

Investor Presentation

September 2024

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Disclaimers

Forward-Looking Information

This presentation contains forward-looking statements which are presented for the purpose of assisting the reader to contextualize the Company's financial position and understand management's expectations regarding the Company's strategic priorities, objectives and plans. These forward-looking statements may not be appropriate for other purposes. Forward-looking statements are identified by words or phrases such as "anticipates", "expects", "believes", "estimates", "intends", "could", "may", "plans", "predicts", "projects", "will", "would", "foresees" and other similar expressions or the negative of these terms.

These forward-looking statements include, but are not limited to, the following items:

- The Company's plans to purchase for cancellation Class A shares under the normal course issuer bid, which may be impacted by market and macro-economic conditions, availability of sellers, changes in laws and regulations, and the results of operations;
- The Company's aim to increase total adjusted earnings per share through net earnings, growth, and share repurchases, as well as its intention to continue improving sales, gross margin (excluding fuel) and adjusted EBITDA margin, all of which could be impacted by several factors including a prolonged unfavourable macro-economic environment and unforeseen business challenges, as well as the factors identified in the "Risk Management" section of the fiscal 2024 annual MD&A;
- The Company's plan to invest \$700 million capital in its network in fiscal 2025, including store expansions and renovations and renovate approximately 20% to 25% of the network between fiscal 2024 and fiscal 2026 which could be impacted by cost of materials, availability of contractors, operating results, and other macro-economic impacts;
- The Company's expectation that the Scene+ program will accelerate engagement by focusing on scaling personalization, which may be impacted by customer response, Scene+ app usage and the pace at which personalized offers are rolled out;
- The Company's expectation that it will meet targeted growth of FreshCo, which may be impacted by customer response, availability of contractors, operating results, and other macro-economic impacts;
- The Company's expectations regarding the amount and timing of expenses relating to the completion of the future CFC, which may be impacted by supply of materials and equipment, construction schedules and capacity of construction contractors;
- The Company's expectation that it will continue its e-commerce expansion with Voilà, that actions are expected to have a significant, positive impact on Voilà's profitability in fiscal 2025 and 2026 and its ability to gain access to a larger segment of the grocery e-commerce market, which may be impacted by future operating and capital costs, customer response and the performance of its technology provider, Ocado;
- The Company's plans to further grow and enhance the Own Brands portfolio, which may be impacted by future operating costs and customer response;
- The Company's expectation that Other income plus Share of earnings from investments, at equity will in aggregate, be in a range of \$135 million to \$155 million in fiscal 2025, which assumes completion of pending real estate transactions by the Company and Share of earnings from investments, at equity being consistent with historical values adjusted for significant transactions and may be impacted by the timing and terms of completion of real estate-related transactions and actual results from Crombie REIT and Real estate partnerships;
- The Company's expectation that it will continue to focus on driving efficiency and cost effectiveness initiatives which could be impacted by supplier relationships, labour relations, and other macroeconomic impacts; and
- The Company's expectation of the impacts of cost inflationary pressures, which may be impacted by supplier relationships and negotiations and the macroeconomic environment.

Non-GAAP Financial Measures & Financial Metrics

There are measures and metrics included in this investor presentation that do not have a standardized meaning under generally accepted accounting principles ("GAAP") and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. The Company includes these measures and metrics because it believes certain investors use these measures and metrics as a means of assessing financial performance.

In addition, management adjusts measures and metrics, including operating income, EBITDA and net earnings in an effort to provide investors and analysts with a more comparable year-over-year performance metric than the basic measure by excluding certain items. These items may impact the analysis of trends in performance and affect the comparability of the Company's core financial results. By excluding these items, management is not implying they are non-recurring.

For a more complete description of Empire's non-GAAP measures and metrics, please see Empire's Management's Discussion and Analysis for the first quarter ended August 3, 2024.

Empire Company is *uniquely positioned to capture the Omni-Channel future of grocery*

Retail Network Assets				
Connected by the Scene+ Loyalty Program				
Full Service ⁽¹⁾	Discount	E-Commerce	Related Business	
sobeys IGA FOODLAND 	SAFEWAY IGA extra THRIFTY FOODS Longo's	FRESH CO Lowering food prices CHALO! FRESHCO	voilà THRIFTY FOODS	Lawtons DRUGS  FastFuel  SAFEWAY LIQUOR sobeys LIQUOR

*Farm Boy, Longo's, Sobeys Wholesale do not currently participate in Scene+.

(1) Full-service banners listed above are not exhaustive.

Supported by
Real Estate Assets:



Equity ownership
in Crombie REIT
(CRR-UN) at 41.5%



Equity ownership
in the Genstar group
of companies ranging
from 37.1% to 49.0%

Empire Company: Serving Canadians for over 115 years through its Food Retailing and Real Estate Businesses

1,600+

Stores

Operating in all 10 provinces across a number of banners



\$30B+

Annual Sales



4

CFCs to support Voilà

Intention to operate 4 CFCs across Canada to support online grocery delivery (3 active CFCs currently)

29

Distribution Centres

Strategically positioned to service our national store network, including 3 fully automated facilities

51%

Interest in Longo's

100%

Interest in Farm Boy

41.5%

Interest in Crombie REIT



Quick Facts – EMP.A⁽¹⁾

Share price (C\$) ⁽²⁾	\$38.64
52-Week Low-High ⁽²⁾	\$31.45-\$40.69
30-day Average daily trading volume ⁽²⁾	374,155
Shares outstanding (diluted)	242.3M
Market Capitalization (C\$)	\$9,362M
Quarterly dividend	\$0.2000

(1) As of Q1 fiscal 2025 (August 3, 2024) unless noted otherwise.

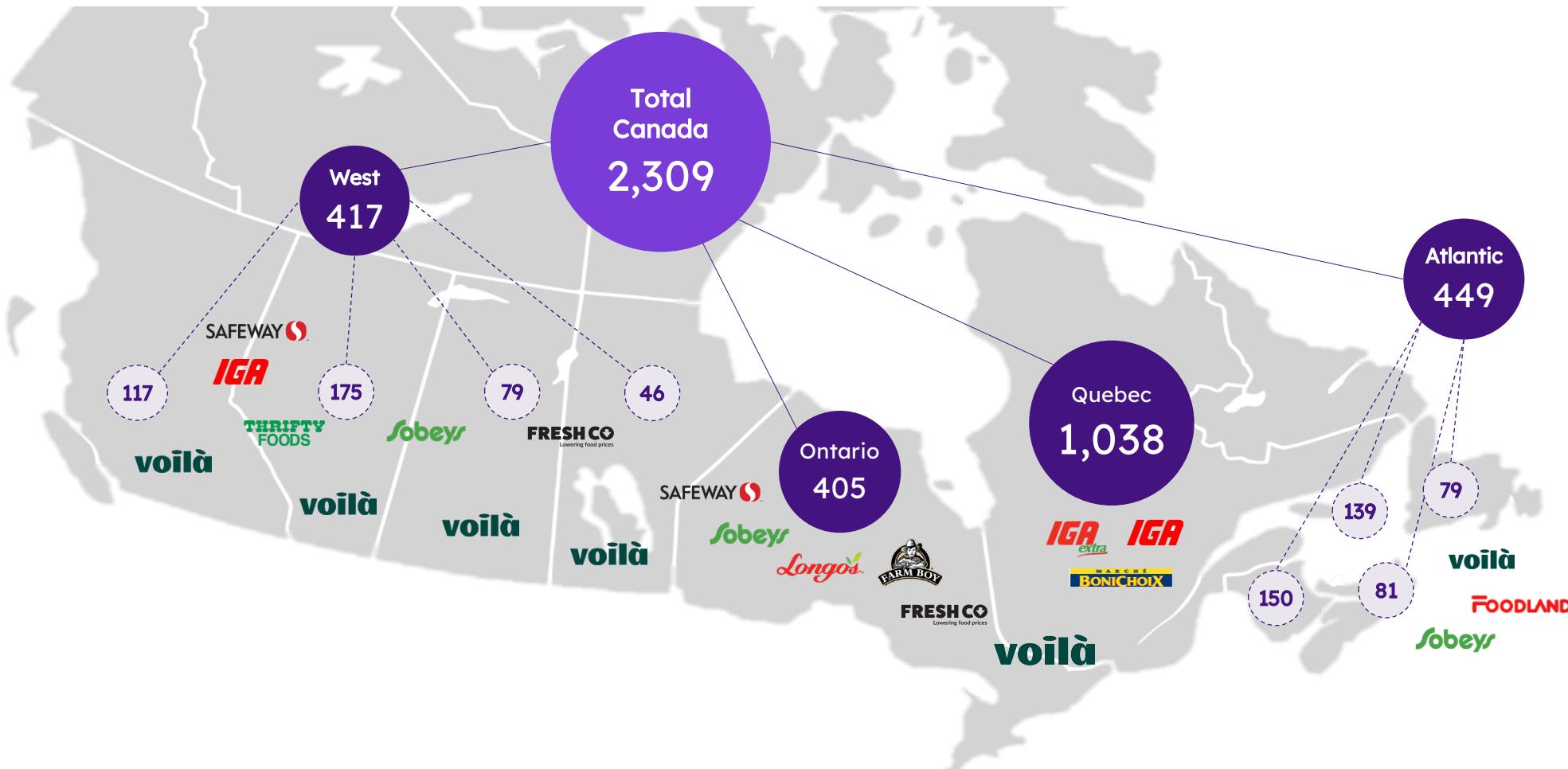
(2) As of September 10, 2024.

Share Price Performance (May 1, 2017 to September 10, 2024)



One of Two Players with National Scale in Grocery

National scale and presence, operating over 2,300 stores (including more than 350 retail fuel locations) in all 10 provinces, with 98 stores currently offering Voilà Curbside Pickup.



Canadian Population by Province (Growth 2018–2023):

- British Columbia: 5,581,127 (+10.5%)
- Alberta: 4,756,408 (+10.3%)
- Saskatchewan + Manitoba: 1,218,976 (+5.1%) + 1,465,440 (+7.9%)
- Ontario: 15,801,768 (+9.6%)
- Quebec: 8,948,540 (+6.3%)
- Atlantic Canada: 2,625,412 (+8.3%)



Note: Logos depicted in the above map are not exhaustive and only reflect major banners across respective provinces. Please refer to Empire's [Annual Information Form](#) for the fiscal year ended May 4, 2024 for more information on Sobeys' Geographic and Banner Profile.

Strong Financial Performance

Sales CAGR⁽¹⁾

3.7%

(\$ in billions)

Adjusted EBITDA CAGR⁽¹⁾⁽²⁾⁽⁴⁾

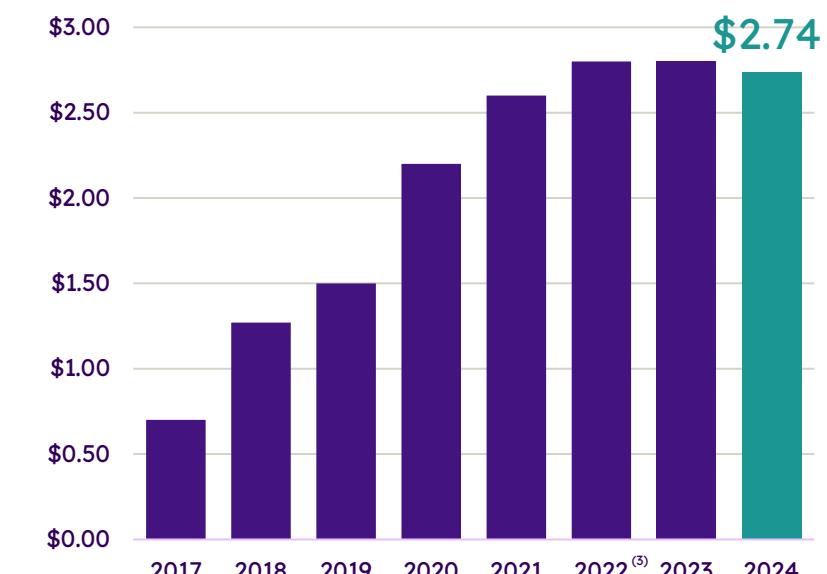
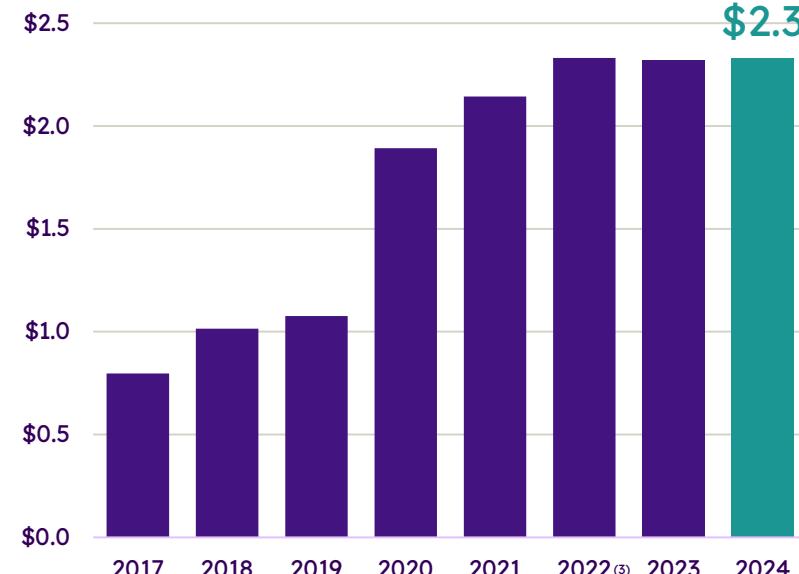
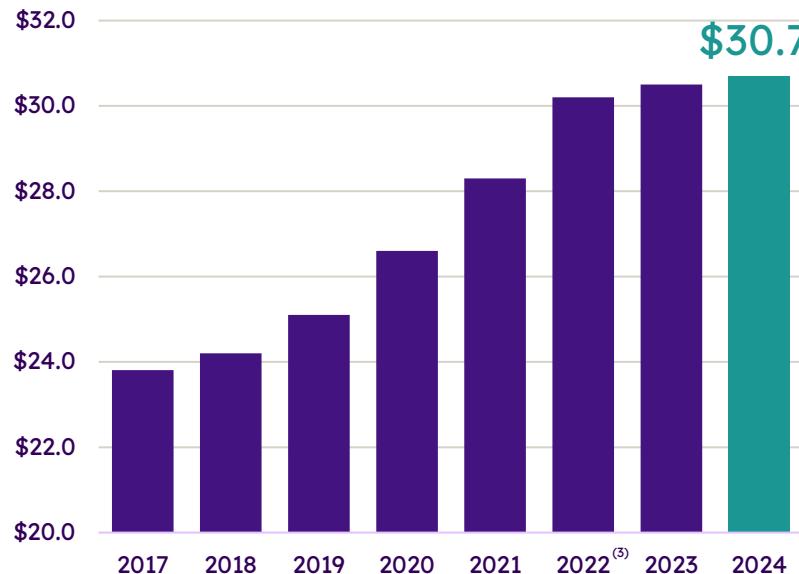
16.5%

(\$ in billions)

Adjusted EPS CAGR⁽¹⁾⁽²⁾⁽⁴⁾

21.5%

(\$ per share)



(1) Compound annual growth rate.

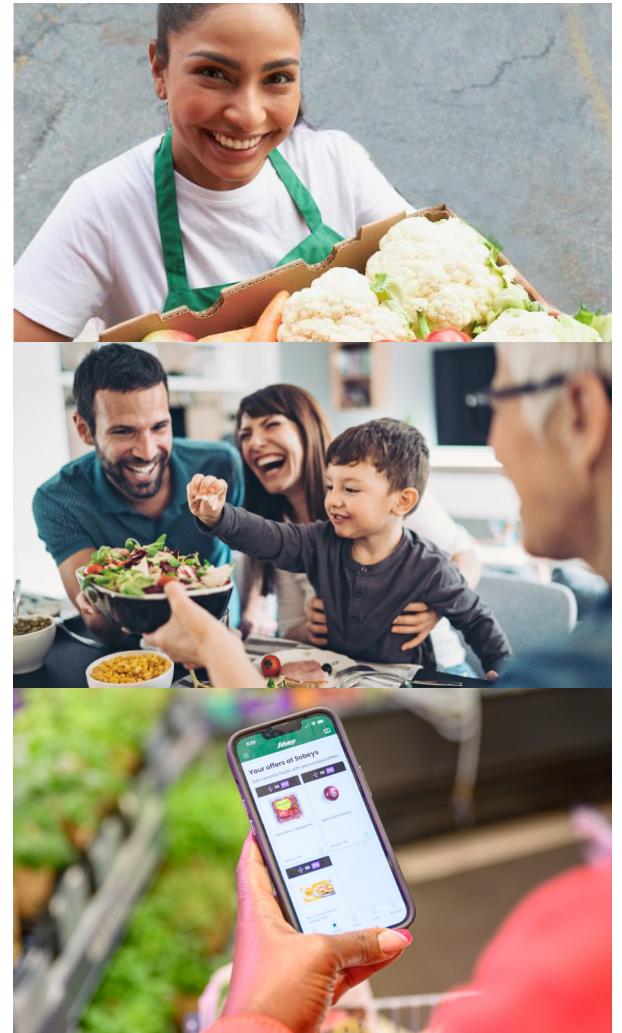
(2) Effective fiscal 2020, Empire adopted IFRS 16 "Leases".

(3) F2022 included a 53rd week of operations.

(4) See section titled "Non-GAAP Financial Measures & Financial Metrics" in the Company's MD&A for each of the relevant periods.

Empire Company – A Compelling Investment Opportunity

#2 in Grocery Market Share	Leveraging national retail network to deliver outsized growth and attractive financial performance amid solid population growth trends.
Long-Term Financial Framework	Long-term financial framework to achieve 8%-11% EPS growth, by focusing on priorities such as: <ul style="list-style-type: none">• Continued Focus on the Store• Enhanced Focus on Digital and Data• Efficiency and Cost Optimization
Positioned for Success as Interest Rates Decline	As interest rates continue to decline and Canadian consumer sentiment improves, this will support improved sales growth trends as our higher exposure to full-service stores will provide an advantage.
Balanced Capital Allocation Strategy	Capital allocation strategy is well-balanced to support investment/growth and shareholder returns.
Solid Balance Sheet	Investment grade rating and solid balance sheet to support growth initiatives.
Significant Valuation Upside	With a long-term EPS growth profile in line with peers (8-11%), Empire shares currently trade at a lower valuation.



Long-Term Financial Framework

8% to 11%

Long Term Average Adjusted EPS Growth

Driven by our intention to improve Sales, Gross Margin (excluding fuel), and adjusted EBITDA margin

Continued Focus on Stores

We intend to invest capital in our store network, and we are on track with our plan to renovate approximately 20% to 25% of the store network between F24 and F26. Discount store expansion and Own Brands enhancement will also remain key focus areas.

Enhanced Focus on Digital and Data

Our focus on digital and data will include continued e-commerce growth with Voilà, personalization, loyalty through Scene+, improved space productivity and the continued improvement of promotional optimization.

Efficiency and Cost Optimization

We will continue to focus on driving efficiency and cost effectiveness through initiatives related to sourcing of goods not for resale, supply chain productivity, and the organizational structure. In addition, the Company is pursuing cost savings in the Voilà business by pausing the opening of its fourth CFC and ending its mutual exclusivity with Ocado.



Continued Share Repurchases

Continued Focus on Stores

Renovations



20%-25% of network over between F24 and F26

- Sales and margin uplift
- Enhanced store productivity
- Store department optimization

Discount Expansion



Continue to pursue expansion by market

West:

- 48 new FreshCo stores since F18
- Continued focus on store conversions

Ontario:

- ~100 FreshCo locations
- Additional opportunities in Canada's largest province

Space Productivity



Improve store layouts, optimize category/product adjacencies, tailoring assortment

BETTER DATA
STORE FOCUSED SALES/SQ.FT.
**Customer-Centric
SHELF PRODUCTIVITY ENABLER**
Better Planograms



Own Brands



~1,250 new private label SKUs since F20

- Own Brands sales growth in excess of 25%⁽¹⁾ since F20
- ~600 new SKUs planned from F24 to F26



(1) Sales growth from F2020 to F2024.

Enhanced Focus on Digital and Data



A differentiated national loyalty platform - driving incremental sales and earnings



Co-owner



Personalization
at Scale



Drive
Incrementality



Data Ownership to
Drive Insights



Differentiated
Experience



Connected Banners to Drive
Omni-Channel Strategy



New Customer
Acquisitions



Enhanced Customer
Loyalty



>15M
Members

Scene+ now has over
15 million members

~5M
New
Members

Approximately
5 million new
members have
joined since Scene+
launched at Empire

55%+
Higher Spend

Scene+
members spend
55%+ more
than non-
members

>2,000
Card Swipes

There are over
2,000 Scene+
card swipes
every minute

Enhanced Focus on Digital and Data

voilà

Key Areas of Focus



Superior In-Stock Position
Extremely low substitution rate,
Differentiated Freshness



Best-in-Class Delivery Experience
White glove delivery



Substantial Assortment
39K SKUs at mature CFCs



Ongoing Innovation
Ocado Re:Imagined



Loyalty & Personalization
Increased engagement



Omni-Channel Focus
Voilà AOV is ~3.8x in-store AOV
Omni AOV⁽¹⁾⁽²⁾ > Voilà AOV



Target:
95%

Weekly on-time delivery score
A B O V E T A R G E T



Target:
98%

Fulfillment rate
A B O V E T A R G E T



Target:
70 NPS

Net Promoter Score (NPS) –
industry best-in-class
A B O V E T A R G E T



(1) AOV is average order value.

(2) Omni AOV refers to customers who shop both through Voilà and in-store.

Efficiency and Cost Optimization

Strategic Sourcing



Drive efficiency and cost effectiveness through various initiatives within goods not for resale, consisting of:

- Labour and transport
- Store services and maintenance
- Marketing
- Information technology

Supply Chain



- Drive supply chain productivity and cost effectiveness
- Focus on processes/technology to improve cost to serve and improve resiliency
- Continue to expand automation capabilities
- Enabler for outstanding store service, profitability and sustainable growth

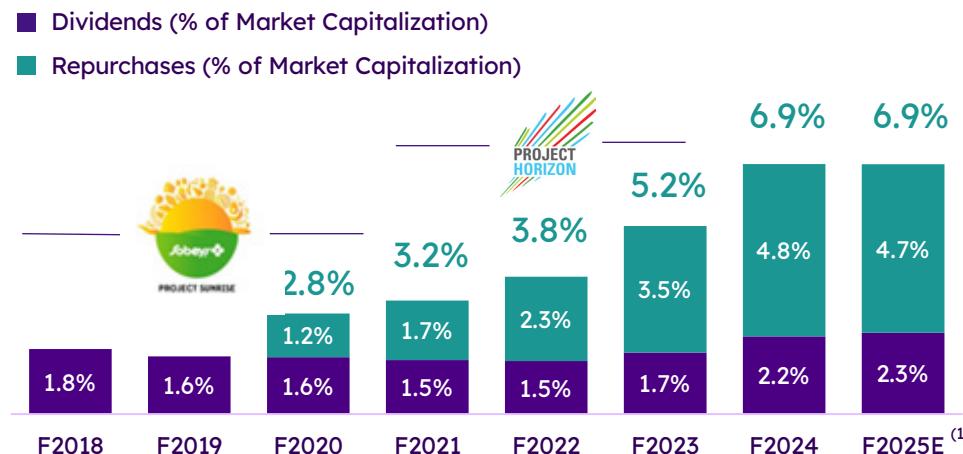
Organization / Other



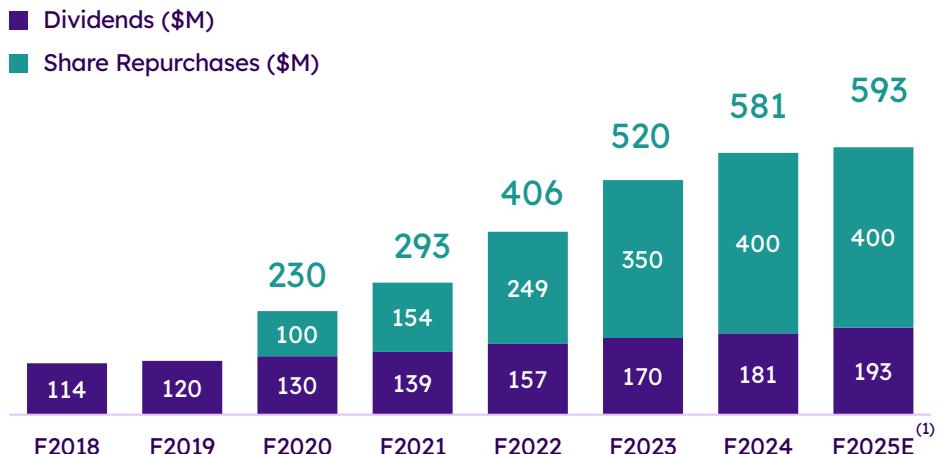
- Turnaround Era (F18 - F23): Transitioned from a regional to national organizational structure
- F24: Began implementing strategies to optimize our organization, improve efficiencies and reduce costs, including changes to the leadership team and organizational structure.
- F25: Pursuing cost savings in the Voilà business by pausing the opening of our fourth CFC and ending our mutual exclusivity with Ocado, amongst other initiatives.

Disciplined and Balanced Capital Allocation

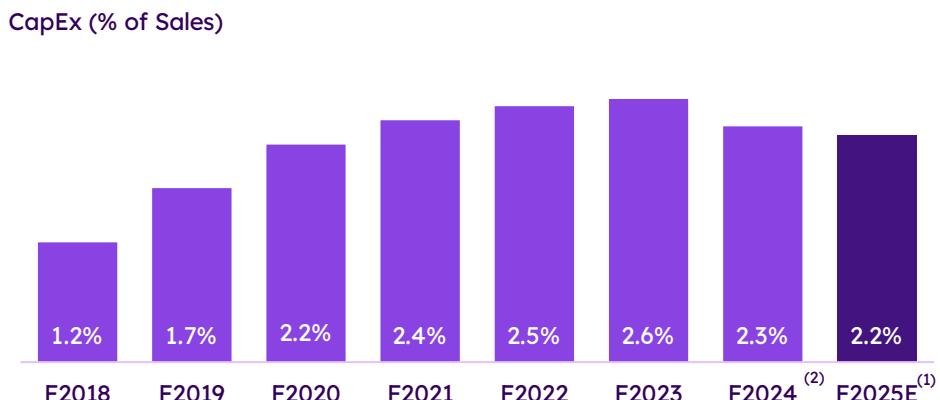
Significant Shareholder Return and Growing



**Return of Capital
(Dividends + NCIB)**
As a percentage of
Market Capitalization:
Empire will return
~6.9% to shareholders
in F25E vs. grocery
peers at ~5.0%.



Capital Intensity



M&A Execution



F2019
(26 stores acquired)
One of the fastest
growing and
successful food
retailers based in
Ontario. Opened an
additional 24 stores
since acquisition.



F2019
(3 stores acquired)
An Asian food
retailer with a strong
presence in Quebec.
Opened an
additional store in
F24.



F2021
(36 stores acquired)
A family-run
supermarket chain
serving Southern
Ontario. Now at
39 stores, with strong
growth plans.

RICARDO

F2022
An integrated and
complementary food
media company with
a strong emphasis in
Quebec, but with a
national presence as
well.

(1) F2025E data is based on management's expectations regarding dividends paid, share repurchases and capital expenditures, in addition to FactSet consensus estimates for F2025E sales (capital intensity).

(2) F2024 CapEx excludes the land parcel acquisition cost completed in Q4/F24.

*Empire acquired a majority interest in the above transactions; Remaining non-controlling
interest in Farm Boy was acquired in F24.

ESG¹ Goals: Steady and tangible progress

Planet



We're reducing our impacts and taking action on climate change to do OurPart™ to protect our planet for future generations.

FOOD WASTE

~30M lbs of surplus food donated, gaining recognition from Second Harvest as Canada's Top Food Rescue Partner for the second consecutive year



CLIMATE ACTION

26.7%

reduction in Scope 1 and 2 targets compared to 2019 baseline – ahead of near-term target trajectory

CLIMATE ACTION

64%

set science-based targets on their Scope 1 and 2 emissions by the end of calendar year 2027. We are over half way to our target

PLASTICS & PACKAGING

Completed the removal of the 5 single-use plastic items according to the Federal single-use plastics prohibition: stir sticks, straws, checkout bags, cutlery, select foodservice

Products



We're doing OurPart™ by delivering sustainable and ethical product choices for our customers.

ETHICAL & SUSTAINABLE SOURCING

96%

of Own Brands seafood were sustainably sourced



ETHICAL & SUSTAINABLE SOURCING

86%

of palm oil in products were certified sustainable



SUPPLIER PARTNERSHIPS

380+

women entrepreneurs supported in fiscal 2024



People



We're focused on growing and empowering a diverse, equitable and inclusive workforce to enable our customers and communities to thrive.

DIVERSITY, EQUITY & INCLUSION

91%

of Directors and above set DE&I performance and accountability goals



DIVERSITY, EQUITY & INCLUSION

Advanced our commitment to reconciliation by completing the Aboriginal Relations Phase 2 Certification

DIVERSITY, EQUITY & INCLUSION

90% of People Managers and above facilitated Speak Freely discussions with teams to create safe spaces, listen actively, foster healthy debate, and build on contributions



~\$23M

donated to support healthy bodies and minds in our communities (~\$7M in corporate donations and ~\$16M raised)

We are proud to share our progress and some of our stories in our Sustainability Business Report at: www.SobeysSBReport.ca

(1) ESG is Environmental, Social and Governance

empire
COMPANY LIMITED

Summary of Financial Results

	Fiscal Year						
	2018	2019	2020	2021	2022	2023	2024
	52 weeks 5-May-18	52 weeks 4-May-19 ⁽¹⁾	52 weeks 2-May-20 ⁽²⁾	52 weeks 1-May-21	53 weeks 7-May-22	52 weeks 6-May-23	52 weeks 4-May-24
Sales	\$24,215	\$25,142	\$26,588	\$28,268	\$30,162	\$30,478	\$30,733
<i>Same store sales growth⁽³⁾ (decline), excluding fuel</i>	0.5%	2.7%	5.7%	5.6%	(2.1%)	1.5%	2.0%
Gross profit ⁽³⁾	\$5,901	\$6,084	\$6,633	\$7,199	\$7,660	\$7,793	\$8,070
<i>Gross margin⁽³⁾</i>	24.4%	24.2%	24.9%	25.5%	25.4%	25.6%	26.3%
Adjusted EBITDA ⁽³⁾	\$1,015	\$1,076	\$1,892	\$2,144	\$2,331	\$2,322	\$2,328
<i>Adjusted EBITDA margin⁽³⁾</i>	4.2%	4.3%	7.1%	7.6%	7.7%	7.6%	7.6%
Net Earnings	\$160	\$387	\$584	\$702	\$746	\$686	\$725
Adjusted Net Earnings ⁽³⁾	\$344	\$410	\$597	\$702	\$746	\$727	\$682
Earnings per share	\$0.59	\$1.42	\$2.15	\$2.60	\$2.80	\$2.64	\$2.92
Adjusted earnings per share ⁽³⁾	\$1.27	\$1.50	\$2.20	\$2.60	\$2.80	\$2.80	\$2.74
Free cash flow ⁽³⁾⁽⁴⁾	\$809	\$541	\$1,131	\$745	\$811	\$192	\$731
Capital expenditures	\$288	\$435	\$575	\$679	\$767	\$797	\$831
Dividends per share	\$0.42	\$0.44	\$0.48	\$0.52	\$0.60	\$0.66	\$0.73
Share price	\$25.01	\$29.94	\$31.01	\$38.66	\$42.05	\$35.14	\$32.40

Note: Please see Appendix D for Empire's 12-Quarter Review

(1) Empire's results for fiscal year ended May 4, 2019 include 21 weeks of Farm Boy operations.

(2) Certain financial metrics were impacted by the implementation of IFRS 16 in the fiscal year ended May 2, 2020.

(3) See section titled "Non-GAAP Financial Measures & Financial Metrics" in the Company's MD&A for each of the relevant periods.

(4) The Company revised the definition of free cash flow in Q4 F19. F2018 free cash flow in the chart above has been restated to reflect the new definition.

Appendices

Appendix A: A Review of Turnaround Initiatives

Project Sunrise



Financial Targets

>\$550M

Cost Savings



Initiatives

- Organization realignment to a true national structure
- Driving operational efficiencies across the board
- Optimizing cost of goods sold to drive gross margin enhancements

Project Horizon



Financial Targets

\$500M

Incremental
annualized EBITDA



50 bps⁽¹⁾

Of EBITDA margin
improvement



~13%⁽¹⁾

EPS CAGR



Initiatives

- Growth in market share through purposeful initiatives
- Further build on margin and cost discipline

(1) Project Horizon Revised Targets: Differences compared to the original Project Horizon targets of improving EBITDA margin by 100 basis points, which was expected to generate an EPS CAGR of at least 15% was largely due to delays in delivering some key initiatives as a result of the novel coronavirus ("COVID-19" or "pandemic") and the Cybersecurity Event, higher depreciation than originally anticipated resulting from higher capital spend, and the impact of significant and unexpected inflation.

Appendix B: Scene+ Reward Categories



Grocery, Liquor,
Pharmacy

empire
COMPANY LIMITED

sobeys

SAFEWAY LIQUOR

FOODLAND

FRESH CO
Lowering food prices

sobeys LIQUOR

IGA

THRIFTY
FOODS™

voilà

• LES MARCHÉS •
Tradition

Rachelle
Béry

THRIFTY FOODS LIQUOR

Lawton's
DRUGS

SAFEWAY LIQUOR

CHALO FRESH CO
TARTELLA YAHLE-YAH!

IGA
WEST

Needs



Banking



Entertainment



Travel



Shopping
(redeem only)



Dining



Home
Improvement

sobeys

SAFEWAY LIQUOR

FOODLAND

FRESH CO
Lowering food prices

sobeys LIQUOR

IGA

THRIFTY
FOODS™

voilà

• LES MARCHÉS •
Tradition

Rachelle
Béry

THRIFTY FOODS LIQUOR

Lawton's
DRUGS

SAFEWAY LIQUOR

CHALO FRESH CO
TARTELLA YAHLE-YAH!

IGA
WEST

Needs

Scotiabank

CINEPLEX

THE
REC
ROOM
EATS & ENTERTAINMENT

PLAYDUM

MLSE

NBA

Expedia

Apple

BEST BUY

Foot Locker

Indigo

SEPHORA

CINEPLEX

Rakuten

(Earn only)

PLUS many more...

SWISSCHALET
ROTISSERIE & GRILL

HARVEY'S

KELSEY'S

Prime Pubs
restaurant · pub
established 1990

MONTANA'S
BBQ & BAR

East Side MARIO'S

BIERMARKT

dk

empire
COMPANY LIMITED

Appendix C: Voilà Timeline



Appendix D:

Financial Results – 12 Quarter Review

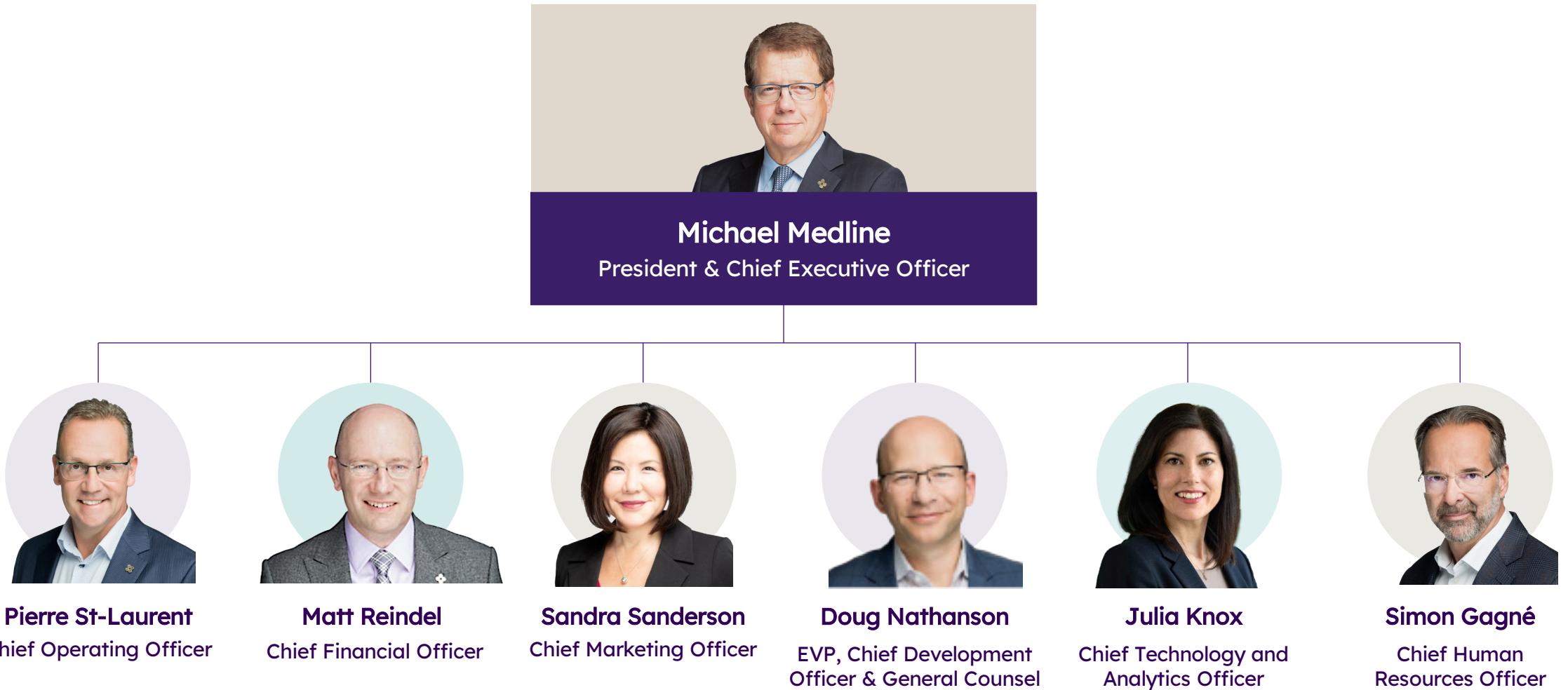
	Fiscal 2022			Fiscal 2023				Fiscal 2024				Fiscal 2025
	Q2 F22 Oct 30 2021	Q3 F22 Jan 29 2022	Q4 F22 ⁽¹⁾ May 7 2022	Q1 F23 Aug 6 2022	Q2 F23 Nov 5 2022	Q3 F23 Feb 4 2023	Q4 F23 May 6 2023	Q1 F24 Aug 5 2023	Q2 F24 Nov 4 2023	Q3 F24 Feb 3 2024	Q4 F24 May 4 2024	Q1 F25 Aug 3 2024
Sales	\$7,318	\$7,377	\$7,841	\$7,938	\$7,643	\$7,489	\$7,408	\$8,076	\$7,751	\$7,494	\$7,412	\$8,137
<i>Same store sales growth⁽²⁾ (decline), excluding fuel</i>	(1.3%)	(1.7%)	(2.5%)	0.4%	3.1%	0.1%	2.6%	4.1%	2.0%	1.9%	0.2%	1.0%
Gross profit ⁽²⁾	\$1,851	\$1,893	\$2,004	\$1,978	\$1,955	\$1,901	\$1,959	\$2,075	\$2,004	\$1,987	\$2,005	\$2,126
<i>Gross margin⁽²⁾</i>	25.3%	25.7%	25.6%	24.9%	25.6%	25.4%	26.4%	25.7%	25.8%	26.5%	27.1%	26.1%
Adjusted EBITDA ⁽²⁾	\$565	\$598	\$586	\$594	\$584	\$545	\$599	\$641	\$577	\$547	\$563	\$659
<i>Adjusted EBITDA margin⁽²⁾</i>	7.7%	8.1%	7.5%	7.5%	7.6%	7.3%	8.1%	7.9%	7.4%	7.3%	7.6%	8.1%
Net Earnings	\$175	\$203	\$179	\$188	\$190	\$126	\$183	\$261	\$181	\$134	\$149	\$208
Adjusted Net Earnings ⁽²⁾	\$175	\$203	\$179	\$188	\$190	\$165	\$185	\$196	\$178	\$153	\$154	\$219
EPS	\$0.66	\$0.77	\$0.68	\$0.71	\$0.73	\$0.49	\$0.72	\$1.03	\$0.72	\$0.54	\$0.61	\$0.86
Adjusted EPS ⁽²⁾	\$0.66	\$0.77	\$0.68	\$0.71	\$0.73	\$0.64	\$0.72	\$0.78	\$0.71	\$0.62	\$0.63	\$0.90
Free cash flow ⁽²⁾	\$108	\$545	\$49	\$31	(\$127)	\$78	\$209	\$340	(\$62)	\$349	\$104	\$186
Capital expenditures	\$189	\$160	\$273	\$156	\$255	\$143	\$243	\$124	\$135	\$156	\$417	\$152
Dividend per share	\$0.1500	\$0.1500	\$0.1500	\$0.1650	\$0.1650	\$0.1650	\$0.1650	\$0.1825	\$0.1825	\$0.1825	\$0.1825	\$0.2000
Share price – end of period	\$37.00	\$38.87	\$42.05	\$38.26	\$34.76	\$37.15	\$35.14	\$35.00	\$39.66	\$34.15	\$32.40	\$36.66

(1) Q4 F22 included a 14th week and 53rd week of operations, respectively.

(2) See section titled “Non-GAAP Financial Measures & Financial Metrics” in the Company’s MD&A for each of the relevant periods.

Appendix E:

Executive Leadership Team



[Executive Leadership Team - Link to Biographies](#)