 1 to May 3, 2018 (based on Mr. Johnson's target LTIP at that time). On close of the CREIT Acquisition, the 19,556 restricted units of CREIT awarded on April 26, 2018 were exchanged for 83,768 New RUs of the Trust.

The Trust entered into a new employment agreement with Mr. Johnson following the CREIT Acquisition. In setting Mr. Johnson's remuneration, the Choice Properties Governance Committee considered his compensation package holistically. The Choice Properties Governance Committee thus determined that Mr. Johnson's compensation would be comprised of an aggregate dollar amount, rather than be constituted of separate base salary, STIP and LTIP components. The new contract stipulated that Mr. Johnson's base salary for the period from May 4 to December 31, 2018 would be $1.00, and that he would not be entitled to participate in the Trust's STIP program for the balance of 2018 or 2019, but would instead receive an award of New RUs representing his compensation package for the 2018 post-CREIT Acquisition period of May 4 to December 31, 2018. The total compensation was awarded as New RUs to align Mr. Johnson's interests with those of the Unitholders. Mr. Johnson was awarded this long-term incentive grant of 294,673 New RUs in September 2018. In accordance with arrangements put in place prior to the close of the CREIT Acquisition, the number of New RUs was determined with reference to a targeted grant value of approximately $3,315,000 as based on the closing trading price of the Trust Units on the TSX on May 3, 2018. The grant date fair value for the September 28, 2018 grant date was $3,642,158. Mr. Johnson's arrangements also provided that he would be eligible to receive a one-time award with a target value of $500,000, based on his performance from the completion date of the CREIT Acquisition to December 31, 2018. In early 2019 the Choice Properties Governance Committee evaluated Mr. Johnson's post-CREIT Acquisition performance and awarded Mr. Johnson a one-time award of $550,000, representing 110% of the target value of the $500,000 award. Mr. Johnson elected to take the award in the form of a cash payment.

Michael Motz, Chief Operating Officer of Loblaw

Mr. Motz's compensation arrangements were set upon his appointment as Chief Operating Officer of Loblaw in January 2018. In recognition of the elevation of Mr. Motz's position in Loblaw's new organizational structure, Mr. Motz received a base salary increase from $800,000 to $820,000 and his STIP and LTIP targets were increased to 125% and 300% of his base salary, respectively. In consideration of his new role, changes were also made to Mr. Motz's pension plan service accruals to allow for full retirement benefits in certain circumstances. For 2018, Mr. Motz received an annual LTIP grant comprised of 92,135 stock options, 12,389 RSUs and 12,389 PSUs, with an aggregate grant date fair value of $2,460,058. In addition, as discussed in the section "Individual STIP Components", of the Loblaw Circular available at www.sedar.com, the Loblaw Governance Committee awarded Mr. Motz $278,031 for the 25% individual performance component of his 2018 STIP award. Mr. Motz tendered his resignation as an officer of the Corporation in January 2019, effective April 2019.

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 a NEO would receive upon termination of employment can only be determined at the time he or she 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 prorated to the termination date	No payment	Bonus for the applicable year is prorated to the retirement date	Bonus for the applicable year is prorated to the retirement date	Governance Committee discretion to grant or adjust bonus
Medium-Term Incentive Plan	Units forfeited at time of notice of resignation	Value of units paid out on a pro rata basis	All outstanding units are forfeited	Value of units will vest until the end of the term of the grant and pay out in the normal course	Grant value paid out on a pro rata basis	Governance Committee discretion to adjust grant or payout of current value
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 prorated basis (at target level) for units granted at least 12 months prior to 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 prorated basis	Governance Committee discretion to adjust grant
New Restricted Unit Plan	Unvested units forfeited upon the last day of active employment	Unvested units which would have vested within 24 months from date of termination will vest and the balance will be forfeited	Unvested units forfeited upon the last day of active employment	Not applicable	Unvested RUs will continue to vest and pay out in the normal course	Unvested RUs will immediately vest
Performance Share Unit Plan	Units forfeited upon the last day of active employment	Value of units paid out on a prorated basis (at target level) for units granted at least 12 months prior to 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 prorated basis	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) The Corporation's plans were amended in 2016 to provide for certain benefits upon an executive's retirement at age 55 with at least 10 years of service. The plans were also amended for executives who die or become disabled, to allow for their RSUs and PSUs to 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, 2018.

Galen G. Weston, Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw

Mr. Weston is not contractually entitled to severance, termination or change of control payments other than applicable incentives and share based payments as provided for under the terms of the STIP and the LTIP. Upon termination, Mr. Weston would be subject to certain non-competition and confidentiality undertakings.

Richard Dufresne, President and Chief Financial Officer of the Corporation

If Mr. Dufresne's employment is terminated without cause, he would be entitled to receive: (a) his salary and car allowance for up to 18 months plus one additional month for every completed year of service from the effective date of his most recent employment agreement up to a maximum of 24 months (the "Salary Continuance Period"), (b) his target STIP bonus for the Salary Continuance Period, (c) his health care and dental benefits, participation in the employee/family assistance program and pension accrual for the Salary Continuance Period, and (d) applicable incentive and share based payments as provided for under the terms of the LTIP. Upon termination, Mr. Dufresne would be subject to certain non-competition and confidentiality undertakings.

Sarah R. Davis, President of Loblaw

If Ms. Davis' employment is terminated without cause, she would be entitled to receive: (a) her salary and car allowance for the Salary Continuance Period, (b) her target STIP bonus for the Salary Continuance Period, (c) her health care and dental benefits, participation in the employee/family assistance program and pension accrual for the Salary Continuance Period, and (d) applicable incentive and share based payments as provided for under the terms of the LTIP. Upon termination, Ms. Davis would be subject to certain non-competition and confidentiality undertakings.

Stephen E. Johnson, President and Chief Executive Officer of Choice Properties

Mr. Johnson announced his resignation from the Trust in February 2019, effective May 1, 2019. Pursuant to the terms of his retirement agreement, Mr. Johnson's unvested New RUs will continue to vest in the normal course. Upon his retirement, Mr. Johnson would be subject to certain non-competition and confidentiality undertakings.

Michael Motz, Chief Operating Officer of Loblaw

Mr. Motz announced his resignation from Loblaw in January 2019, effective April 2019. Mr. Motz's 2016 RSU and PSU grants vested in the normal course. Any additional outstanding RSUs and PSUs held by Mr. Motz will be forfeited upon his departure.

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 31, 2018 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 ($)** [3]	**Total ($)**
Galen G. Weston	Termination with cause	—	—	—	—	—	—	—	—
Chairman and CEO of the Corporation and Loblaw	Termination without cause	—	—	—	—	—	—	—	—
	Resignation	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—
Richard Dufresne	Termination with cause	—	—	—	—	—	—	—	—
President and Chief Financial Officer of the Corporation	Termination without cause	1,425,000 [4]	1,781,250 [5]	91,800 [6]	33,250 [7]	—	—	—	3,331,300
	Resignation	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—
Sarah R. Davis	Termination with cause	—	—	—	—	—	—	—	—
President of Loblaw	Termination without cause	1,425,000 [4]	1,781,250 [5]	99,717 [6]	33,820 [7]	—	—	—	3,339,787
	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 prorated 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) Calculated based on 18 months salary plus one additional month for completed years of service, which amounts to 19 months.

(5) Annual bonus is valued at target level.

(6) Includes benefits and pension accrual for 19 months as per the terms of the employment agreement.

(7) Includes annual car allowance for 19 months.

COMPENSATION DECISIONS FOR 2019

INTRODUCTION

Galen G. Weston, Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw

In 2018, the Boards of both the Corporation and Loblaw engaged Meridian to review and benchmark Mr. Weston's compensation relative to the Weston and Loblaw compensation comparator groups. Mr. Weston's compensation as Chairman and Chief Executive Officer was last reviewed in 2016, with a limited salary increase effective January 1, 2017. The results of the 2018 review suggested that Mr. Weston's total direct compensation was below the market median and the Corporation's and Loblaw's compensation policy objectives.

Recognizing Mr. Weston's unique position as Chair of the Board and Chief Executive Officer for Weston and Executive Chairman (effective January 1, 2019) for Loblaw, and to further reflect the complexity of managing these multiple roles, Mr. Weston received an aggregate base salary increase from $1,180,000 to $1,200,000, effective January 1, 2019. For purposes of his annual LTIP determination, Mr. Weston's LTIP target increased from 400% to 500% of his base salary. Effective January 1, 2019, the cost of Mr. Weston's base salary and LTIP is paid 40% by Loblaw and 60% by Weston. Each of Loblaw and Weston will determine and fund its respective share of Mr. Weston's STIP. 60% of Mr. Weston's base salary is subject to the Weston STIP and 40% is subject to the Loblaw STIP.

Sarah R. Davis, President of Loblaw

In 2018, the Loblaw Board engaged Meridian to review and benchmark Ms. Davis' compensation relative to the Loblaw compensation comparator group. Ms. Davis' compensation was last reviewed in connection with her appointment to the role of President of Loblaw in January 2017. The results of the 2018 review suggested that Ms. Davis' total direct compensation was below the market median and Loblaw's compensation policy objective.

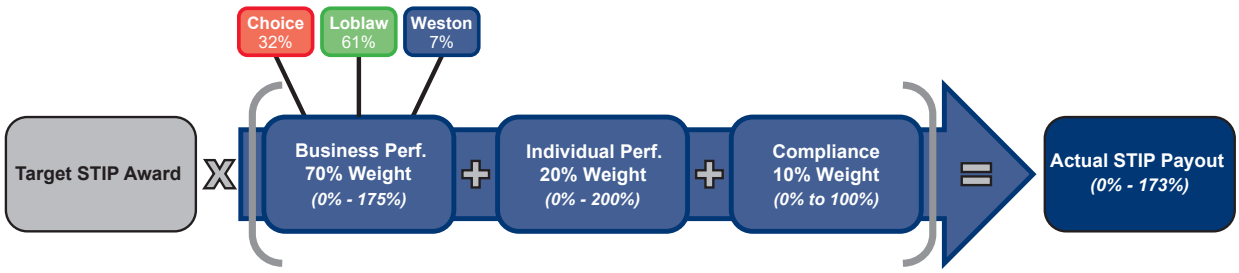
Ms. Davis' compensation arrangements for her role as President of Loblaw were first set in 2017 when she was promoted to President. As set forth on page 66 to recognize her strong performance as President, Ms. Davis was awarded a one-time grant of 14,613 RSUs on September 12, 2018 with a grant date value of $999,968. Apart from this additional one-time award, Ms. Davis' compensation arrangements did not change in 2018. To reflect Ms. Davis' increasing responsibilities as President of Loblaw and her key leadership position, the Loblaw Governance Committee amended the terms of Ms. Davis' compensation arrangements to take effect on January 1, 2019. On that date, Ms. Davis' base salary increased from $900,000 to $1,000,000, her STIP target for purposes of the annual STIP determination increased from 125% to 150% of her base salary, and her target annual LTIP grant as a percentage of her base salary increased from 300% to 400%.

Stephen E. Johnson, President and Chief Executive Officer of Choice Properties

On February 13, 2019, the Trust announced that Mr. Johnson would retire from the Trust effective May 1, 2019, at which time he would become an advisor to the Trust for a period of twelve months until May 1, 2020. Prior to the announcement, the Governance Committee had approved a target total compensation value for Mr. Johnson for 2019 of $5,500,000, comprised of New RUs and PUs, in addition to certain other ancillary amounts. In light of the retirement announcement, the Governance Committee determined that Mr. Johnson would be entitled to a pro-rated amount of $1,834,000 for the period between January 1, 2019 to May 1, 2019, payable in cash or as an award of New RUs, at Mr. Johnson's election. Mr. Johnson elected to receive the amount in the form of a cash payment. The Trust entered into a consulting agreement with Mr. Johnson in February 2019, pursuant to which Mr. Johnson would be entitled to a payment of $83,334 per month commencing on May 1, 2019, and until the end of Mr. Johnson's term as an advisor.

2019 WESTON SHORT-TERM INCENTIVE PLAN

In 2019, the Corporation's STIP awards will be determined using the following formula.



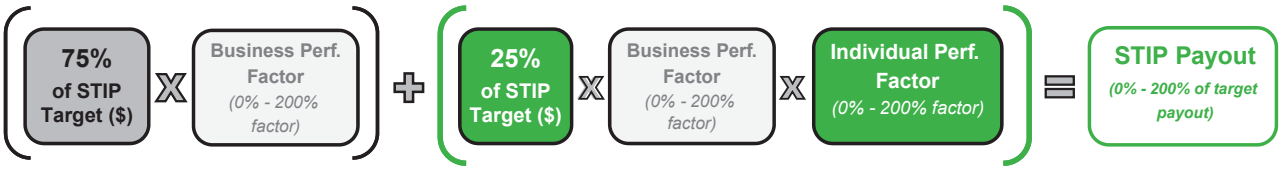
Business performance will continue to make up 70% of overall STIP payout, measured as a weighted average of the Loblaw, Weston Foods and Choice Properties STIP payouts, weighted at 61%, 7% and 32%, respectively, with the weightings reflecting each entity's contribution to the value of the Corporation's market capitalization. Consistent with its ongoing commitment to legal and regulatory

compliance, the Corporation will continue to include a compliance measure in its STIP targets for 2019 as the compliance initiatives are factored into the operational best practices of the businesses.

2019 LOBLAW SHORT-TERM INCENTIVE PLAN

The Loblaw Governance Committee has approved the performance measures and weightings for the 2019 STIP as set out below. Consistent with its ongoing commitment to legal and regulatory compliance, Loblaw will continue to include a compliance measure in its STIP targets for 2019 as the compliance initiatives are synthesized into Loblaw's operational best practices.

For 2019 Loblaw will introduce a customer satisfaction index, Overall Satisfaction ("OSAT"), to replace the previous NPS/CSI measures.



Loblaw STIP - 2019 Business Performance Measures

Consolidated Sales (35%)	Consolidated Earnings (35%)	Compliance (10%)	Operating Leverage (10%)	Consolidated OSAT [1] (10%)

(1) OSAT refers to Loblaw's new customer satisfaction index, Overall Satisfaction.

2019 LONG-TERM INCENTIVE PLAN

For 2019, the Governance Committee approved a change to the composition of the Corporation's LTIP awards such that the annual LTIP grants for its NEOs would be comprised of 1/2 stock options and 1/2 PSUs, with no personal performance component applicable to the PSUs in 2019 and going forward, thus making the target value of an LTIP award 50% contingent on performance, measured by the return on capital achieved by the Corporation. The 2019 LTIPs will thus balance the use of stock options, which align an executive's interest with shareholders in share price appreciation; and PSUs, which focus executives on the delivery of key objectives set forth in the strategic plan.

2019 Long-Term Incentive Plan Grants

In March 2019, the Governance Committee approved LTIP awards to Messrs. Weston and Dufresne as set out below. These annual LTIP grants were comprised of equal grants (by grant value) of stock options and PSUs and were awarded on March 5, 2019. As noted, in 2019, Mr. Weston's LTIP compensation arrangements will be allocated 60% to the Corporation and 40% to Loblaw.

Name	Grant Date Fair Value ($)[1]	Stock Options (#)[2]	PSUs (#)
Galen G. Weston	3,600,043	145,867	19,320
Richard Dufresne	2,700,029	109,400	14,490

(1) These amounts reflect the grant date fair value of the options 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 PSUs is calculated in the following manner: PSU Value = Number of PSUs Granted x the greater of the volume-weighted average share price for the one or five trading days preceding the grant date, which was $93.17 as of March 5, 2019. The grant date fair value of a PSU award assumes vesting at 100% of target.

(2) The exercise price of the stock options is $93.17 for the Corporation.

In February 2019, the Loblaw Governance Committee approved LTIP awards to the Loblaw 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 28, 2019. As noted, in 2019, the cost of Mr. Weston's LTIP compensation arrangements will be allocated 60% to the Corporation and 40% to Loblaw.

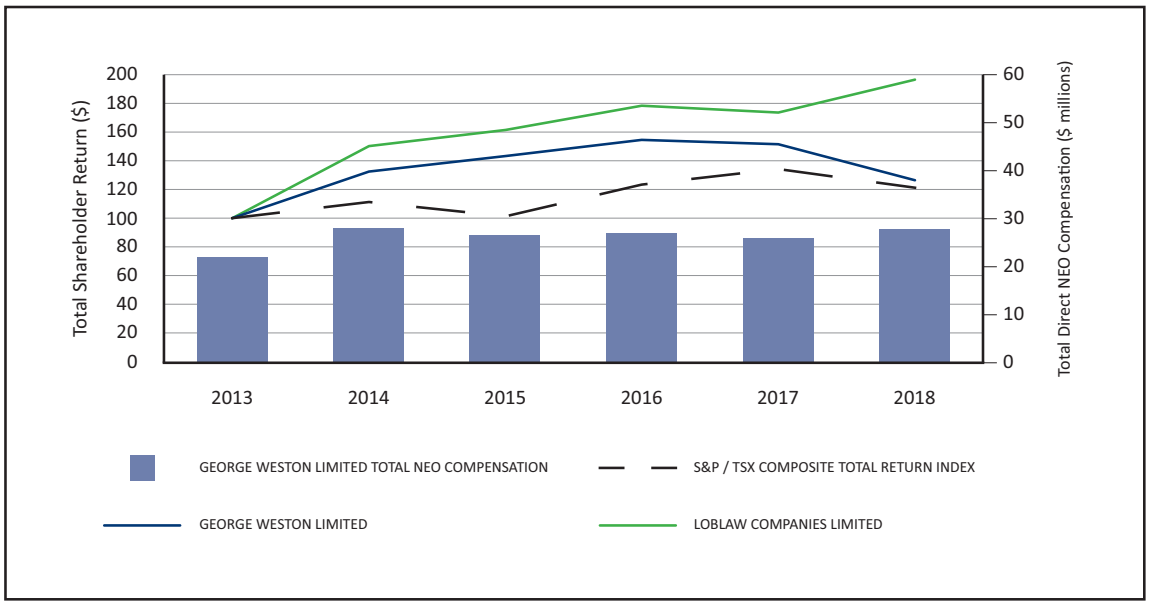
Name	Grant Date Fair Value ($)[1]	Stock Options (#)[2]	RSUs (#)	PSUs (#)
Galen G. Weston	2,399,949	82,136	12,204	12,204
Sarah R. Davis	4,000,044	136,893	20,341	20,341

(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 for the one or five trading days preceding the grant date, which was $65.55 as of February 28, 2019. The grant date fair value of a PSU award assumes vesting at 100% of target.

(2) The exercise price of the stock options is $65.55.

PERFORMANCE GRAPH

The graph below compares the cumulative total shareholder return on $100 invested in Common Shares and Loblaw common shares on December 31, 2013, 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

	2013	2014	2015	2016	2017	2018
S&P / TSX COMPOSITE TOTAL RETURN INDEX	$ 100	$ 111	$ 101	$ 123	$ 134	$ 121
GEORGE WESTON LIMITED	$ 100	$ 132	$ 143	$ 154	$ 151	$ 126
LOBLAW COMPANIES LIMITED	$ 100	$ 150	$ 161	$ 178	$ 173	$ 196

Total Direct NEO Compensation

	2013	2014	2015	2016	2017	2018
TOTAL DIRECT NEO COMPENSATION ($ millions)	$22.0	$28.1	$26.7	$27.1	$26.1	$29.0

For the five-year period ended December 31, 2018, the Corporation's and Loblaw's total shareholder return, as shown above, out-performed the S&P/TSX Composite Total Return Index. During the period, the total cumulative shareholder return for $100 invested in Common Shares was $126 as compared to $121 for the S&P/TSX Composite Total Return Index. The Corporation's and Loblaw's total shareholder return was positively affected by key strategic initiatives, including the creation of Choice Properties, Loblaw's acquisition of SDM, the CREIT Acquisition and the Reorganization.

Both the Corporation's total shareholder return and total compensation for the Corporation's NEOs have trended upwards over the five fiscal years ended December 31, 2018. However, there have been year-over-year fluctuations in the reported total compensation primarily as a result of one-time payments for incoming and departing NEOs and the resulting changes in the constitution of the NEO group. Over this period, the mix of NEO compensation has also changed such that equity-based incentives (LTIP awards) account for approximately 62% of all NEO compensation in 2018.

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 are 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 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 NEOs in 2018 ranged from 81.0% to 94.7% of the NEOs' total target compensation.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by the NEOs during fiscal years 2018, 2017 and 2016, as applicable:

Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)[1]	Option-Based Awards ($)[2]	Non-Equity Incentive Plan Compensation: Annual Incentive Plans ($)	Non-Equity Incentive Plan Compensation: Long-Term Incentive Plans ($)	Pension Value ($)	All Other Compensation ($)[3]	Total Compensation ($)
Galen G. Weston	2018	1,180,000 [4]	3,146,744 [5]	1,573,339 [5]	1,963,063 [6]	—	—[7]	65,409	7,928,555 [8]
Chairman and CEO of the Corporation	2017	1,180,000	3,146,550	1,573,339	—	—	—[7]	116,881	6,016,770
	2016	1,100,000	2,933,398	1,466,662	1,856,250	—	—[7]	184,846	7,541,156
Richard Dufresne	2018	900,000	1,800,006	899,994	1,091,700	—	37,500	76,905	4,806,105
President and Chief Financial Officer	2017	737,500 [9]	1,216,458 [10]	608,343 [10]	—	—	41,000	74,118	2,677,419 [12]
	2016	650,000 [9]	866,666 [10]	433,334 [10]	664,674 [11]	—	38,000	56,221	2,708,895 [12]
Sarah R. Davis	2018	900,000	2,799,938	900,004	1,403,719	—	42,500	58,884	6,105,045
President of Loblaw	2017	888,782	1,799,956	899,996	—	—	38,000	73,975	3,700,709
	2016	650,000	866,714	433,336	674,375	—	38,000	58,208	2,720,633
Stephen Johnson	2018	269,173 [13]	4,301,398 [13]	—	329,620 [13]	—	16,200	574,038 [13]	5,490,429 [13]
President and Chief Executive Officer of Choice Properties	2017	765,000 [13]	2,053,495 [13]	—	922,500 [13]	—	26,200	39,259 [13]	3,806,454 [13]
	2016	750,000 [13]	1,825,000 [13]	—	1,025,000 [13]	—	17,340	41,582 [13]	3,658,922 [13]
Michael Motz	2018	820,000	1,640,056	820,002	1,112,125	—	242,000	57,474	4,691,657
Chief Operating Officer of Loblaw	2017	778,462	2,666,694	533,335	669,375	—	205,000	25,109	4,877,975
	2016	800,000	1,066,640	533,338	960,000	—	249,000	28,963	3,637,941

(1) *Amounts represent the grant date fair value of RSUs and PSUs awarded to the Weston and Loblaw NEOs, and RUs awarded to the Choice Properties NEO, calculated in the following manner:*

Weston and Loblaw RSUs and PSUs: 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 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 except that for accounting purposes the calculation of the grant date fair value of an RSU or PSU also reflects the deduction of the net present value of the dividends over the term of the RSU or PSU. The grant date fair value of a PSU award assumes vesting at 100% of target. Dividends or equivalents of dividends, if any, earned subsequent to a grant date are not included in the values reflected in the table. The number of PSUs that may vest will range between 0% and 200% of the number granted.

Choice Properties New RUs: New RU Grant Date Value = the number of New RUs granted (whether granted before or subsequent to the CREIT Acquisition) x the volume weighted average unit price (of the CREIT units or the Trust Units, as applicable) on the TSX for the five trading days preceding or subsequent to the grant date or price on the grant date, except that for the grant listed for 2017 for Mr. Johnson in respect of his 2017 LTIP, New RU Grant Date Value = the number of New RUs granted x the volume weighted average unit price of the CREIT Units on the TSX for the month of December, 2017.

(2) *These amounts reflect the grant date fair value of the Weston and Loblaw stock 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 30 to the Corporation's annual audited consolidated financial statements for the year ended December 31, 2018, 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	Issuer	Applicable NEO Optionholder(s)
March 10, 2016	Lower by $3.38	Weston	R. Dufresne
March 9, 2017	Lower by $1.94	Weston	G. Weston, R. Dufresne
August 4, 2017	Lower by $0.70	Weston	R. Dufresne
March 9, 2018	Higher by $1.28	Weston	G. Weston, R. Dufresne
March 3, 2016	Lower by $1.29	Loblaw	G. Weston, S. Davis, M. Motz, R. Dufresne
March 2, 2017	Lower by $0.15	Loblaw	G. Weston, S. Davis, M. Motz, R. Dufresne
August 2, 2017	Higher by $0.07	Loblaw	R. Dufresne
March 1, 2018	Higher by $0.41	Loblaw	G. Weston, S. Davis, M. Motz

(3) *Other than as described for Mr. Johnson below, amounts under All Other Compensation include the value of (i) perquisites; (ii) payments made by the Corporation and Loblaw under their respective employee share ownership plans.*

(4) In 2018, Mr. Weston's actual base salary was split equally between Loblaw and Weston, with each company paying $590,000.

(5) The cost of Mr. Weston's annual LTIP grant is split equally between Loblaw and Weston. Mr. Weston's annual LTIP grant from Loblaw in 2018 had an aggregate grant date value of $2,360,007. Mr. Weston's annual LTIP grant from the Corporation in 2018 had an aggregate grant date value of $2,360,076.

(6) Mr. Weston's base salary is paid equally by the Corporation and Loblaw, with each applicable half thereof being subject to the Corporation's STIP and Loblaw's STIP, 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) The cost of Mr. Weston's total compensation amount was apportioned between the Corporation and Loblaw, as described in footnotes 4, 5 and 6. In 2018, Loblaw paid $4,086,746 of Mr. Weston's total compensation amount.

(9) In 2016, Mr. Dufresne's actual base salary amount was $650,000, of which Loblaw paid $585,000. In 2017, Mr. Dufresne's actual base salary amount was $737,500 of which Loblaw paid $663,750.

(10) Prior to January 2018, the cost of Mr. Dufresne's LTIP grants was apportioned between Loblaw (70%) and the Corporation (30%). Mr. Dufresne's LTIP grant from Loblaw in 2017 had an aggregate grant date value of $1,277,422. Mr. Dufresne's LTIP grant from the Corporation in 2017 had an aggregate grant date value of $2,700,000. Mr. Dufresne's annual LTIP grant from Weston in 2016 had an aggregate grant date value of $389,992. Mr. Dufresne's annual LTIP grant from Loblaw in 2016 had an aggregate grant date value of $910,008.

(11) Prior to January 2018, Mr. Dufresne's base salary was paid 10% by the Corporation and 90% by Loblaw, with the applicable portion thereof being subject to the Corporation's STIP and Loblaw's STIP, respectively. In 2016, Loblaw paid $598,207 toward Mr. Dufresne's STIP payment.

(12) The cost of Mr. Dufresne's total compensation amount was apportioned between the Corporation and Loblaw, as described in footnotes 10, 11 and 12. In 2016 and 2017 Loblaw paid $2,178,006 and $2,044,778, respectively, of Mr. Dufresne's total compensation amount.

(13) Mr. Johnson elected to receive the value in respect of his STIP for the 2018 pre-CREIT Acquisition period from January 1 to May 4, 2018 as an award of CREIT units. Mr. Johnson's 2018 Trust Unit-based awards include: (1) a portion of an award of 19,556 CREIT units with a grant date fair value of $659,037, granted by Mr. Johnson's pre-CREIT Acquisition employer, CREIT, on April 26, 2018 ($50.55) in respect of Mr. Johnson's LTIP for the 2018 pre-CREIT Acquisition period from January 1 to May 4, 2018; (2) an award of 294,673 New RUs with a grant date fair value of $3,642,158, granted on September 28, 2018 ($12.36), which represented Mr. Johnson's base salary, STIP and LTIP from May 5, 2018 to December 31, 2018; and (3) a residual cash payment of $203 in respect of the LTIP award. Excluded from Mr. Johnson's 2018 Trust Unit-Based Awards is an award of 162,000 New RUs with a grant date fair value of $1,908,360, on December 24, 2018 ($11.78) representing benefits accrued prior to the CREIT Acquisition and assumed by the Trust on the close of the CREIT Acquisition. Mr. Johnson's 2017 Trust Unit-based awards includes an award of 41,468 CREIT restricted units granted by Mr. Johnson's pre-CREIT Acquisition employer, CREIT, on February 22, 2018 in respect of Mr. Johnson's 2017 LTIP, with a targeted grant value of $1,912,500 based on a volume-weighted average price of the CREIT units for December 1 to 31, 2017 of $46.12, and a grant date fair value of $2,053,495, based on a price of $49.52 at the date of grant.

Mr. Johnson's 2016 awards are as set out in the CREIT management information circular dated March 29, 2017, available at www.sedar.com.

2016 and 2017 compensation for Mr. Johnson reflects compensation paid by CREIT, his employer prior to the CREIT Acquisition. Mr. Johnson's base salary from January 1 to May 4, 2018 was paid by CREIT.

Amounts under All Other Compensation for Mr. Johnson include the value of perquisites and a one-time cash payment of $550,000 awarded in early 2019, in respect of Mr. Johnson's performance for the 2018 post-CREIT Acquisition period from May 5 to December 31, 2018. Excluded from All Other Compensation for Mr. Johnson is a cash payment of $807,032, representing benefits accrued prior to the CREIT Acquisition and assumed by the Trust on the close of the CREIT Acquisition.

INCENTIVE PLAN AWARDS

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

The following tables sets forth the number and value of all unexercised option-based and share-based awards granted to NEOs outstanding as at December 31, 2018 for the Corporation, Loblaw and Choice Properties:

	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	46,576	112.52	March 9, 2024	0	29,631	2,668,243	187,862 [3]
Chairman and Chief Executive Officer of the Corporation and Executive Chairman of Loblaw				0			
	127,153 [4]	34.12	February 28, 2020	3,367,011	106,625 [4]	6,461,489	—
	98,167 [4]	39.97	March 28, 2021	2,025,185			
	178,337 [4]	53.41	March 5, 2022	1,282,243			
	151,827 [4]	58.00	March 3, 2023	394,750			
	93,333 [4]	59.00	March 2, 2024	149,333			
	104,364 [4]	55.69	March 1, 2025	512,427			
Richard Dufresne	50,390	63.05	March 26, 2019	1,360,530	23,096	2,079,758	—
President and Chief Financial Officer	31,478	73.73	March 7, 2020	513,721			
	37,425	81.92	March 28, 2021	304,265			
	9,542	100.59	March 12, 2022	0			
	123	111.66	August 10, 2022	0			
	7,131	111.97	March 10, 2023	0			
	7,697	112.52	March 9, 2024	0			
	3,425	109.78	August 4, 2024	0			
	65,741	104.81	March 9, 2025	0			
	816 [4]	46.87	September 16, 2021	11,204	25,373 [4]	1,537,611	—
	35,465 [4]	53.41	March 5, 2022	254,993			
	511 [4]	58.75	July 30, 2020	945			
	31,401 [4]	58.00	March 3, 2023	81,643			
	35,989 [4]	59.00	March 2, 2024	57,582			
	15,216 [4]	57.66	August 2, 2024	44,735			
Sarah R. Davis	58,957 [4]	29.39	March 1, 2019	1,840,048	96,513 [4]	5,848,667	—
President of Loblaw	39,881 [4]	34.12	February 28, 2020	1,056,049			
	45,156 [4]	39.97	March 28, 2021	931,568			
	46,610 [4]	53.41	March 5, 2022	335,126			
	2,191 [4]	58.75	July 30, 2022	4,053			
	44,859 [4]	58.00	March 3, 2023	116,633			
	106,778 [4]	59.00	March 2, 2024	170,845			
	119,400 [4]	55.69	March 1, 2025	586,254			
Michael Motz	31,625 [4]	39.97	March 28, 2021	652,424	94,715 [4]	5,739,696	—
Chief Operating Officer of Loblaw	32,643 [4]	53.41	March 5, 2022	234,703			
	11,603 [4]	58.75	July 30, 2022	21,466			
	55,211 [4]	58.00	March 3, 2023	143,549			
	63,277 [4]	59.00	March 2, 2024	101,243			
	108,786 [4]	55.69	March 1, 2025	534,139			

(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 31, 2018, which was $90.05 or the Loblaw common shares on the TSX on December 28, 2018, which was $60.60, as applicable.

(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 31, 2018, which was $90.05 or the Loblaw common shares on the TSX on December 28, 2018, which was $60.60, in each case multiplied by the number of RSUs or PSUs held, as applicable. The value of a RSU or PSU award assumes vesting at 100% of target.

(3) Mr. Weston held 2,098 DSUs as at December 31, 2018 received as compensation for his role as a Director prior to his appointment as Chairman and Chief Executive Officer of the Corporation on January 18, 2017.

(4) Stock Options, RSUs and PSUs awarded by Loblaw.

Name	Total Number of Unvested New RUs	Value of Unvested New RUs	Date on which Units Vest or are no longer subject to Disposition Restrictions	# of Units that will Vest	# of New RUs that will no longer be subject to Disposition Restrictions
			February 26, 2021	59,210	—
			March 26, 2021	—	—
			April 26, 2021	27,923	—
			September 28, 2021	98,225	—
			December 24, 2021	54,000	—
			February 26, 2022	59,209	—
			March 26, 2022	—	—
			April 26, 2022	27,923	—
			May 31, 2022	—	—
			September 28, 2022	98,224	—
Stephen E. Johnson [(1)]	718,069	8,272,155	December 24, 2022	54,000	—
			February 26, 2023	59,209	—
			February 28, 2023	—	—
			April 26, 2023	27,922	—
			May 31, 2023	—	—
			September 28, 2023	98,224	—
			December 24, 2023	54,000	—
			February 28, 2024	—	—
			February 26, 2025	—	177,628
			April 26, 2025	—	83,768
			September 28, 2025	—	294,673
			December 24, 2025	—	162,000

(1) Included in Mr. Johnson's Total Number of Unvested New RUs is an award of 162,000 New RUs with a grant date fair value of $1,908,360, granted on December 24, 2018 ($11.78) and representing benefits accrued prior to the CREIT Acquisition and assumed by the Trust on the close of the CREIT Acquistion.

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 2018, as well as the value of non-equity incentive plan compensation that the NEOs earned during fiscal 2018. 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 or the Loblaw common shares, as applicable, 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 and Chief Executive Officer of the Corporation and Loblaw	2,887,937 [(2)]	3,653,362	1,963,063
Richard Dufresne			
President and Chief Financial Officer	573,404 [(3)]	1,785,577 [(4)]	1,091,700
Sarah R. Davis			
President of Loblaw	1,083,128	1,767,229	1,403,719
Stephen E. Johnson			
President and Chief Executive Officer of Choice Properties	—	7,670,240	329,620
Michael Motz			
Chief Operating Officer of Loblaw	500,802	1,635,932	1,112,125

(1) Payments made in accordance with the Corporation's STIP and Loblaw's STIP, as applicable.
(2) Mr. Weston has option-based awards in Loblaw with value vested during the year of 2,887,937 and in the Corporation with value vested during the year of $0.
(3) Mr. Dufresne has option-based awards in Loblaw with value vested during the year of $212,863 and in the Corporation with value vested during the year of $360,541.
(4) Mr. Dufresne has share-based awards in Loblaw with a value vested during the year of $1,500,870 and in Weston with a value vested during the year of $284,707.

PENSION PLAN AND LONG SERVICE EXECUTIVE ARRANGEMENTS

The Corporation's and Loblaw'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 and Mr. Motz) participate in the Corporation's or Loblaw's Executive DC Plan. Mr. Motz is a member of the SDM Pension Plan. All newly hired or newly appointed executives join the Corporation's Executive DC Plan.

SDM PENSION PLAN

The SDM Pension Plan provides monthly 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. Motz, who participates in the SDM 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				
Michael Motz	15	247,000	402,000	3,703,000	242,000	(296,000)	3,649,000

(1) Discount rate is 3.50%.
(2) Discount rate is 4.00%.

EXECUTIVE DEFINED CONTRIBUTION PENSION PLANS AND SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Certain senior executives of the Corporation participate on a non-contributory basis in the Corporation's Executive DC Plan. During 2018, contributions were set as a percentage of base salary (maximum of $250,000) and were capped at $26,500 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+	27%

The Corporation or Loblaw have entered into retirement agreements with certain executives who participate in the Corporation's or Loblaw's Executive DC Plan to provide SERP benefits to those executives with allocations for contributions in excess of the annual $26,500 registered plan limit. As noted above, the SERP is an unfunded obligation of the Corporation or Loblaw and executives who participate in this plan 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 or Loblaw.

The following table sets forth details regarding Mr. Dufresne, who participated in the Corporation's Executive DC Plan and SERP during 2018:

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Accumulated Value at Year End ($)
Richard Dufresne	261,000	37,500	290,100

The following table sets forth details regarding Ms. Davis who participated in Loblaw's Executive DC Plan and SERP during 2018:

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Accumulated Value at Year End ($)
Sarah R. Davis	535,000	42,500	559,200

CREIT MANAGEMENT L.P. PENSION PLAN

The following table sets forth details regarding Mr. Johnson who participated in the RPP during 2018:

Name	Accumulated Value at Start of Year ($)	Compensatory ($)	Accumulated Value at Year End ($)
Stephen E. Johnson[1]	492,900	16,200	509,200

(1) On May 4, 2018, following the closing of the CREIT Acquisition, Mr. Johnson was no longer eligible to participate in any Pension Plan.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

As of March 14, 2019, none of the current or former executive officers or directors 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 14, 2019.

AGGREGATE INDEBTEDNESS ($)

Purpose	To the Corporation or its Subsidiaries	To Another Entity
Share purchases	—	—
Other	1,892,500	—

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 Loblaw. The Corporation's annual insurance premium in 2018 was $638,521, half of which was paid by Loblaw. 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 (the "NCIB") on the TSX which allows for the purchase and cancellation of up to 6,398,134 Common Shares at market prices. A copy of the Corporation's Notice of Intention filed with the TSX can be obtained by the shareholders, without charge, by contacting the Corporation. The current NCIB expires on May 22, 2019. The Corporation intends to refile the NCIB.

NON-GAAP FINANCIAL MEASURES

Certain financial measures discussed in this Circular, such as Adjusted EBITDA and Adjusted EBIT, are non-GAAP financial measures. For more information on the Corporation's use of non-GAAP financial measures, please see section 18**,** "Non-GAAP Financial Measures", included in the MD&A of the Corporation's 2018 Annual Report.

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.

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 its Annual Information Form with those securities commissions which, among other things, contained 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 2018 Annual Report and this Circular can be obtained upon request from the Group Vice President, Investor Relations of the Corporation, at 22 St. Clair Avenue East, Suite 800, Toronto, Ontario, M4T 2S5.

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.weston.ca and www.sedar.com or by dialing in for regularly scheduled conference calls. Additional information regarding Loblaw and Choice Properties can be found at www.loblaw.ca, www.choicereit.ca and www.sedar.com.

SHAREHOLDER PROPOSALS

There were no shareholder proposals received in relation to the Meeting.

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 2020 Annual Meeting of Shareholders is December 22, 2019.

CONTACTING THE BOARD OF DIRECTORS

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

Lead Director
c/o Vice President, Legal and Secretary
George Weston Limited
22 St. Clair Avenue East, Suite 800, Toronto, Ontario M4T 2S5

Shareholders may also contact the 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.

Andrew Bunston
Vice President, Legal and Secretary

Dated in Toronto, Ontario

March 22, 2019

SCHEDULE A
GEORGE WESTON LIMITED

Mandate of the Board of Directors

1. ROLE

The role of the Board is to provide governance and stewardship to the Corporation 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 so that they continue to be responsive to the changing business environment in which the Corporation operates. The Board oversees the Corporation's approach to corporate governance, succession planning, capital structure and finance matters, risk management activities, compliance matters, internal control over financial reporting, disclosure controls and procedures, and information systems. Through its oversight, the Board ensures that the Corporation 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 Corporation engages in ethical and legal conduct and that senior management maintains a culture of integrity throughout the Corporation.

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.
- 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 Corporation's strategic plans and the operational policies within which management will operate.
- Approve significant acquisitions, sales of assets or shares, and material financing arrangements.
- Review and approve the Corporation'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 Corporation's target capital structure.
- Review with management and receive periodic reports on the Corporation'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 Chairman and Chief Executive Officer**

- Delegate to the Chairman and Chief Executive Officer the authority to manage and supervise the business of the Corporation and to make decisions regarding the Corporation'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 Corporation's financial reporting and disclosure obligations in accordance with applicable law.
- Approve the Corporation's financial statements, management's discussion and analysis and related releases.
- Oversee the Corporation's compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures.

(f) **Enterprise Risk Management Program**

- Oversee the Corporation's enterprise risk management program, including its design and structure and assessment of its effectiveness.
- Approve the Corporation'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 the 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 Corporation'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 Corporation'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 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, Human Resource, Nominating and Compensation Committee, approve the appointment of directors or recommend the election of director nominees to the Board at the annual general meeting of shareholders.
- Review the Board's mandate on an annual basis and make appropriate revisions.
- Develop, adopt and regularly review position descriptions for the Chairman 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) **Corporate Social Responsibility, Ethics and Compliance**

- Oversee actions taken by management to ensure that senior executives maintain a culture of integrity throughout the Corporation.
- Adopt a written code of conduct which is applicable to employees, officers and directors of the Corporation, and oversee compliance with the code.
- Receive and review periodic reports on policies and practices related to corporate social responsibility.
- Receive periodic reports on the Corporation's compliance matters.
- Review and approve, on an annual basis, the appointment of the Vice President, Compliance, including a position description for the role.

3. COMPOSITION

The Board shall be comprised of a majority of independent directors. For this purpose, a director is independent if he or she would be independent within the meaning of the applicable Canadian securities laws, as the same may be amended from time to time.

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, Human Resource, 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, Human Resource, 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 Corporation, and the skills they must use in their roles as directors.

6. EQUITY OWNERSHIP BY DIRECTORS

The Board shall oversee directors' compliance with the Corporation'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 Corporation, as it considers necessary to perform its duties.

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