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**Mandate of the Pension Committee**

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Approved by the Board of Directors on April 30, 2024

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# LOBLAW COMPANIES LIMITED

## Mandate of the Pension Committee

### 1. SCOPE OF RESPONSIBILITY

The Company and its subsidiaries have established certain benefit and retirement arrangements for its employees. The Board of Directors of the Company (“**Board**”) is responsible for overseeing the management of such arrangements and the Board has delegated to the Pension Committee (the “**Committee**”) the responsibility to assist the Board in fulfilling its duties. The Committee is responsible for oversight of the Company’s:

- defined benefit registered pension plans (the “**DB RPPs**”);
- defined contribution registered pension plans (the “**DC RPPs**”);
- unregistered supplementary pension plans (the “**SERPs**”);
- capital accumulation plans that are not DC RPPs, such as deferred profit sharing plans (DPSPs) and group retirement savings plans (group RRSPs), group tax-free savings accounts and vehicles for the decumulation of assets in such plans, such as registered retirement income funds (“**RRIFs**”) (the “**CAPs**”);

(collectively, the DB RPPs, DC RPPs, SERPs and CAPs are referred to as the “**Retirement Plans**”);

- Master Trust Funds that provide for the collective investment of certain assets of the DB RPPs.; and
- health and welfare benefit plans for employees (the “**Employee Benefit Plans**”).

For greater certainty, the Retirement Plans do not include any multi-employer pension plans to which the Company or its subsidiaries contribute.

The Company’s subsidiary, Sunfresh LLC, sponsors a U.S. 401(k) plan (the “**Sunfresh LLC 401(k) Plan**”). The Board of Managers of Sunfresh LLC has delegated responsibility for overseeing the Sunfresh LLC 401(k) Plan to the Management Pension & Benefits Committee (as defined below). The Committee receives periodic reports and updates on the Sunfresh LLC 401(k) Plan from the Management Pension & Benefits Committee.

### 2. MEMBERS

The Board shall appoint a minimum of three directors, a majority of whom shall be non-management directors, to be members of the Committee. The members of the Committee shall be selected by the Board on recommendation of the Governance, Employee Development, Nominating and Compensation Committee of the Company.

### 3. CHAIR

Each year the Board shall appoint one member to be Chair of the Committee. If, in any year, the Board does not appoint a Chair, the incumbent Chair shall continue in office until a successor is appointed.

### 4. TENURE

Each member shall hold office until his or her term as a member of the Committee expires or is terminated.

## 5. **QUORUM, REMOVAL AND VACANCIES**

A majority of the Committee's members shall constitute a quorum. Any member may be removed and replaced at any time by the Board. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

## 6. **DUTIES**

The Board has delegated to the Committee the following plan administrator and plan sponsor duties as well as any other duties that are specifically delegated to the Committee by the Board:

### A. **Plan Administrator Duties**

#### i. **Governance**

To promote the proper governance of the Retirement Plans and to facilitate fulfillment of the Committee's responsibilities under this Mandate, the Committee shall, in consultation with the Governance, Human Resource, Nominating and Compensation Committee of the Board of Directors of GWL, have the authority to:

- approve the establishment of a committee comprised of senior management representation from the Company and its subsidiaries, GWL and Choice Properties REIT (the "**Management Pension & Benefits Committee**"); and
- delegate to the Management Pension & Benefits Committee such duties and responsibilities with respect to the Retirement Plans as this Committee deems necessary or desirable to ensure the prudent design and administration of the Retirement Plans.

Such duties and responsibilities shall be performed by the Management Pension & Benefits Committee in accordance with its Mandate, policies and procedures established by this Committee from time to time, as well as the applicable policies and procedures of the Company, GWL and Choice Properties REIT, as applicable. To ensure that its duties and responsibilities are satisfied, the Management Pension & Benefits Committee shall report to this Committee periodically (but no less frequently than annually), and upon request of this Committee, in the form and manner specified by this Committee from time to time.

#### ii. **Administration**

The Committee shall oversee the administration of the Retirement Plans with a view to promoting the proper administration of each Retirement Plan in accordance with its terms and applicable law. To that end, the duties and responsibilities of the Committee shall include the following:

- review the adequacy of the administrative procedures instituted by management or third party recordkeepers, as applicable, receive reports

from persons charged with responsibility for implementing such procedures and, if necessary, meet with such persons to discuss such reports. The Committee shall make such recommendations to the Management Pension & Benefits Committee with respect to the administration of the Retirement Plans as it from time to time thinks fit;

- review with the Management Pension & Benefits Committee material issues of Retirement Plan interpretation and administration policy;
- review with the Management Pension & Benefits Committee periodic reports relating to complaints received by the Company regarding matters relating to the Retirement Plans;
- review with the Management Pension & Benefits Committee material issues relating to Retirement Plan communications and the effectiveness of communication materials and education programs;
- review with the Management Pension & Benefits Committee and approve the going concern and solvency valuations and actuarial assumptions for the DB RPPs, as provided by the actuary, on an annual basis;
- review with the Management Pension & Benefits Committee and make recommendations with respect to the criteria for evaluating the performance of trustees/custodians (the “**Trustees**”), auditors, third party administrators and recordkeepers, actuaries, and investment consultants;
- approve the appointment, removal or retention of the Trustees, auditors, third party administrators and recordkeepers, actuaries, and investment consultants;
- review the actions taken by management to ensure that the individual sponsors of the Retirement Plans are provided with information and reports sufficient to enable them to fulfil their duties and responsibilities, including without limitation written reports and such other information as they may reasonably require;
- review and approve the financial statements of the DB RPPs, DC RPPs and Master Trust Funds and the auditors’ reports thereon, and meet with the auditors to discuss same, as necessary; and
- review at least annually the report of the SVP, Pension and Benefits (LCL) in respect of fees and expenses charged to the Retirement Plans.

### iii. **Investment**

#### a. **DB RPP Assets**

The Committee shall have the following duties in relation to the investment of the DB RPP assets:

- approve the framework within which investment decisions are made, oversee implementation of the various investment-related policies and criteria, and oversee the actual overall investment performance. To fulfil this responsibility, the Committee shall perform the following activities:
  - review with the Management Pension & Benefits Committee, at least annually, the Company’s Statement of Investment Policies and Procedure for DB RPPs (the “**DB SIP&P**”), the asset mix policy, and

any other applicable investment policy, and approve any changes to the same that the Committee deems necessary or desirable; and

- approve the return on investment objectives and the strategic ranges for asset classes, working in consultation with the Management Pension & Benefits Committee.
- in relation to third party investment managers of assets of the DB RPPs and Master Trust Funds (the “**Managers**”):
  - approve criteria for selection and performance of Managers, working in consultation with the Management Pension & Benefits Committee;
  - review with the Management Pension & Benefits Committee and approve the appointment, termination, removal or retention of the Managers;
  - approve the Management Pension & Benefits Committee’s recommendation on the delegation to each Manager the power and authority to invest and re-invest, in its sole discretion, such assets as management shall allocate to such Manager; and
  - review the performance of the Managers on a regular basis, relative to the goals and policies set out in the DB SIP&P and such other criteria as the Committee shall have established or consider relevant;
- approve any investment of DB RPP or Master Trust Fund assets to be managed directly by the Company (such investments not to exceed 5% of the total assets of any DB RPP determined on a market value basis), monitor the performance of such investments and take such actions with respect thereto as it considers appropriate; and
- review with the Management Pension & Benefits Committee the performance of any investment of DB RPP assets not invested in the Master Trust Funds.

All of the foregoing responsibilities are conferred on the Committee, and by the Committee on any sub-delegatee pursuant hereto, and all statements made herein, is and are subject at all times to, and shall be read in accordance with, the DB SIP&P and any other applicable investment policy.

**b. CAP and DC RPP Assets**

The Committee shall have the following duties in relation to the investment of the CAP and DC RPP assets:

- review with the Management Pension & Benefits Committee, at least annually, the Company’s Statement of Investment Policy for Capital Accumulation Plans (the “**CAP SIP**”) and approve any changes to the same that the Committee deems necessary or desirable;
- review with the Management Pension & Benefits Committee the investment performance of the investment options made available to members of the CAPs and DC RPPs and approve the selection and replacement of the same; and

- oversee the Management Pension & Benefits Committee in relation to the provision of investment information and communication to participants in the CAPs and DC RPPs.

All of the foregoing responsibilities are conferred on the Committee, and by the Committee on any sub-delegatee pursuant hereto, and all statements made herein, is and are subject at all times to, and shall be read in accordance with, the CAP SIP and any other applicable investment policy.

**iv. Compliance**

The Committee shall monitor management's oversight of the Retirement Plans' compliance with the Company's policies, the DB SIP&P, the CAP SIP, the Retirement Plan texts, as applicable, and applicable legislation, including all reporting, filing and other regulatory requirements.

**v. Risk Oversight of the Retirement Plans**

The Committee shall oversee management (including the Management Pension & Benefits Committee) in relation to the monitoring, identification and mitigation of material risks associated with the Retirement Plans.

**B. Plan Sponsor Duties**

**i. Plan Design**

The Committee shall have the following duties in relation to the design of the Retirement Plans:

- in consultation with the Management Pension & Benefits Committee and the Company's advisors, periodically review the design of the Retirement Plans having regard to the Company's objectives, the financial impact of the Retirement Plans on the Company's business, market trends and practice, and any other relevant factors; and
- review any amendments proposed by the Management Pension & Benefits Committee to the design or text of the Retirement Plans (including the approval of new plans and the termination of existing Retirement Plans) and, if appropriate, approve any such amendments (subject to such modifications as the Committee deems appropriate).

**ii. Valuation Strategy and Funding**

The Committee shall review with the Management Pension & Benefits Committee the valuation strategy and funding of the DB RPPs, at least annually, based on the actuarial reports, and shall approve the same, provided that any funding contributions made to comply with statutory requirements are not subject to approval by the Committee.

**iii. Accounting Expense**

In consultation with the Management Pension & Benefits Committee, the Committee shall review, advise on and approve for each DB RPP and defined

benefit SERP the annual contribution expense for accounting purposes for the relevant plan sponsors.

**iv. Risk Oversight of the Company**

The Committee shall oversee management (including the Management Pension & Benefits Committee) in relation to the monitoring, identification and mitigation of material risks to the Company associated with the Retirement Plans.

**7. EMPLOYEE BENEFIT PLANS & RETIREMENT PLANS**

The Committee shall: (1) review from time to time, but at least annually, the design, implementation, cost, and administration of the Employee Benefit Plans and (2) review and approve any significant changes to the Employee Benefit Plans or Retirement Plans, including, in respect of Retirement Plans, any significant changes to the pension entitlements for non-unionized employees in both the Company's DB RPPs and DC RPPs.

**8. RETIREE BENEFIT PLAN REPORTING**

The Committee shall require the Management Pension & Benefits Committee to report to the Committee periodically (but at least annually), for information purposes only, regarding the cost of benefits provided under retiree benefit plans affecting the members of the Retirement Plans and other material issues relating to those plans that may affect the Committee's scope of responsibility.

**9. DELEGATION OF DUTIES**

In addition to any delegation specifically contemplated hereby (including delegation to the Management Pension & Benefits Committee as contemplated in Section 6.A.i above), the Committee may delegate such of its duties and responsibilities to senior management and third parties (such as RRIF administrators) as it from time to time thinks fit and as permitted by law, and shall undertake such supervision as it deems appropriate to ensure that such duties and responsibilities are satisfied.

**10. REPORTING**

The Committee shall report to the Board at least annually or more often as required, on all material matters dealt with by the Committee.

**11. REVIEW AND DISCLOSURE**

This Mandate should be reviewed by the Committee at least annually and be submitted to the Board for consideration and approval with such amendments as the Committee proposes.

**12. FREQUENCY OF MEETINGS AND *IN CAMERA* SESSIONS**

The Committee shall meet on at least four occasions annually at the call of the Chair. Following each regularly-scheduled meeting of the Committee, the Committee members shall meet in private session. The Committee shall keep minutes of each meeting.



**13. RETENTION OF EXPERTS**

The Committee may engage such special actuarial, legal, pension consultants or other experts, without Board approval and at the expense of the Company, as it considers necessary to perform its duties.