

Governance policies and practices

At Empire, we are dedicated to good governance in the interest of all stakeholders. A comprehensive review of our corporate governance policies and practices can be found in our Management Proxy Circular and on our website at www.empireco.ca. As well, our Code of Business Conduct is available on the website; as is a detailed explanation of our Comprehensive Disclosure Policy, approved by the Corporate Governance Committee of our Board of Directors.

Canada's regulatory environment has been evolving rapidly and we continue to assess our own policies and practices in light of changes to ensure that Empire keeps pace with the expectations of stakeholders and with best practices in governance.

Empire's Board is composed of a talented group of business executives who have explicit responsibility for the stewardship of the Company. A majority of the Board is independent as defined by both current and proposed securities rules.

Board committees

Governance by our Board of Directors is supported by three key committees of the Board. In accordance with regulatory guidelines, membership of all the committees is comprised of outside directors, the majority of whom are also unrelated. In addition, the Audit Committee members meet the independence and financial

literacy tests set out in policies recently adopted by most Canadian securities regulators. The committees of the Board include:

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE – develops Empires' corporate governance policies, including responsibility for disclosure; assesses and recommends candidates for election or appointment as Directors; reviews and assesses the performance and effectiveness of the Board, its committees and individual directors; and recommends compensation of directors.

AUDIT COMMITTEE – reviews and assesses financial reporting practices and procedures, assesses risk management and reviews and approves consolidated quarterly and annual consolidated financial statements and related communications. The external auditor reports directly to the Audit Committee.

HUMAN RESOURCES COMMITTEE – reviews our management training and development programs, monitors succession planning and management compensation.



ABOVE: **PAUL BEESLEY**, Senior Vice-President, Chief Financial Officer and Secretary, Empire Company Limited