

# **EMPIRE COMPANY LIMITED**

## **CORPORATE GOVERNANCE COMMITTEE MANDATE**

The Corporate Governance Committee (the "Committee") shall assist the Board of Directors (the "Board") in fulfilling its responsibilities as they relate to corporate governance.

### **COMPOSITION**

The Committee shall be appointed by the Board and composed of a minimum of four directors, at least three-quarters of whom are independent directors according to the independence standards established by the Board and all applicable corporate and securities law.

The members of the Committee shall be appointed or reappointed annually by the Board, with such appointments to take effect immediately following the Annual Meeting of the Shareholders of the Company. Each member of the Committee shall continue to be a member thereof until their successor is appointed, unless they resign or are removed by the Board, or shall cease to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than the minimum membership.

The Board shall appoint a Chair from among the members of the Committee to preside at its meetings. In the absence of the Chair, one of the present Committee members shall be chosen by the Committee to preside at the meeting. The Chair presiding at any meeting of the Committee shall have a casting vote in case of deadlock. The Committee shall also appoint a secretary who need not be a director.

### **MEETINGS**

The Committee shall meet at least quarterly, with additional meetings as directed by the Board or determined by the Chair.

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members thereof provided that:

1. A quorum of the meeting shall be a majority of the members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other;
2. Notice of the time and place of every meeting shall be given in writing, electronic or other facsimile communication to each member of the Committee at least 24 hours prior to the time for such meeting, provided however, that a member may in any manner waive a notice of meeting. Attendance of a member at a meeting is a waiver of notice of that meeting,

except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called; and

3. All Committee members are expected to attend each meeting. The minutes of the Committee shall be recorded and maintained by the Secretary of the meeting. The Chair of the Committee shall report the business of the meeting to the next regularly scheduled Board meeting.

### **PRIMARY RESPONSIBILITIES**

The Committee shall be advisory to the Board and, in such capacity, shall be responsible for the corporate governance functions of the Company, including but not limited to:

1. establishing and conducting orientation and education programs for directors;
2. recommending to the Board proposals concerning the compensation of directors;
3. recommending to the Board the composition of the committees of Board;
4. annually assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors and reporting to the Board on the results of the assessments including recommended actions to address any issues arising from the assessments;
5. annually reviewing the mandate of the Board and of each Board committee and the position descriptions for the CEO, the Chair of the Board and the committee chairs and making recommendations for changes;
6. reviewing and advising the Board on the independence status of any director;
7. reviewing the continued appropriateness of Board membership when a director makes a change in principal occupation;
8. reviewing the status of directors who have reached the age of 70;
9. the corporate governance functions of the Company and for the Company's response to the corporate governance guidelines of the applicable regulatory bodies including reviewing and approving the description of the Company's corporate governance practices for inclusion in the Company's annual information circular and any other disclosure concerning corporate governance;
10. publishing and maintaining the Directors' Handbook;

11. reviewing expenses charged to the Company by the Chair and the CEOs of both Empire and Sobeys; and
12. dealing with any other matters specifically delegated to the Committee by the Board.

### **AUTHORITY**

The Committee has the authority to:

1. Conduct or authorize an investigation into any matters within its scope of its mandate or responsibility;
2. With the approval of the Chair of the Corporate Governance Committee at the Company's expense, retain independent legal, accounting or financial advisors and such other advisors as it deems necessary to advise the Committee or assist the Committee in carrying out its duties or to assist in the conduct of an investigation.