

**NOTICE OF 2021 ANNUAL MEETING OF SHAREHOLDERS  
& MANAGEMENT PROXY CIRCULAR**

**NOVEMBER 18, 2021**

## GOODFOOD MARKET CORP.

### NOTICE OF 2021 ANNUAL MEETING OF SHAREHOLDERS

Montréal, Québec, November 18, 2021

Notice is hereby given that an annual meeting of shareholders (the “**Meeting**”) of Goodfood Market Corp. (the “**Company**”) will be held on Tuesday, January 18, 2022, at 10:00 a.m. (Montréal time).

This year, to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders related to the COVID-19 pandemic, and unless we advise otherwise by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>), we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast at <https://web.lumiagm.com/233896596>. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

The Meeting will be held for the following purposes:

1. to receive the Audited Consolidated Financial Statements of the Company for the fiscal year ended August 31, 2021 and the auditor’s report thereon;
2. to elect directors;
3. to appoint auditors and authorize the directors to fix their remuneration; and
4. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Management Proxy Circular and proxy form for the Meeting are enclosed with this Notice.

Registered shareholders and duly appointed proxyholders will be able to participate in the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the Management Proxy Circular. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to participate in the Meeting as guests, but guests will not be able to submit questions or vote at the Meeting.

If you do not expect to be able to participate in the Meeting, please complete, date and sign the accompanying proxy form and return it by following the instructions on the accompanying proxy form and the Management Proxy Circular. Proxies submitted by mail, fax or Internet must be received by TSX Trust by 10:00 a.m. (Montréal time) on Friday, January 14, 2022. These instructions include the additional step of registering such proxyholder with our transfer agent, TSX Trust, after submitting your form of proxy or voting instruction form. **Failure to register the proxyholder with TSX Trust will result in the proxyholder not receiving a control number to participate in the Meeting and only being able to attend as a guest.**

While as of the date hereof we intend to hold the Meeting in virtual-only format, we are continuously monitoring the COVID-19 pandemic and reserve the right to hold a hybrid meeting

which would permit both in-person and virtual participation. Changes to the means of holding the Meeting, if any, will be announced by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>). We do not intend to prepare or mail an amended Management Proxy Circular in the event of changes to the Meeting format.

Only persons shown on the register of shareholders at the close of business on Monday, December 13, 2021, or their proxy holders, will be entitled to participate in the Meeting and vote.

By order of the Board of Directors,

*(s) Nadia Jubinville*

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Nadia Jubinville

VP Legal Affairs, General Counsel and Corporate Secretary

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## INVITATION TO SHAREHOLDERS

Dear Shareholders:

On behalf of the Board of Directors and management of Goodfood Market Corp., we are pleased to invite you to attend the annual meeting of shareholders (the “**Meeting**”) that will be held this year on Tuesday, **January 18, 2022 at 10:00 am (ET)**.

This Meeting is your opportunity to hear first-hand about the Company’s strategic plans for the future. The enclosed management information circular describes the business to be conducted at the meeting and provides information on the Goodfood’s executive compensation and corporate governance practices.

This year, to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders related to the COVID-19 pandemic, and unless we advise otherwise by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>), we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast at <https://web.lumiagm.com/233896596>. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

Your participation in voting at the meeting is important to us. You can vote by proxy ahead of the Meeting using all of the voting channels that have been available in the past; only voting at the Meeting has changed. You can vote online during the Meeting. Please refer to the “Voting Procedures” section of this management information circular for more information.

We look forward to welcoming you at the Meeting and thank you for your continued support.

Sincerely,

*(s) Jonathan Ferrari*

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Jonathan Ferrari

Chief Executive Officer and Chair of the Board of Directors

## MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular is provided in relation to the solicitation of proxies by the management of Goodfood Market Corp. (“we”, “us”, “our”, “Goodfood” and the “Company”) for use at the annual meeting of shareholders (the “Meeting”) of the Company to be held on Tuesday, January 18, 2022 and at any adjournment or postponement thereof. Unless otherwise indicated, the information provided in this Management Proxy Circular is provided as of Thursday, November 18, 2021, and all currency amounts are shown in Canadian dollars. The Meeting, unless we advise otherwise by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>), will be held as a completely virtual meeting, which will be conducted via live audio webcast. Shareholders will not be able to participate in the Meeting in person. A summary of the information you will need to participate in the Meeting online is provided below.

### PROXY MATTERS AND VOTING INFORMATION

#### Solicitation of Proxies

The solicitation of proxies will be made primarily by mail. Proxies may also be solicited by email, by telephone or in person. Employees, officers, directors or agents of the Company will solicit the proxies. The Company does not expect to pay any compensation for the solicitation of proxies and the Company will bear all expenses in connection with the solicitation of proxies. The Company has not retained the services of any third party to solicit proxies. Should it decide to do so, the fees payable to the proxy solicitor are expected to be nominal.

#### Participating in the Meeting

This year, to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders related to COVID-19 PANDEMIC, and unless we advise otherwise by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>), we will hold our Meeting in a virtual only format, which will be conducted via live audio <https://web.lumiagm.com/233896596>. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location. Shareholders will not be able to attend the Meeting in person.

Participating in the Meeting online allows registered shareholders and duly appointed proxyholders, including non-registered shareholders who have appointed themselves or another person as a proxyholder, to participate at the Meeting and ask questions, all in real time. Registered shareholders and duly appointed proxyholders can vote at the appropriate time during the Meeting. Guests, including non-registered shareholders who have not duly appointed themselves or another person as a proxyholder, can log in to the Meeting as set out below. Guests will be able to participate in the Meeting but cannot submit questions or vote. To access the Meeting, follow the instructions below, as applicable to you:



- Log in online at <https://web.lumiagm.com/233896596>
- Click “Login” and then enter your control number and password “**goodfood2022**” (note the password is case sensitive); OR
- Click “Guest” and then complete the online form.

In order to find the control number to access the Meeting:

- Registered shareholders: The control number located on the form of proxy or in the email notification you received is your control number.
- Proxyholders: Duly appointed proxyholders, including non-registered shareholders that have appointed themselves or another person as a proxyholder, must provide TSX Trust with the required proxyholder contact information so that it may provide the proxyholder with a control number via email after the proxy voting deadline has passed.

We recommend that you log in at least 15 minutes before the start time of the Meeting. It is important to ensure you are connected to the internet at all times if you participate in the Meeting online in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

For additional details and instructions on accessing the Meeting online from your tablet, smartphone or computer, see the Virtual AGM User Guide provided by TSX Trust and accompanying this Management Proxy Circular.

While as of the date of this Management Proxy Circular we intend to hold the Meeting in virtual-only format, we are continuously monitoring the evolution of the current COVID-19 pandemic and reserve the right to take any measures we deem appropriate, including, should further developments allow for it, holding a hybrid meeting which would permit both in-person and virtual participation. Changes to the means of holding the Meeting, if any, will be announced by way of press release and on our website (<https://www.makegoodfood.ca/en/investisseurs>). We do not intend to prepare or mail an amended Management Proxy Circular in the event of changes to the Meeting format.

## Questions

Shareholders and duly appointed proxyholders may submit questions during the Meeting using the “Ask a Question” field provided in the web portal. Guests will be able to participate in the Meeting but are not able to submit questions or vote. Questions may be submitted at any point during the Meeting but must be submitted prior to the commencement of voting on the matter to which they relate. All questions relating to a matter subject to a vote at the Meeting that are deemed to be appropriate and directly related to such matter will be addressed prior to the closing of voting on such matter. Following termination of the formal business of the Meeting and time permitting, the Company will address any appropriate general questions received from shareholders and duly appointed proxyholders regarding the Company. In order to facilitate a respectful and effective Meeting, only questions of general interest to all shareholders will be answered. To ensure the



Meeting is conducted in a manner that is fair to all shareholders, the Chair of the Meeting may exercise broad discretion in responding to questions, including the order in which the questions are answered, the grouping or editing of the questions and the amount of time devoted to any question.

If there are any matters of individual concern to a shareholder and not of general concern to all shareholders, or if a question posed was not otherwise answered, such matters may be raised separately after the meeting by contacting the Company's **Investor Relations** by sending an e-mail to: [ir@makegoodfood.ca](mailto:ir@makegoodfood.ca) or by contacting the Company's **Corporate Secretary** by sending an e-mail to : [legal@makegoodfood.ca](mailto:legal@makegoodfood.ca).

### **Appointment and Revocation of Proxyholders**

The persons whose appointment to act under the proxy form solicited by the management of the Company are directors of the Company. **Every shareholder has the right to appoint some other person or company of their choice (who need not be a shareholder) to attend and act on their behalf at the Meeting, or any adjournment or postponement thereof, MUST submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder AND register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a control number that is required to vote at the Meeting.**

A proxy may be revoked at any time by the person giving it to the extent that it has not yet been exercised. You can revoke your proxy at any time, by voting again, by submitting a new completed proxy form or voting information form not less than 48 hours (excluding Saturdays, Sundays and holidays), prior to the time fixed for holding the Meeting. A proxy may also be revoked by filing a written notice with the Corporate Secretary of the Company at any time up to and including the last day preceding the day of the Meeting, or any adjournment or postponement thereof, by sending an e-mail to: [legal@makegoodfood.ca](mailto:legal@makegoodfood.ca).

If you have followed the process for participating in and voting at the Meeting online, casting your vote online during the Meeting will revoke your previous proxy.

The persons whose names are printed on the proxy form will vote all the shares in respect of which they are appointed to act in accordance with the instructions given on the proxy form. **In the absence of a specified choice in relation to any matter to be voted on at the Meeting, or if more than one choice is indicated, the shares represented by the proxy form will be voted FOR the matter in question.**

Every proxy given to any person in the proxy form that accompanies the Notice of Meeting will confer discretionary authority with respect to amendments or variations to the items of business identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting.

## Notice and Access

The Company has elected not to use the notice and access procedures under applicable securities legislation to send the proxy related materials to registered shareholders and beneficial owners of the Company's common shares (the "**Common Shares**").

## Voting Procedures

You can vote by proxy ahead of the Meeting using all of the voting channels that have been available in the past; only voting at the Meeting has changed. You can vote online during the Meeting by following the instructions below.

### *Registered Shareholders*

You are a "registered shareholder" if you have a share certificate or Direct Registration System (DRS) advice issued in your name and as a result, have your name shown on Goodfood's register of shareholders kept by our transfer agent, TSX Trust.

If you are a registered shareholder, you can vote your shares by completing a ballot online during the Meeting or by appointing someone else as proxyholder to attend the Meeting and vote your Common Shares for you, as mentioned above.

### *Non-Registered Shareholders (Beneficial Owners)*

You are a "non-registered shareholder" or "beneficial owner" if your shares are held on your behalf through an intermediary or nominee (for example, a bank, trust company, securities broker, clearing agency or other institution). Non-registered shareholders must appoint themselves as proxyholder in order to vote at the Meeting. If you are a non-registered shareholder and do not appoint yourself as proxyholder, you will still be able to participate as a guest.

Under applicable securities legislation, a beneficial owner of securities is a "non-objecting beneficial owner" (or "**NOBO**") if such beneficial owner has or is deemed to have provided instructions to the intermediary holding the securities on such beneficial owner's behalf not objecting to the intermediary disclosing ownership information about the beneficial owner in accordance with said legislation, and a beneficial owner is an "objecting beneficial owner" (or "**OBO**") if such beneficial owner has or is deemed to have provided instructions objecting to same.

If you are a NOBO, the Company has sent these materials directly to you, and your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities legislation from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. The voting instruction form that is sent to NOBOs contains an explanation as to how you can exercise the voting rights attached to your Common Shares, including how to participate in, and vote directly at the Meeting. Please provide your voting instructions as specified in the enclosed voting instruction form.

If you are an OBO, you received these materials from your intermediary or its agent (such as Broadridge), and your intermediary is required to seek your instructions as to the manner in which to exercise the voting rights attached to your Common Shares. The Company has agreed to pay for intermediaries to deliver to OBOs the proxy-related materials and the relevant voting instruction form. The voting instruction form that is sent to an OBO by the intermediary or its agent should contain an explanation as to how you can exercise the voting rights attached to your Common Shares, including how to participate in, and vote directly at the Meeting. Please provide your voting instructions to your intermediary as specified in the enclosed voting instruction form.

## Voting Shares

Each holder of Common Shares is entitled to one vote per share. As at November 18, 2021, 75,000,697 Common Shares were issued and outstanding. Only persons shown on the register of Common Shares at the close of business on Monday, December 13, 2021 (the “**Record Date**”), or their proxyholders, will be entitled to attend the Meeting and vote.

Proxies submitted by mail, fax or Internet must be received by TSX Trust by 10:00 a.m. (Montréal time) on Friday, January 14, 2022. Shareholders must also provide TSX Trust with the required proxyholder contact information so that it may provide the proxyholder with a control number via email. **Without a control number, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.** Note that if you are an OBO, your intermediary will need your voting instructions sufficiently in advance of this deadline to enable your intermediary to act on your instructions prior to the deadline. See “Voting Procedures - Non-Registered Shareholders (Beneficial Owners)”.

## Principal Shareholders

The following table shows the names of the persons who, as at November 18, 2021, to our knowledge, beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of our voting securities :

Name of Shareholder	Number of Common Shares	% of Total Voting Rights
Jonathan Ferrari <sup>(1)</sup>	9,825,024 <sup>(2)</sup>	13.10 %
Neil Cuggy <sup>(3)</sup>	9,826,772 <sup>(4)</sup>	13.10 %
Hamnett Hill <sup>(5)</sup>	6,965,309 <sup>(6)</sup>	9.29 %

(1) Jonathan Ferrari is the Chairman and Chief Executive Officer of the Company.

(2) Beneficially owned by Jonathan Ferrari, of which 676,559 Common Shares held of record by him, 8,300,000 Common Shares held of record by 10259209 Canada Inc., and 848,465 Common Shares held of record by 12187388 Canada Inc. Mr. Ferrari exercises control over the Common Shares held by 10259209 Canada Inc. and 12187388 Canada Inc.

(3) Neil Cuggy is the President and Chief Operating Officer of the Company.

(4) Beneficially owned by Neil Cuggy, of which 678,307 Common Shares are held of record by him, 8,300,000 Common Shares are held of record by 10259136 Canada Inc., and 848,465 Common Shares held of record by 12187337 Canada Inc. Mr. Cuggy exercises control over the Common Shares held by 10259136 Canada Inc. and 12187337 Canada Inc.

(5) Hamnett Hill is a director of the Company.

(6) Beneficially owned by Hamnett Hill, of which 598 Common Shares are held of record by him, 6,964,711 Common Shares are held of record by edō Capital Inc. Mr. Hill exercises control over the Common Shares held by edō Capital Inc.

## **BUSINESS TO BE TRANSACTED AT THE MEETING**

The following items of business will be presented to the shareholders at the Meeting:

### **1. Presentation of the Audited Consolidated Financial Statements**

The Audited Consolidated Financial Statements of the Company for the fiscal year ended August 31, 2021 (“**Fiscal 2021**”) and the auditor’s report thereon will be presented at the Meeting but will not be subject to a vote.

### **2. Election of Directors**

Six (6) directors are to be elected to hold office until the close of the next annual meeting of shareholders or until their successor is elected or appointed. Each of the persons presented under “Proposed Nominees for Election as Directors” in this Management Proxy Circular is proposed to be nominated as a director of the Company and each nominee has agreed to serve as a director if elected.

**The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the election as directors of the six persons nominated in this Management Proxy Circular unless shareholders direct otherwise.**

### **3. Appointment of Auditors**

The Board of Directors recommends that KPMG LLP, Chartered Professional Accountants, be appointed as the auditors of the Company to hold office until the next annual meeting of shareholders or until their successors are appointed. KPMG LLP were first appointed as auditors to Goodfood Market Inc., the Company’s predecessor on March 18, 2017 and became the auditors of the Company effective following the close of Goodfood Market Inc.’s reverse take-over of Mira VII Acquisition Corp. on June 1, 2017 (the “**RTO**”).

**The persons named as proxies in the proxy form intend to cast the votes represented by proxy at the Meeting FOR the appointment of KPMG LLP as auditors and to vote to authorize the directors to fix the remuneration of the auditors unless shareholders direct otherwise.**

### **4. Other Business to be Transacted at the Meeting**

Management of the Company is not aware of any matter to be submitted at the Meeting other than the matters set forth in the Notice of Meeting.

## **PROPOSED NOMINEES FOR ELECTION AS DIRECTORS**

### **Information on Proposed Nominees**

The persons whose names are printed in the proxy form intend to vote FOR the election as directors of each of the proposed nominees set forth below. Each such candidate was proposed based on the recommendation of the Governance, Human Resources and Compensation Committee (the “**GHRC Committee**”) and for election as a director. Each director elected will hold office

until the next annual meeting of shareholders or until that director's successor is duly elected or appointed, unless the office is earlier vacated. By filling in the proxy form, shareholders may vote for all directors or choose to withhold their vote from some or all of the directors proposed for election.

We have adopted a Majority Voting Policy whereby proxy forms for shareholders' meetings at which directors are to be elected will enable the shareholder to vote for or to withhold from voting for each individual nominee. If, with respect to any particular nominee, the number of votes withheld exceeds the number of votes for the nominee, then, for the purpose of this policy, the nominee will be considered not to have received the confidence and support of the shareholders, even though duly elected as a matter of corporate law. A person elected as a director who is considered for the purpose of this policy not to have received the confidence and support of the shareholders is required to immediately tender his or her resignation as a director, to be effective on acceptance by the Board of Directors. The Board of Directors will consider the tendered resignation and disclose by news release its decision whether or not to accept that resignation and the reasons for its decision no later than 90 days after the date of the relevant shareholders' meeting. The Board of Directors will accept the tendered resignation, absent exceptional circumstances. In considering whether or not to accept the tendered resignation, the Board of Directors will consider all factors that it deems in its discretion to be relevant, including, without limitation, any stated reasons why shareholders withheld votes for election of such director, the length of service and qualifications of the director whose resignation has been tendered, the director's contribution to the Company and the Company's corporate governance policies.

The tables below identify each of the proposed nominees; their principal occupation; their province or state, and country of residence; their age; the year when the person first became a director of the Company; whether the candidate has been determined by the Board of Directors to be independent of, or related to, the Company; their Board of Directors and Committee memberships and attendance record; other public company board memberships; the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, the number of stock options of the Company (the "**Options**") (see "Executive Compensation - Stock Option Plan"), with all such securities ownership information provided by each of the candidates as at November 18, 2021; and whether the candidate complies with the Company's share ownership guidelines.

For the purposes hereof, any reference to "**RSUs**" herein shall mean restricted share units.

## JONATHAN FERRARI



Mr. Ferrari is Co-Founder and Chief Executive Officer of Goodfood. After graduating with honors from McGill University, Mr. Ferrari joined RBC's investment banking team in Montréal in 2010, advising retailers on mergers and acquisitions, capital raises and strategic partnerships. He co-founded MTL Capital LLC in 2013, a privately held entrepreneurial investment firm and in 2014 he co-founded Goodfood. In 2017, Mr. Ferrari was named one of Canada's Top 40 Under 40. This national award celebrates the exceptional achievements of Canadians in leadership, innovation and community involvement. In 2018, Mr. Ferrari was named EY young entrepreneur of the year. Mr. Ferrari is a Montréal native.

Québec, Canada Age: 33 Director since: 2017 2021 votes for: 92.341% Not Independent	Board/Committee Membership	Attendance Record for Fiscal 2021		Other Public Company Board Memberships
	Board of Directors (Chairman)	5 of 5	100%	—

### Securities Held

As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	9,825,024 <sup>(1)</sup>	—	142,492	\$47,844,077	Yes

### Options Held

Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)
June 1, 2017	50,000	\$2.00	—
August 23, 2017	128,205	\$1.56	8,010
September 1, 2018	500,000	\$2.55	166,656
September 29, 2020	87,560	\$8.26	87,560
November 18, 2021	248,566	\$5.30	248,566

<sup>(1)</sup> Beneficially owned by Jonathan Ferrari, of which 676,559 Common Shares held of record by him, 8,300,000 Common Shares held of record by 10259209 Canada Inc., and 848,465 Common Shares held of record by 12187388 Canada Inc. Mr. Ferrari exercises control over the Common Shares held by 10259209 Canada Inc. and 12187388 Canada Inc.

## NEIL CUGGY



Mr. Cuggy is Co-Founder, President and Chief Operating Officer of Goodfood. Mr. Cuggy's previous experience includes co-founding in 2013 and leading an entrepreneurial investment firm called MTL Capital LLC, a privately held entrepreneurial investment firm, and in 2014, he co-founded Goodfood. Before founding MTL Capital and Goodfood, Mr. Cuggy worked in the Investment Banking division of RBC Capital Markets from 2010 to 2012 where he worked on multiple mergers and acquisitions, equity financings and debt financings. He is a Montréal native who comes from a long line of entrepreneurs. In 2018, Mr. Cuggy was named EY young entrepreneur of the year and he graduated first class honours with distinction from McGill University where he received a Bachelor of Commerce degree in Investment Management.

Québec, Canada Age: 33 Director since: 2017 2021 votes for: 93.804% Not Independent	Board/Committee Membership		Attendance Record for Fiscal 2021		Other Public Company Board Memberships
	Board of Directors		5 of 5	100%	—

### Securities Held

As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	9,826,772 <sup>(1)</sup>	—	142,492	\$47,852,468	Yes

### Options Held

Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)
June 1, 2017	50,000	\$2.00	—
August 23, 2017	128,205	\$1.56	8,010
September 1, 2018	500,000	\$2.55	166,656
September 29, 2020	87,560	\$8.26	87,560
November 18, 2021	248,566	\$5.30	248,566

<sup>(1)</sup> 678,307 Common Shares held beneficially and of record by Neil Cuggy, 8,300,000 Common Shares held of record by 10259136 Canada Inc., and 848,465 Common Shares held of record by 12187337 Canada Inc. Mr. Cuggy exercises control over the Common Shares held by 10259136 Canada Inc. and 12187337 Canada Inc.



## HAMNETT HILL



Hamnett Hill is a director of Goodfood Market Corp. and has spent over 25 years creating, growing, and investing in businesses that make consumers' lives easier through technology. Mr. Hill is currently a Fellow at Diagram Ventures, a leading venture builder in the financial, insurance and healthcare sectors. He has started and grown businesses across telecom, consumer software, enterprise software, security, and other industries, many of which have resulted in significant exits for founders, shareholders, and employees. He has also mentored many entrepreneurs. As co-founder and Chief Executive Officer of Smooch.io until May 2019, Mr. Hill has worked to humanize the relationships between businesses and consumers by bringing the power of B2C messaging to businesses and software vendors, making it easy for consumers to have rich messaging conversations with companies from wherever they are. Mr. Hill is also an active technology angel investor, with investments in companies such as BlockStream, AppDirect and Xpertsea. Engaging his passion for food and food systems, Mr. Hill is the founder and principal of edō Capital, a private equity firm for early-stage, innovative food businesses and technologies that contribute to a healthier and more sustainable future. Mr. Hill's companies and teams have been honored with numerous awards, including the Profit 100 Fastest Growing Canadian Companies, Canada's 50 Best Managed Companies, Canada's Top 100 Employers, Canada's Top 40 Under 40, and Ernst & Young Entrepreneur of the Year, among others. The companies have been covered by news and business media such as the Wall Street Journal, 60 Minutes, the Globe & Mail, the Financial Post, the Atlantic, and Wired. In addition to his business and investing activities, he serves as a Director of Miss Edgar & Cramps School (ECS) - one of Montreal's oldest girls-only private schools. He is also a Director of the Massawippi Foundation - an organization that has supported the protection of over 1200 acres of ecologically sensitive land in the Massawippi Valley in perpetuity. He supports a number of other causes through his role as a director of the Hamnett P. Hill Family Foundation.

Québec, Canada Age: 50 Director since: 2017 2021 votes for: 98.881% Independent	Board/Committee Membership		Attendance Record for Fiscal 2021		Other Public Company Board Memberships
	Board of Directors		5 of 5	100%	-
	Audit Committee		4 of 4	100%	
	GHRC Committee		1 of 1	100%	

Securities Held					
As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	6,965,309 <sup>(1)</sup>	—	11,127	\$33,486,893	Yes
Options Held					
Date Granted	Number (#)	Exercise Price (\$)		Total Unexercised (#)	
August 23, 2017	25,000	\$1.56		25,000	
September 1, 2018	25,000	\$2.55		25,000	
September 17, 2019	25,000	\$2.97		25,000	
September 29, 2020	9,729	\$8.26		9,729	
November 18, 2021	17,145	\$5.30		17,145	

<sup>(1)</sup> 598 Common Shares held beneficially and of record by Hamnett Hill, 6,964,711 Common Shares held of record by edō Capital Inc., Mr. Hill exercises control over the Common Shares held by edō Capital Inc.

## DONALD OLDS



Donald Olds was President and Chief Executive Officer of the NEOMED Institute from January 2017 to May 2019, prior to which he was the Chief Operating Officer of Telesta Therapeutics Inc. a TSX-listed biotechnology company from 2014 to 2016. In October 2016, he led the process that resulted in the successful sale of Telesta. Prior to Telesta, he was President and Chief Executive Officer of Presagia Corp., a private software development company from 2011 to 2013. Before joining Presagia, he worked for 9 years as Chief Financial Officer and Chief Operating Officer of Aegea Therapeutics. Prior to Aegea, Mr. Olds was Chief Financial Officer of Mediatrix Telecom from 2000 to 2002 and led the technology investment banking practice of TD Securities in Québec from 1997 to 2002. Mr. Olds is currently Lead Director of Cannara Biotech Inc. (TSXV:LOVE), Director of Acasti Pharma Inc.(NASDAQ:ACST) and Chairman of Aifred Health Inc.(private) and Director of Presagia Corp. (private). He holds an MBA (Finance & Strategy) and M.Sc. (Renewable Resources) from McGill University.

Québec, Canada Age: 61 Director since: 2017 2021 votes for: 93.808% Independent	Board/Committee Membership		Attendance Record for Fiscal 2021		Other Public Company Board Memberships
	Board of Directors (Lead Director)		5 of 5	100%	Acasti Pharma Inc. Presagia Corp. Cannara Biotech Inc. Aifred Health
	Audit Committee		4 of 4	100%	
	GHRC Committee (Chair)		1 of 1	100%	

### Securities Held

As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	73,333 <sup>(1)</sup>	\$83,000 <sup>(2)</sup>	11,127	\$504,178	Yes

### Options Held

Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)
August 23, 2017	25,000	\$1.56	5,000
September 1, 2018	25,000	\$2.55	25,000
September 17, 2019	25,000	\$2.97	25,000
September 29, 2020	9,729	\$8.26	9,729
November 18, 2021	17,145	\$5.30	17,145

<sup>(1)</sup> 63,098 Common Shares held beneficially and of record by Donald Olds, 9,795 Common Shares held beneficially and of record by Ofra Aslan, and 440 Common Shares held beneficially and of record by Simone Aslan.

<sup>(2)</sup> \$58,000 principal amount of Debentures held beneficially and of record by Donald Olds and \$25,000 principal amount of Debentures held beneficially and of record by Joyce Olds.

## TERRY YANOFSKY



Theresa Yanofsky currently serves as a member of Goodfood's Board of Directors. Ms. Yanofsky has extensive experience working with international retailers and is respected for her strategic leadership and disciplined approach to driving revenue. Ms. Yanofsky also serves as a board member for Reitmans (Canada) Ltd. where she chairs the Strategic Planning Committee as well as Canopy Growth Corporation where she acts as the Chair of the Corporate Governance and Nomination Committee as well as a member of the Audit Committee. Ms. Yanofsky recently served as the Senior Vice-President, General Manager of Sephora Canada. Prior to joining Sephora, Ms. Yanofsky worked at L Brands where she was General Manager for Bath & Body Works Canada and brings over 30 years of experience working with rapidly growing big-name global retailers.

Québec, Canada Age: 64 Director since: 2019 2021 votes for: 98.882% Independent		Board/Committee Membership	Attendance Record for Fiscal 2021		Other Public Company Board Memberships
		Board of Directors	5 of 5	100%	Reitmans (Canada) Limited and Canopy Growth Corporation
		GHRC Committee	1 of 1	100%	
Securities Held					
As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	5,398 <sup>(1)</sup>	—	11,127	\$79,320	No
Options Held					
Date Granted	Number (#)	Exercise Price (\$)		Total Unexercised (#)	
July 12, 2019	25,000	\$3.00		25,000	
September 29, 2020	9,729	\$8.26		9,729	
November 18, 2021	17,145	\$5.30		17,145	

<sup>(1)</sup> 598 Common Shares held beneficially and of record by Terry Yanofsky, 2,800 Common Shares held beneficially and of record by Terry Yanofsky and Donald Cohen, and 2,000 Common Shares held beneficially and of record by Donald Cohen.

## FRANÇOIS VIMARD



François Vimard is a director of Goodfood Market Corp., Andrew Peller Ltd., GS1 Canada and KP Tissue Inc. From 1995 to 2017, Mr. Vimard served in numerous functions at Empire Ltd. / Sobeys Inc., including as Interim President and Chief Executive Officer and as Chief Financial Officer for 10 years. Before joining Empire / Sobeys, he worked for 10 years at Provigo Ltd, holding numerous finance positions. Prior to joining Provigo, Mr. Vimard began his career as an auditor at Deloitte. He holds a Bachelor of Business Administration (B.B.A.), Accounting and Finance, Licences in Accounting from the Université Laval, Member of the order of Chartered Professional Accountants, and Graduate of the Institute of Corporate Director (ICD).

Québec, Canada Age: 59 Director since: 2019 2021 votes for: 99.982% Independent	Board/Committee Membership		Attendance Record for Fiscal 2021		Other Public Company Board Memberships
	Board of Directors		5 of 5	100%	Andrew Peller Ltd. Kruger Product Tissue Inc.
	Audit Committee (Chair)		4 of 4	100%	

### Securities Held

As at	Common Shares	Debentures	RSUs	Total Market Value of Securities	Meets Share Ownership Target
Nov. 18, 2021	602	—	11,127	\$56,299	No

### Options Held

Date Granted	Number (#)	Exercise Price (\$)	Total Unexercised (#)
August 16, 2019	25,000	\$2.80	25,000
September 29, 2020	9,729	\$8.26	9,729
November 18, 2021	17,145	\$5.30	17,145

## **Corporate Cease Trade Orders**

None of the nominees for election is, as at the date of this Management Proxy Circular, or has been, within the ten years prior to the date of this Management Proxy Circular, a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity), was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case, for a period of more than 30 consecutive days.

## **Bankruptcies**

Other than as set out below, no nominees for election to the Board of Directors is, as at the date of this Management Proxy Circular, or has been, within the ten years prior to the date of this Management Proxy Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Terry Yanofsky has been a director of Reitmans (Canada) Limited, a Canadian based retailer listed on the TSX, since August 2019. On May 19, 2020, Reitmans obtained an initial order from the Superior Court of Québec to seek protection from its creditors under the *Companies' Creditors Arrangement Act* (the "CCAA"). On September 28, 2021, the Québec Superior Court issued an extension of the stay of proceedings pursuant to the CCAA until January 28, 2022.

None of the nominees for election to the Board of Directors has, within the ten years prior to the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such director's assets.

## **Penalties or Sanctions**

None of the nominees for election to the Board of Directors has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

## EXECUTIVE COMPENSATION

The following section describes the significant elements of Goodfood's executive compensation program, with particular emphasis on the process for determining compensation payable to its executive officers whose total compensation was, individually, more than \$150,000 (collectively, the "**Named Executive Officers**" or "**NEOs**").

The following persons were NEOs of Goodfood during Fiscal 2021, with certain persons being NEOs for part of the year, as indicated:

- Jonathan Ferrari, Chairman and Chief Executive Officer;
- Neil Cuggy, President and Chief Operating Officer;
- Jonathan Roiter, Chief Financial Officer, effective June 7, 2021;
- Gregory Christopher, Executive Vice-President Operations, effective April 12, 2021;
- Jennifer Stahlke, Executive Vice-President, Marketing & Member Happiness, effective July 7, 2021; and
- Philippe Adam, former Chief Financial Officer, who ceased to be Chief Financial Officer effective April 2, 2021.

### Overview and GHRC Committee

The GHRC Committee is currently comprised of Donald Olds, Hamnett Hill and Terry Yanofsky, all of whom are independent within the meaning of National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**"). Mr. Olds is the chair of the GHRC Committee.

All members of the GHRC Committee have a working familiarity with corporate governance, human resources and compensation matters. For the skills and experience of each member and proposed member of the GHRC Committee relevant to the performance of his or her duties as a member of the GHRC Committee, see "Proposed Nominees for Election as Directors - Information on Proposed Nominees".

The charter for the GHRC Committee sets out the GHRC Committee's purpose and responsibilities with respect to executive compensation. Within the purview of its mandate, the GHRC Committee shall, amongst other things:

- consider and recommend for approval by the Board: (i) the appointment of the President, the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer and all other executive officers of the Company (the "**Executive Officers**"); and (ii) a succession plan with respect to each Executive Officer, as may be required;
- review the Chief Executive Officer's and President's assessment of existing management resources and plans for ensuring that qualified personnel will be available as required for succession of each Executive Officer and to report on this matter to the Board of Directors;

- review and assess the performance of the Executive Officers against pre-set specific corporate and individual goals and objectives approved by the GHRC Committee;
- review the annual performance assessments of the Executive Officers and report annually to the Board of Directors on these assessments;
- oversee and recommend for approval by the Board of Directors the executive compensation principles, policies, programs, grants of equity-based incentives and processes based on the principles that compensation should, to a significant extent, be reflective of the financial performance of the Company while rewarding the achievement of the Company's short and long-term objectives, and to specifically consider and recommend annually or as required for approval by the independent directors of the Board of Directors all forms of compensation for the Executive Officers;
- review the compensation discussion and analysis and related executive compensation disclosure for inclusion in the Company's public disclosure documents, in accordance with applicable rules and regulations;
- oversee the implementation and administration of benefit plans and review any proposed major changes in benefit plans and recommend for approval any change requiring Board of Directors action;
- review, monitor, report, and where appropriate, provide recommendations to the Board of Directors on the Company's exposure to risks related to executive compensation policies and practices, if any, and identify compensation policies and practices that mitigate any such risk; and
- review periodically the Company's policies with regards to disclosure, trading of securities, ethical, environmental and health and safety matters and taking steps to resolve issues of compliance with respect to the members of the Board of Directors and the Executive Officers.
- review, monitor, report, and where appropriate, provide recommendations to the Board of Directors on environmental, social and governance ("ESG") policies and practices.

The GHRC Committee has the authority to engage outside counsel or other outside advisors as it deems appropriate to assist the GHRC Committee in the performance of its functions.

For Fiscal 2021, the Board of Directors, upon recommendation of the GHRC Committee, adopted an approach based on the achievement of certain corporate and financial objectives. The NEO compensation for Fiscal 2021 is summarized hereinafter under the subheading "Summary Compensation Table". The Compensation of the NEOs is based on the factors described hereinafter.



## Compensation Discussion and Analysis

### *Compensation Objectives and Philosophy*

Our executive compensation program is designed to attract, retain, motivate and reward the executive officers for their performance and contribution to Goodfood's long-term success. The objective of the program is to focus Goodfood's executive officers on the key business factors that affect shareholder value and to align their compensation with Goodfood's business and financial objectives and the long-term interests of Goodfood's shareholders. Since the start of the year ended August 31, 2019 ("**Fiscal 2019**"), the Company has adopted compensation objectives based partially upon the achievement of certain financial and operational objectives. The Company's philosophy is to pay fair, reasonable and competitive compensation with an equity-based component in order to align the interest of the Company's executive officers with those of its shareholders.

During the course of Fiscal 2020, the GHRC Committee retained the services of PCI - Perrault Consulting Inc. ("**PCI**") to review the Company's executive compensation market positioning and to assist in refining the executive compensation policy going forward, beginning with Fiscal 2021.

On September 29, 2021, the Company adopted a revised bonus compensation structure, to be effective Fiscal 2022. This new bonus program will be based on net sales and adjusted EBITDA with the objectives i) to align management team and employees to corporate objectives and shareholders' interests; and ii) recognize corporate and individual performance. All employees eligible for bonus incentive payment will have a portion of their bonus calculated based on the corporate objectives and a portion calculated based on their individual objectives. The weighting factor of corporate components will vary based on the level of employees, ranging from 45% for employees to 70% for Executive Officers.

### *Market Positioning and Benchmarking*

For Fiscal 2021, the comparator group for considering the compensation of the NEOs consisted of the following companies:

- Recipe Unlimited Corporation
- Artizia Inc.
- MTY Food Group Inc.
- Andrew Peller Ltd.
- Jamieson Wellness Inc.
- Aurora Cannabis Inc.
- Kinaxis, Inc.
- Lightspeed POS Inc.
- Grubhub Inc.
- Medifast Inc.
- Stamps.com Inc.
- Zuora Inc.
- Alithya Group Inc.

For Fiscal 2022, the companies in the comparator group will consist of the same companies as for Fiscal 2021.

The performance goals and benchmarks for the NEOs compensation as established by the Board of Directors upon recommendation from the GHRC Committee for Fiscal 2021 are discussed below.

### ***Elements of Compensation***

The Company's compensation program consists primarily of the following elements: base salary, short-term incentive and long-term incentive, as well as customary benefit programs.

#### ***Base Salary***

Base salaries for NEOs are established based on the scope of their responsibilities, competencies and their prior relevant experience, taking into account compensation paid in the market for similar positions. Base salary is not contingent on short-term variation in operating performance, and therefore sustains individual performance and competency development.

Base salaries are reviewed annually and may be increased for merit reasons, based on the NEO's success in meeting or exceeding corporate or individual objectives. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive's role or responsibilities, as well as for market competitiveness.

#### ***Short-Term Incentive***

Compensation program for NEOs includes eligibility for annual cash bonuses (or payment of annual bonus value (totally or partially) in long-term incentive ("LTI") grants). Such grant may consist in RSUs grants or a combination of RSUs and Options grants, subject to Board's approval. The target amounts to which NEOs are entitled under the annual bonus plan are approved by the Board of Directors, upon recommendation of the GHRC Committee.

The following table summarizes the market positioning for each element of the Company's compensation program and in aggregate on a total compensation basis:

Compensation Element	Performance Criteria	Performance Outcome
Base salary	Individual contribution and competencies and prior relevant experience	Salary increase and position within the salary structure
Short-term incentive	The achievement of certain financial and operational objectives	Cash payment and/or LTI grants (i.e., RSUs grant and/ or combination of RSUs and Options grant), subject to the board's approval. <sup>1</sup>
Long-term incentive	Time vesting and individual performance	Ultimate payout of grant and size of annual grant of RSUs and Options
Benefits	Not applicable	Not applicable

For Fiscal 2021:

<sup>1</sup> When NEOs elect to receive payment of their bonus (totally or partially) in LTI grants, an additional 30% in value is added ("Additional Value") to the total grant amount. Total amount of LTI grants will be fully vested on the first anniversary of the grant date, but the Additional Value shall be forfeited and automatically null and void if the NEO is terminated for cause by the Company or if the NEO resigned from the Company, before the vesting date.

- Jonathan Ferrari had the opportunity to earn a bonus of up to 100% of such NEO's earned base salary. The Company's Fiscal 2021 performance goals for Mr. Ferrari were based 70% upon the achievement of certain sales, growth, product offering and gross profit targets and 30% upon the achievement of certain human resources objectives.
- Neil Cuggy had the opportunity to earn a bonus of up to 100% of such NEO's earned base salary. The Company's Fiscal 2021 performance goals for Mr. Cuggy were based 70% upon the achievement of certain sales, growth, product offering and gross profit targets and 30% upon the achievement of certain human resources objectives.
- Jonathan Roiter had the opportunity to earn a bonus of up to 75% of such NEO's earned base salary, 30% upon the achievement of certain personal objectives and 70% upon the achievement of certain sales, growth, gross profit targets, human resources, sustainability, and corporate finance objectives.
- Gregory Christopher had the opportunity to earn a bonus of up to 75% of such NEO's earned base salary, 30% upon the achievement of certain personal objectives and 70% upon the achievement of certain sales, growth, gross profit, human resources, sustainability, operational and financial objectives.
- Jennifer Stahlke had the opportunity to earn a bonus of up to 75% of such NEO's earned base salary, 30% upon the achievement of certain personal objectives and 70% upon the achievement of certain sales, growth, gross profit, human resources, sustainability, product offering and financial objectives.
- Philippe Adam had the opportunity to earn a bonus of up to 75% of such NEO's earned base salary, 30% upon the achievement of certain personal objectives and 70% upon the achievement of certain sales, growth, gross profit, human resources, product offering and corporate finance objectives.

#### For Fiscal 2022:

The Board of Directors reviews the target percentage annually at the beginning of each fiscal year, it being understood that the value of such target percentage shall be at least equal to the value of the target percentage established for the previous fiscal year. For Fiscal 2022, the Board of Directors, upon recommendation of the GHRC Committee, approved each NEOs' short-term incentive eligibility as well as the associated performance goals.

Jonathan Ferrari and Neil Cuggy each have the opportunity to earn a maximum bonus of up to 134% of their respective base salaries, whereas Jonathan Roiter, Gregory Christopher and Jennifer Stahlke each have the opportunity to earn a maximum bonus of up to 100% of their base salaries, upon the achievement of certain operational, product and HR objectives, as well as other corporate and personal objectives, in line with new bonus program structure, effective F2022.

The Board of Directors maintains discretion at all times to grant discretionary bonuses or commissions, including in the context of acquisitions, to modify, amend or terminate short-term incentive plans at all times, and to deviate from the plans or grant individual exceptions.

### ***Long-Term Incentive***

Equity-based awards are a variable element of compensation that allows us to incentivize and retain our NEOs for their sustained contributions to the Company. Equity awards reward performance and continued employment by a NEO, with associated benefits to us of attracting and retaining employees. We believe that equity incentives provide NEOs with a strong link to long-term corporate performance and the creation of shareholder value. The GHRC Committee determines the grant size and terms to be recommended to the Board of Directors.

### ***Benefits***

The Company offers certain benefits to its office employees, including its NEOs, as part of a group insurance plan and through employer contributions under Goodfood's share purchase plan (the "**Share Purchase Plan**") under which Common Shares are acquired on behalf of such participants through normal market facilities. Under the Share Purchase Plan, eligible participants may contribute between 1% and 5% of their salaries (subject to a maximum of \$10,000 per year) and receive an employer contribution equal to 50% of any amounts so contributed by such participant. Certain benefits increase in proportion with salary and scope of responsibilities.

### ***Perquisites***

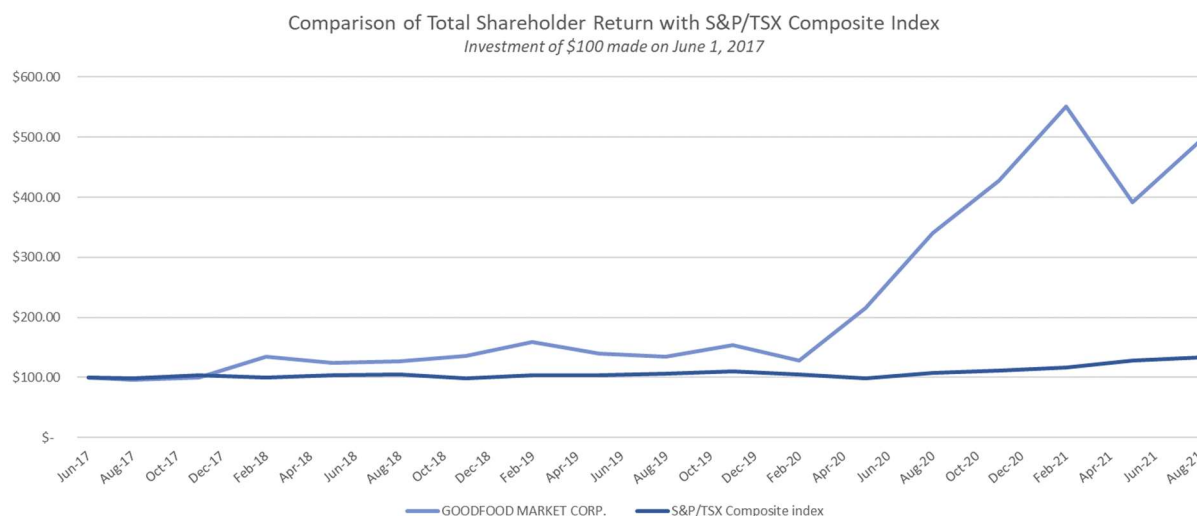
The Company offered a car allowance to each of Jonathan Ferrari, Neil Cuggy, Jonathan Roiter, and Philippe Adam. Each of the NEOs also receives the reimbursement of certain business expenses reasonably incurred in the performance of their functions. Such amounts are nominal.

### ***Compensation Risk Management***

As part of the annual review of the Company's executive compensation, the Board and the GHRC Committee consider the implications of the risks associated with the Company's compensation policies and practices, including as to whether or not they could encourage an executive officer or an employee at a principal business unit or division to take inappropriate or excessive risks. For Fiscal 2022, the Board and the GHRC Committee reviewed the executive compensation program and modified compensation structure, such changes to be effective in Fiscal 2022. The Board and the GHRC Committee believe that the current compensation structure constitutes a well-balanced mix of base salary, short-term incentive and long-term incentive, applies maximums to short-term incentive payouts, and includes a combination of performance and time vesting for long-term incentive grants. Accordingly, the Board and the GHRC Committee have not, after consideration, identified any risk arising from the Company's compensation policies and practices that is reasonably likely to have a material adverse effect on the Company.

### ***Performance Graph***

The following performance graph shows the yearly change in the cumulative total return on the Company's Common Shares compared to the total cumulative return of the S&P/TSX Composite Total Return Index for the period between the closing of our RTO on June 1, 2017 to August 31, 2021.



Cumulative Total Return (\$)	01-Jun-17	31-Aug-18	31-Aug-19	31-Aug-20	31-Aug-21
Goodfood Market Corp.	\$100.00	\$127.50	\$134.50	\$340.50	\$492.00
S&P TSX Composite Index	\$100.00	\$105.45	\$106.61	\$107.08	\$133.46

The Company determines executive compensation in accordance with the policies and procedures and based on the criteria described above, and for Fiscal 2021, this was largely based upon the achievement of certain sales, growth and gross profit targets, and partially upon the achievement of certain human resources, product offering and other personal objectives. As such, executive compensation is not based on the total return of the Company's Common Shares relative to any particular stock index. Given the Company's Common Shares were listed for trading for only three months in the fiscal year ended August 31, 2017, no comparison can be made for this period with respect to the trend on the graph and the trend in NEO compensation. With respect to the years that followed, the line graph above illustrates the increase in the market price of the Common Shares of Goodfood on the TSX by 33% for the year ended August 31, 2018, 5% in Fiscal 2019, 153% in Fiscal 2020 and 44% in Fiscal 2021. The increase of NEO compensation over the same twelve-month periods is mainly attributable to increases in base salary and short-term incentive payouts in relation to the achievement of the aforementioned performance objectives and the grant of Options as part of the Company's long-term incentive compensation arrangements, and as such, no meaningful conclusion can be drawn as to any direct link between the Company's compensation practices and the performance of the Company's stock index.

### Security-Based Compensation Plans

The Company's Stock Option Plan was established on September 24, 2015 and was amended and restated upon closing of the RTO on June 1, 2017 and further amended on April 3, 2018, November 22, 2018, July 10, 2019, November 13, 2019 and November 16, 2021.

The Company's RSU Plan was approved by the Board of Directors on September 29, 2020 and was further amended on November 16, 2021. Details of the Stock Option Plan and the RSU Plan (collectively referred to as the "**Security-Based Compensation Plans**") are described below.

The Security-Based Compensation Plans were implemented for the benefit of the employees, directors, officers and consultants of the Company and its affiliates, as applicable. The purpose of the Security-Based Compensation Plans is to provide additional incentives for continued and improved services with the Company. Our Board of Directors is responsible for administering the Security-Based Compensation Plans, and the GHRC Committee makes recommendations to the Board of Directors in respect of certain matters relating to the Security-Based Compensation Plans.

The Company does not currently provide financial assistance to the participants of any of the Security-Based Compensation Plans to assist them in exercising or settling awards and purchasing Common Shares of the Company. Additionally, the Security-Based Compensation Plans do not provide for the ability to transform awards into stock appreciation rights involving an issuance of securities from treasury.

The aggregate number of Common Shares reserved for issuance under the Security-Based Compensation Plans, together with any other security-based compensation arrangement which has been or may be implemented by the Company, shall not exceed ten percent (10%) of the issued and outstanding Common Shares; as calculated on the applicable grant date. All of the Common Shares covered by exercised, expired, cancelled or forfeited awards under the Security-Based Compensation Plans shall become available Common Shares for the purposes of awards that may be subsequently granted under the Security-Based Compensation Plans. As at August 31, 2021, there were 3,174,309 Options outstanding, representing 4.25% of the issued and outstanding Common Shares. As at August 31, 2021 there were 625,491 RSUs outstanding.

There is no maximum number of securities that any one person who is not an insider of the Company is entitled to receive under the Security-Based Compensation Plans. However, the number of Common Shares issuable to insiders of the Company, at any time, under the Security-Based Compensation Plans or any other security-based compensation arrangement which has been or may be implemented by the Company shall be 10% of the Company's total issued and outstanding Common Shares as at the applicable grant date. In addition, the number of Common Shares issued to insiders of the Company, within any one year period, under the Security-Based Compensation Plans or any other security-based compensation arrangement which has been or may be implemented by the Company cannot exceed 10% of the Company's total issued and outstanding Common Shares.

The Security-Based Compensation Plans also provide that equitable adjustments, if any, will be made by the Board of Directors in connection with any reorganization, change in the number of issued and outstanding Common Shares of the Company by reason of stock dividend, stock split, reverse stock split, recapitalization, merger, consolidation, combination or exchange of shares or other similar corporate change, including the number of Common Shares to which a holder is entitled upon exercise or settlement of awards, as applicable, and, in the case of the Stock Option Plan, adjustments to the exercise price.

Awards granted under the Security-Based Compensation Plans are not assignable or transferable, except to the legal representative or estate of a participant who has become incapacitated or who has died in the case of Stock Option Plan.

The Security-Based Compensation Plans provide that in the event of, amongst other things: (i) any transaction pursuant to which (A) the Company goes out of existence, or (B) any person (other than the Company, an affiliate of the Company or an employee benefit plan of the Company) acquires the direct or indirect beneficial ownership of securities of the Company representing 50% or more of the aggregate voting power of all of the Company's then issued and outstanding securities; (ii) the sale of all or substantially all of the Company's assets to a person other than an affiliate of the Company; (iii) the dissolution or liquidation of the Company except in connection with the distribution of assets of the Company to an affiliate of the Company prior to such event; or (iv) the occurrence of a transaction requiring approval of the Company's shareholders involving the acquisition of the Company by an entity through purchase of assets, by amalgamation or otherwise (each such case being a "**change in control**" for the purposes of the Security-Based Compensation Plans), the Board of Directors, without limiting the generality of the foregoing, and without any action or consent required on the part of any participant, shall have the right to, (a) determine that the awards, in whole or in part and whether vested or unvested, shall remain in full force and effect in accordance with their terms after the change in control, (b) provide for the conversion or exchange of any or all awards into or for options, restricted share units, rights or other securities in the entity, as applicable, participating in or resulting from the change in control, (c) cancel any unvested award without payment of any kind to any participant, (d) accelerate the vesting of outstanding awards, (e) provide for outstanding awards to be purchased, (f) accelerate the date by which any or all awards, whether vested or unvested, must be exercised or settled, as applicable, (g) deem any or all awards, whether vested or unvested, to have been exercised or settled, as applicable, tender, on behalf of the participant, the underlying Common Shares that would have been issued pursuant to the exercise or settlement of such awards, as applicable, to any third party purchaser in connection with the change in control, and pay to the participant on behalf of such third party purchaser an amount per underlying Common Share equal to the positive difference between the change in control price of the Common Shares and the applicable Option exercise price or the value of the underlying Common Shares that the participant would have received on settlement of the RSU, as applicable, (h) cancel any or all outstanding awards and pay to the participant an amount per underlying Common Share equal to the positive difference between the change in control price of the Common Shares and the applicable Option exercise price or the value of the underlying Common Shares that the participant would have received on settlement of the RSU, as applicable, or (i) take such other actions, and combinations of the foregoing actions or any other actions permitted under the Security-Based Compensation Plans, as it deems fair and reasonable under the circumstances. Without limiting the aforementioned rights of the Board of Directors in the event of a change of control under the Security-Based Compensation Plans, in the event of a change of control, where a participant continues in employment or in a position with the acquirer or other party in the transaction, 50% of the unvested awards held by a participant shall vest automatically in connection with the change of control with the remaining unvested awards held by the participant vesting automatically on the date that is the 12-month anniversary of the change of control. Notwithstanding the foregoing and for greater certainty, where: (i) following a change of control, the participant's employment or position is terminated other than for cause or the participant resigns for good reason within such twelve (12)



month period, all unvested awards held by such participant shall become vested and exercisable or settled immediately, as applicable, and (ii) following a change of control, the participant resigns voluntarily or the participant resigns other than for good reason within such twelve (12) month period, the awards held by such participant shall be forfeited and cancelled automatically and be without any further force or effect. Where a participant does not continue in employment or in a position with the acquirer or other party in the change of control transaction, all unvested awards held by the participant shall vest automatically in connection with the change of control.

### ***Stock Option Plan***

The Stock Option Plan allows for the grant of Options to purchase Common Shares to directors, officers, employees and consultants of the Company and its affiliates. The Board of Directors, in its sole discretion, shall from time to time designate the directors, executive officers, employees or consultants to whom Options shall be granted, the number of Common Shares to be covered by each Option granted and the terms and conditions thereof.

Under the Stock Option Plan, the exercise price for each Common Share covered by an Option shall be established by the Board of Directors at the time of the grant, but shall not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of the granting of the Option. Unless otherwise specified by the Board of Directors at the time of granting the Options, Options will vest in successive equal monthly periods over a period of up to four (4) years after they are granted, with the first twelve (12) periods vesting only on the first anniversary of the grant. However, the Board of Directors has the discretion to determine the vesting schedule of the Options and the Board shall have the full power and authority to accelerate the vesting or exercisability of all or any portion of any Option, including, without limiting the generality of the foregoing, in a change of control situation involving the Company.

Subject to any accelerated termination under the Stock Option Plan and unless otherwise determined by the Board of Directors at the time of the grant, each Option shall be exercisable until the eighth anniversary of the date on which it is granted. The Stock Option Plan provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a black-out period or within ten (10) business days after the last day of a blackout period. In such cases, the extended exercise period shall terminate ten (10) business days after the last day of the black-out period.

The following table describes the impact of certain events upon the rights of holders of Options under the Stock Option Plan:

<b>Event</b>	<b>Provisions (unless otherwise specified by the Board of Directors at the time of the grant)</b>
Resignation or retirement	Forfeiture of all unvested Options. 30 days after termination to exercise vested Options.
Termination for cause	Forfeiture of all vested and unvested Options.

Termination other than for cause	Forfeiture of all unvested Options. 90 days after termination to exercise vested Options.
Death or permanent incapacity	Forfeiture of all unvested Options. 120 days after the date of death or permanent incapacity to exercise vested Options.
Change of control	Unless otherwise stipulated in an Option agreement or by the TSX, the effect on unvested Options is subject to the discretion of the Board of Directors at the moment of the change of control, as described under the subheading “Security-Based Compensation Plans”.  However, without limiting the discretion of the Board of Directors described above, 50% of the unvested Options held by a Stock Option Plan participant shall automatically vest upon a change of control with the remaining 50% of the unvested Options vesting on the twelve (12) month anniversary of a change of control, unless such participant (i) is terminated within the twelve (12) month period following the change of control, in which case all of their unvested Options will immediately vest and be exercisable, or (ii) voluntarily resigns or resigns for a reason other than for a good reason within twelve (12) month period of the change of control, in which case the Options held by such participant will be forfeited and cancelled automatically.  The Board of Directors retains the discretion, to amongst other things, deem the exercise of any vested Options.
Ceasing to be a director or officer (and does not continue as a full-time employee of the Company)	90 days after termination date to exercise vested Options. Forfeiture of all unvested Options.

Subject to the rules of the TSX, the Board of Directors may at any time or from time to time without shareholder approval alter, amend, vary, suspend, terminate or cancel the Stock Option Plan or amend any Options issued pursuant to the Stock Option Plan. Nonetheless, and subject to any additional requirements of the rules of the TSX, the following changes to the Stock Option Plan or the Options require the approval of the Company’s shareholders as well as the approval of the TSX:

- a reduction in the exercise price of an Option held by an insider of the Company;
- an extension of the term of an Option held by an insider of the Company;
- any amendment to remove or exceed the insider participation limits;
- an increase in the maximum number or percentage of Common Shares issuable pursuant to Options granted under the Stock Option Plan; and
- a change to the provisions regarding amendments to the Stock Option Plan.

The Board of Directors has the discretion to make amendments which it may deem necessary or desirable, without having to obtain shareholder approval. Such changes include, without limitation:

- minor changes of a “housekeeping nature”;

- amending options under the Stock Option Plan, including with respect to the option period (provided that the period during which an Option is exercisable does not exceed eight years from the date the Option is granted and that such Option is not held by an insider of the Company), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an insider of the Company) and method of determining the subscription price, assignability and effect of termination of a participant's employment or cessation of the participant's directorship;
- changing the class of participants eligible to participate under the Stock Option Plan;
- accelerating vesting or extending the expiration date of any Option (provided that such Option whose expiration date is being extended is not held by an insider of the Company), provided that the period during which an Option is exercisable does not exceed eight years from the date the Option is granted;
- changing the terms and conditions of any financial assistance which may be provided by the Company to participants to facilitate the purchase of Common Shares under the Stock Option Plan; and
- adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserve.

For the first three points above, the votes attached to shares held directly or indirectly by insiders benefiting directly or indirectly from the amendment are to be excluded. In addition, with respect to amendments that would disproportionately benefit one or more insiders over other holders of Options, the votes of shares held directly or indirectly by those insiders receiving the disproportionate benefit must be excluded.

On November 16, 2021, the Board of Directors approved a housekeeping amendment to the Option Plan to provide, for greater certainty, that where an option is held by a participant whose service with the Company is terminated during a blackout period in circumstances where such options continue to be exercisable following termination, the period of time during which such options may be exercised shall be extended to the date that is ten (10) business days after the end of the relevant blackout period. Given that the amendment is of a housekeeping nature and to provide greater clarity on the treatment of an option that expires during a blackout period, the amendment does not require shareholder approval under the terms of the Option Plan or the policies of the TSX.

### ***RSU Plan***

The RSU Plan allows for the grant of RSUs to eligible employees and directors of the Company and its affiliates. The Board of Directors, in its sole discretion, shall from time to time designate the eligible employees and directors to whom RSUs shall be granted, the number of RSUs to be granted and the terms and conditions thereof.

Under the RSU Plan, each RSU entitles the participant to receive, at the Company's discretion, one Common Share (from treasury or acquired on the open market) or its cash equivalent to the five day volume weighted average price of the Common Shares underlying the RSUs in question on the TSX prior to the settlement date (the "**Market Value**"). Unless otherwise specified by the Board of Directors at the time of granting the RSUs, (i) one third of the amount of the RSUs granted will vest on the first anniversary of the RSU grant, (ii) one third of the amount of the RSUs granted will vest in the subsequent year with 8.25% of the RSU grant vesting every 90 days in such year, and (iii) the remaining one third of the RSUs granted will vest in the year that follows (and settled no later than December 31 of the third calendar year following the RSU grant date) with 8.25% of the RSU grant vesting every 90 days in such year. In the event that a participant's vesting date falls within a blackout period applicable to such participant, then the participant's vesting date shall be extended to the close of business on the second (2<sup>nd</sup>) business day following the expiration of the blackout period.

The Board of Directors has the discretion to determine any and all conditions to the vesting of any RSUs granted, which vesting conditions may be based on either or both of time and performance criteria. The Board of Directors may also elect to credit a participant with additional RSUs as a bonus for services rendered in the calendar year containing a payment date for cash dividends paid on Common Shares. In such a case, the number of additional RSUs so credited shall be equal to the aggregate amount of dividends that would have been paid to the participant if the RSUs in the participant's account as of the record date for payment of such dividends had been Common Shares divided by the Market Value of a Common Share on the payment date for cash dividends.

Subject to certain exceptions, RSUs expire on the date specified in the applicable RSU grant letter as the date on which the RSU will be terminated and cancelled.

RSUs may, at the sole discretion of the Company, be settled once vested (i) by delivering Common Shares issued from treasury, (ii) by delivering Common Shares acquired in the open market, or (iii) by making a cash payment equal to the five day volume weighted average price of the Common Shares underlying the RSUs in question on the TSX prior to the settlement date.

The following table describes the impact of certain events upon the rights of holders of RSUs under the RSU Plan:

<b>Event</b>	<b>Provisions (unless otherwise specified by the Board of Directors at the time of the grant)</b>
Resignation	Forfeiture of all unvested RSUs. 90 days after termination to settle vested RSUs.
Termination for cause	Forfeiture of all vested and unvested RSUs.
Termination other than for cause	Forfeiture of all unvested RSUs. 90 days after termination to settle vested RSUs.
Retirement, death or permanent incapacity	Pro-rated vesting of unvested RSUs outstanding at the date of resignation, death or permanent incapacity. 90 days after the date of resignation, death or permanent incapacity to settle vested RSUs.
Change of control	Unless otherwise stipulated in an RSU agreement or by the TSX, the effect on unvested RSUs is subject to the discretion of the Board of Directors at the moment of the change of control, as described under the subheading “Security-Based Compensation Plans”.  However, without limiting the discretion of the Board of Directors described above, 50% of the unvested RSUs held by a RSU Plan participant shall automatically vest upon a change of control with the remaining 50% of the unvested RSUs vesting on the twelve (12) month anniversary of a change of control, unless such participant (i) is terminated within the twelve (12) month period following the change of control, in which case all of their unvested RSUs will immediately vest and shall be settled, or (ii) voluntarily resigns or resigns for a reason other than for a good reason within twelve (12) month period of the change of control, in which case the RSUs held by such participant will be forfeited and cancelled automatically.  The Board of Directors retains the discretion, to amongst other things, deem the settlement of any vested RSUs.
Ceasing to be a director	90 days after termination date to settle vested RSUs. Forfeiture of all unvested RSUs.

The Board of Directors may at any time or from time to time without shareholder approval suspend or discontinue the RSU Plan. The Board of Directors may, subject to receipt of requisite regulatory and shareholder approval, make the following amendments to the RSU Plan:

- an amendment to the number of securities under the RSU Plan;
- a change to the definition of participant under the RSU Plan which would have the potential of narrowing, broadening or increasing insider participation;
- any amendment to the non-employee director participation limits;
- a change that would permit an RSU to be assigned or transferred, other than for normal estate settlement purposes; and
- a change to the provisions regarding amendments to the RSU Plan.

The Board of Directors has the discretion to make all other amendments which it may deem necessary or desirable, subject to receipt of requisite regulatory approval only, where required. Such changes include, without limitation:

- any amendment of a “housekeeping nature”;

- an addition or change to the vesting provisions of a RSU or the RSU Plan;
- a change to the termination provisions of a RSU or the RSU Plan;
- any amendment to reflect changes to applicable securities laws; and
- any amendment to ensure that the RSUs granted under the RSU Plan will comply with provisions respecting income tax.

For the third point above, the votes attached to shares held directly or indirectly by insiders benefiting directly or indirectly from the amendment are to be excluded. In addition, with respect to amendments that would disproportionately benefit one or more insiders over other holders of RSUs, the votes of shares held directly or indirectly by those insiders receiving the disproportionate benefit must be excluded.

On November 16, 2021, the Board of Directors approved certain housekeeping amendments to the RSU Plan. Namely, in the event that a participant's vesting date falls within a blackout period applicable to such participant, then the participant's vesting date shall be extended to the close of business on the second (2<sup>nd</sup>) business day following the expiration of the blackout period, which period accords with the blackout provisions of the Corporation's Trading Policy (the "**Vesting Date Amendment**"). Given that these amendments (including the Vesting Date Amendment) are of a housekeeping nature and were implemented to facilitate the exercise of RSUs by participants, they do not require shareholders' approval under the terms of the RSU Plan or the policies of the TSX.

### ***Annual Burn Rate***

In accordance with the requirements of Section 613 of the TSX Company Manual, the following table sets out the annual burn rate of the Options granted under the Stock Option Plan for the three most recently completed financial years. The burn rate is calculated by dividing the number of Options granted under the Stock Option Plan during the relevant fiscal year by the weighted average number of Common Shares outstanding for the applicable fiscal year. The Company expects that the annual burn rate will stabilize as the Company matures.

Annual Burn Rate of the Stock Option Plan			
	2019	2020	2021
Stock Option Plan	4.83%	3.90%	0.92%

### **Summary Compensation Tables**

The following table sets out information concerning NEO compensation for three (3) most recently completed financial years.

Name and principal position	Fiscal Year	Salary (\$)	RSU-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Jonathan Ferrari, Chairman and Chief Executive Officer	2019	\$350,000	—	\$637,625	\$350,000	—	—	—	\$1,337,625
	2020	\$385,000	—	—	\$385,000	—	—	—	\$770,000
	2021	\$450,000	\$337,500	\$337,500	\$391,950 <sup>(2)</sup>	—	—	—	\$1,516,950
Neil Cuggy, President and Chief Operating Officer	2019	\$350,000	—	\$637,625	\$350,000	—	—	—	\$1,337,625
	2020	\$385,000	—	—	\$385,000	—	—	—	\$770,000
	2021	\$450,000	\$337,500	\$337,500	\$391,950 <sup>(3)</sup>	—	—	—	\$1,516,950
Jonathan Roiter, Chief Financial Officer <sup>(4)</sup>	2021	\$107,308 <sup>(5)</sup>	\$750,000	\$750,000	\$88,556 <sup>(6)</sup>	—	—	—	\$1,695,864
Gregory Christophe, EVP Operations <sup>(7)</sup>	2021	\$117,692 <sup>(8)</sup>	\$250,000	\$250,000	\$58,850	—	—	—	\$676,542
Jennifer Stahlke, EVP Marketing & Member Happiness <sup>(9)</sup>	2021	\$232,885	—	—	\$116,450	—	—	—	\$349,335
Philippe Adam, Former Chief Financial Officer <sup>(10)</sup>	2019	\$225,989 <sup>(11)</sup>	—	\$50,000	\$99,699	—	—	—	\$375,688
	2020	\$273,000	—	\$66,162	\$151,215	—	—	—	\$490,377
	2021	\$125,275 <sup>(12)</sup>	\$187,500	\$187,500	—	—	—	—	\$500,275

- (1) Represents the grant-date fair value of option-based awards granted to the NEOs determined using the Black-Sholes method in accordance with IFRS 2 Share-based Payment. The Company issued to each of Jonathan Ferrari and Neil Cuggy a one-time grant of 500,000 Options on September 1, 2018 as part of their compensation for Fiscal 2019 and a grant of 87,560 Options and 43,436 RSUs on September 29, 2020 as part of their compensation for Fiscal 2021. The Company issued to Philippe Adam a grant of 31,766 Options on April 5, 2019 representing a portion of the equity compensation payable to him for Fiscal 2019, a grant of 51,438 Options on September 17, 2019 representing a portion of the equity compensation payable to him for Fiscal 2020, and a grant of 38,916 Options and 19,305 RSUs on September 29, 2020 as part of his compensation for Fiscal 2021. Additionally, Philippe Adam was issued 9,423 Options and 4,261 RSUs on November 12, 2020 as part of his compensation for Fiscal 2021.
- (2) Jonathan Ferrari elected to receive his short-term incentive compensation for Fiscal 2021 (totaling \$301,500) in RSUs and Options grants vesting over a one year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$90,450) was added to the grant. The total amount granted in LTIs was \$391,950; namely \$195,975 granted in RSUs (representing 34,444 RSUs) and \$195,975 granted in Options (representing 77,116 Options).
- (3) Neil Cuggy elected to receive his short-term incentive compensation for Fiscal 2021 (totaling \$301,500) in RSUs and Options grants vesting over a one year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$90,450) was added to the grant. The total amount granted in LTIs was \$391,950; namely \$195,975 granted in RSUs (representing 34,444 RSUs) and \$195,975 granted in Options (representing 77,116 Options).
- (4) Jonathan Roiter was appointed Chief Financial Officer, effective June 7, 2021.  
The Company issued to Jonathan Roiter 196,335 Options on June 7, 2021 and 89,392 RSUs on July 8, 2021 upon the execution of his employment agreement with the Company in F2021.
- (5) Represents the base salary earned for the period beginning at the commencement of Jonathan Roiter's employment with the Company and August 31, 2021. Mr. Roiter's annualized base salary for the year ended August 31, 2021 was \$450,000.



- (6) Jonathan Roiter elected to receive \$26,850 of his short-term incentive compensation for Fiscal 2021 (totaling \$80,500) in RSUs and Options grants vesting over a one year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$8,055) was added to the grant. The total amount granted in LTIs was \$34,906 and was evenly divided as follows: \$17,453 granted in RSUs representing 3,068 RSUs) and \$17,453 granted in Options (representing 6,868 Options). The cash portion of his short-term incentive plan for Fiscal 2021 was \$53,650.
- (7) Gregory Christopher was appointed Executive Vice President of Operations, effective April 12, 2021. The Company issued to Gregory Christopher 64,267 Options and 30,094 RSUs following the signature of his employment agreement with the Company in F2021.
- (8) Represents the base salary earned for the period beginning at the commencement of Gregory Christopher's employment with the Company and August 31, 2021. Mr. Christopher's annualized base salary for the year ended August 31, 2021 was \$300,000.
- (9) Jennifer Stahlke was appointed Executive Vice President Marketing & Member Happiness, effective July 7, 2021.
- (10) Philippe Adam ceased to be Chief Financial Officer, effective April 2, 2021.
- (11) Represents the base salary earned by Philippe Adam in Fiscal 2019 following the increase of his salary from \$200,000 to \$260,000 effective April 1, 2019.
- (12) Represents the base salary earned by Philippe Adam for the period beginning at the commencement of Fiscal 2021. Mr. Adam's annualized base salary for Fiscal 2021 was \$300,000.

The following table represents base salaries, short-term and long-term compensations NEOs would be entitled to receive as part of their compensation for Fiscal 2022, based upon the achievement of certain corporate and personal objectives:

Name and position	Base Salary (\$)	Annual short-term incentive compensations (%) <sup>(1)</sup>	LTIs Target (%) <sup>(2)</sup>	LTIs Max (%)
Jonathan Ferrari, Chairman and Chief Executive Officer	\$450,000	up to 134% of base salary	200%	300%
Neil Cuggy, President and Chief Operating Officer	\$450,000	up to 134% of base salary	200%	300%
Jonathan Roiter, Chief Financial Officer	\$450,000	up to 100% of base salary	125%	150%
Gregory Christopher, EVP Operations	\$300,000	up to 100% of base salary	125%	150%
Jennifer Stahlke, EVP Marketing & Member Happiness	\$265,000	up to 100% of base salary	100%	125%

- (1) In Fiscal 2022, the NEOs will once again have the opportunity to elect to receive, totally or partially, their F2022 short-term incentive compensation as LTI grants. When NEOs elect to receive payment of their bonus (totally or partially) in LTI grants, an additional 30% in value is added ("Additional Value") to the total grant amount. Total amount of LTI grants will be fully vested on the first anniversary of the grant date, but the Additional Value shall be forfeited and automatically null and void if the NEO is terminated for cause by the Company or if the NEO resigned from the Company, before the vesting date.
- (2) Jonathan Ferrari was granted an aggregate value of \$900,000 in LTI grants, as part of his long-term incentive compensation for F2022. From this amount, \$450,000 was granted in RSUs (representing 79,090 RSUs) and \$450,000 was granted in Options (representing 171,450 Options). Neil Cuggy was granted an aggregate value of \$900,000 in LTI grants, as part of his long-term incentive compensation for F2022. From this amount, \$450,000 was granted in RSUs (representing 79,090 RSUs) and \$450,000 was granted in Options (representing 171,450 Options). Jonathan Roiter was granted an aggregate value of \$132,550 in LTI grants, as part of his long-term incentive compensation for F2022. From this amount, \$66,275 was granted in RSUs (representing 11,648 RSUs) and \$66,275 was granted in Options (representing 25,251 Options). Jennifer Stahlke was granted \$265,000 in RSUs (representing 46,575 RSUs), as part of her long-term incentive compensation for F2022. Gregory Christopher was granted an aggregate value of \$375,000 in LTI grants, as part of his long-term incentive compensation for F2022. From this amount, \$187,500 was granted in RSUs (representing 32,954 RSUs) and \$187,500 was granted in Options (representing 71,438 Options).

## Incentive Plan Awards

### *Outstanding RSU-Based and Option-Based Awards*

The following table indicates, for each of the NEOs, all awards outstanding as at August 31, 2021.

Name	Option-Based Awards				RSU-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of RSU-based awards that have not vested (\$)	Market or payout value of vested RSU-based awards not paid out or distributed (\$)
Jonathan Ferrari, Chairman and Chief Executive Officer	8,010	\$1.56	2025-08-23	\$66,323	43,436	\$427,410	—
	166,656	\$2.55	2026-09-01	\$1,214,922			
	87,560	\$8.26	2028-09-29	\$138,345			
Neil Cuggy, President and Chief Operating Officer	8,010	\$1.56	2025-08-23	\$66,323	43,436	\$427,410	—
	166,656	\$2.55	2026-09-01	\$1,214,922			
	87,560	\$8.26	2028-09-29	\$138,345			
Jonathan Roiter, Chief Financial Officer	196,335	\$7.96	2029-06-07	\$369,110	89,392	\$879,617	—
Gregory Christopher, EVP Operations	64,267	\$8.08	2029-04-08	\$113,110	30,094	\$296,125	—
Jennifer Stahlke, EVP Marketing & Member Happiness	200,000	\$6.02	2028-07-09	\$764,000	—	—	—
Philippe Adam, Former Chief Financial Officer	—	—	—	—	—	—	—

(1) The closing price of the securities underlying the Options on August 31, 2021 was \$9.84 per Common Share.

### ***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table indicates, for each of the NEOs, a summary of the value of Option-based and RSU-based awards vested or of non-equity incentive plan compensation during Fiscal 2021.

Name	Option-Based Awards - Value Vested (\$) <sup>(1)</sup>	RSU-Based Awards - Value Vested (\$)	Non-Equity Incentive Plan Compensation - Value Earned (\$)
Jonathan Ferrari, Chairman and Chief Executive Officer	\$1,101,719	—	\$391,950 <sup>(2)</sup>
Neil Cuggy, President and Chief Operating Officer	\$1,101,719	—	\$391,950 <sup>(3)</sup>
Jonathan Roiter, Chief Financial Officer	—	—	\$88,556 <sup>(4)</sup>
Gregory Christopher, EVP Operations	—	—	\$58,850
Jennifer Stahlke, EVP Marketing & Member Happiness	\$164,986	—	\$116,450
Philippe Adam, Former Chief Financial Officer	\$442,668	—	—

- (1) Represents the aggregate dollar value of in-the-money Options that would have been realized if the Options had been exercised on the vesting date during Fiscal 2020. The value is equal to the difference between the closing price of the underlying securities at exercise and the exercise price of the Options on the vesting date. As at August 31, 2021, Jonathan Ferrari and Neil Cuggy each had 39,258 vested Options. As at August 31, 2021, Jennifer Stahlke had 54,190 vested Options. Jonathan Roiter and Gregory Christopher did not have any vested Options as at August 31, 2021. As at August 31, 2021, Philippe Adam did not have any vested Options.
- (2) Jonathan Ferrari elected to receive his short-term incentive compensation for Fiscal 2021 (totaling \$301,500) in RSUs and Options grants vesting over a one-year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$90,450) was added to the grant. The total amount granted in LTIs was \$391,950; namely \$195,975 granted in RSUs (representing 34,444 RSUs) and \$195,975 in Options (representing 77,116 Options).
- (3) Neil Cuggy elected to receive his short-term incentive compensation for Fiscal 2021 (totaling \$301,500) in RSUs and Options grants vesting over a one-year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$90,450) was added to the grant. The total amount granted in LTIs was \$391,950; namely \$195,975 granted in RSUs (representing 34,444 RSUs) and \$195,975 granted in Options (representing 77,116 Options).
- (4) Jonathan Roiter elected to receive \$26,850 of his short-term incentive compensation for Fiscal 2021 (totaling \$80,500) in RSUs and Options grants vesting over a one-year period. As described in the Short-term Incentive Section, an Additional Value (totaling \$8,055) was added to the grant. The total amount granted in LTIs was \$34,906 and was evenly divided as follows: \$17,453 granted in RSUs (representing 3,068 RSUs) and \$17,453 granted in Options (representing 6,868 Options). The cash portion of his Short-term Incentive plan for Fiscal 2021 was \$53,650.

## Termination and Change of Control Benefits

Jonathan Ferrari and Neil Cuggy have executed amended and restated employment agreements with the Company effective as of June 1, 2017. Jonathan Roiter and Gregory Christopher entered into employment agreements with the Company effective as of June 7, 2021 and April 12, 2021 respectively. Jennifer Stahlke entered into an employment agreement with the Company effective as of May 1, 2020, as amended on July 7, 2021. These employment agreements include provisions regarding base salary, annual bonuses, eligibility for long-term equity-incentives, benefits, confidentiality, non-solicitation and non-competition covenants, and ownership of intellectual property, among other things. The non-competition covenants contained in the employment agreements survive for twelve (12) months following termination of employment.

In the case of termination of employment other than for cause of Messrs. Ferrari, Cuggy, Roiter and in the case of a resignation for a good reason by Messrs. Ferrari, Cuggy, Roiter, their employment agreements provide that they are entitled to a termination payment equal to twenty four (24) months of base salary and short-term incentive amounts in the case of Messrs. Ferrari and Cuggy, eighteen (18) months of base salary and short-term incentive amounts in the case of

Roiter. In the case of termination of employment other than for cause, Gregory Christopher's employment agreement provides that he is entitled to a termination payment equal to twelve (12) months of base salary and short-term incentive amounts.

These NEOs are also entitled to their pro-rata short-term incentive bonus through the termination date. In addition, if Messrs. Ferrari or Cuggy are terminated other than for cause, they may require the Company to purchase all or part of the Common Shares held by them in the capital of the Company to the extent and at the highest price permitted by applicable law. Subject to certain liquidity requirements, such right may only be exercised in respect of a single purchase of shares by the Company as permitted by applicable law in respect of a maximum of 5% of the outstanding shares of the Company in a given twelve-month period. For the purpose of the employment agreements of Messrs. Ferrari and Cuggy, a "good reason" refers to (i) a change in such NEO's responsibility by the Company in a materially adverse manner, or (ii) if the location of such NEO's employment is changed by the Company to a place outside of the greater Montréal area. In the case of Mr. Roiter, a "good reason" refers to (i) a material reduction of annual base salary (ii) a material reduction in authority, duties or responsibilities; or (iii) a relocation of the principal place of employment with the Company to a place that increases commute by more than fifty (50) kilometers.

The same provisions apply for Jonathan Ferrari and Neil Cuggy in the case of termination of employment other than for cause or a change in responsibilities within twelve (12) months of a Change of Control (as defined below), except that Jonathan Roiter, is entitled to up to eighteen (18) months of base salary and short-term incentive amounts and Gregory Christopher is entitled to up to twelve (12) months of base salary and short-term incentive amounts. A "Change of Control" means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis, in one transaction or a series of related transactions, to a person that is not an affiliate, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power immediately prior to such transaction do not own a majority of the outstanding voting rights of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) any person or a group of persons acting jointly or in concert becoming the beneficial owner, directly or indirectly, of shares carrying at least a majority of the outstanding voting rights of the Company, or (iv) any other transaction in which the owners of the Company's outstanding voting power prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

The employment agreements of Jonathan Ferrari and Neil Cuggy further provide that, upon termination of employment other than for cause, such NEOs shall be entitled to exercise any Options awarded under the Stock Option Plan.

In addition, the employment agreements of Messrs. Ferrari and Cuggy provide that, upon termination other than for cause within twelve (12) months from a Change of Control, they shall have twelve (12) months after the date of termination to exercise their Options, including Options vesting as a result of the Change of Control.

The employment agreement of Jennifer Stahlke does not provide for termination or change of control benefits.

Given Mr. Adam is no longer employed by the Company, he is no longer eligible for potential benefits.

The table below shows the incremental payments that would be made to our NEOs, other than, upon certain events assuming termination event took place on August 31, 2021.

Name	Event	Severance <sup>(1)</sup> (\$)	Options <sup>(2)</sup> (\$)	Other Payments <sup>(3)</sup> (\$)	Total (\$)
Jonathan Ferrari, Chairman and Chief Executive Officer	Resignation	–	\$212,528	–	\$212,528
	Termination for a serious reason	–	–	–	–
	Termination other than for a serious reason or resignation for a good reason	\$900,000	\$1,419,590	\$603,000	\$2,922,590
	Termination other than for cause within 12 months from a Change of Control	\$900,000	\$1,419,590	\$603,000	\$2,922,590
	Death, retirement or permanent disability	–	\$1,419,590	–	\$1,419,590
Neil Cuggy, President and Chief Operating Officer	Resignation	–	\$212,528	–	\$212,528
	Termination for a serious reason	–	–	–	–
	Termination other than for a serious reason or resignation for a good reason	\$900,000	\$1,419,590	\$603,000	\$2,922,590
	Termination other than for cause within 12 months from a Change of Control	\$900,000	\$1,419,590	\$603,000	\$2,922,590
	Death, retirement or permanent disability	–	\$1,419,590	–	\$1,419,590
Jonathan Roiter, Chief Financial Officer	Resignation	–	–	–	–
	Termination for a serious reason	–	–	–	–
	Termination other than for a serious reason or resignation for a good reason	\$675,000	\$369,110	\$506,250	\$1,550,360
	Termination other than for cause within 12 months from a Change of Control	\$675,000	\$369,110	\$506,250	\$1,550,360
	Death, retirement or permanent disability	–	\$369,110	–	\$369,110

Gregory Christopher, EVP Operations	Resignation	–	–	–	–
	Termination for a serious reason	–	–	–	–
	Termination other than for a serious reason or resignation for a good reason	\$300,000	–	\$150,000	\$450,000
	Termination other than for cause within 12 months from a Change of Control	\$300,000	–	–	\$450,000
	Death, retirement or permanent disability	–	–	–	–
Jennifer Stahlke, EVP Marketing & Member Happiness	Resignation	–	\$207,006	–	\$207,006
	Termination for a serious reason	–	–	–	–
	Termination other than for a serious reason or resignation for a good reason	–	\$207,006	–	\$207,006
	Termination other than for cause within 12 months from a Change of Control	–	\$207,006	–	\$207,006
	Death, retirement or permanent disability	–	\$207,006	–	\$207,006

(1) Amounts reflect base salary in effect as at August 31, 2021.

(2) The value of Options is calculated based on the closing market price on August 31, 2021 of \$9.84. Assumes the exercise of vested Options, if permitted, upon termination event.

(3) Represents amounts payable upon applicable end of employment with respect to the Company's short-term incentive program and for other benefits.

## Share Ownership Requirements

All directors are required to hold three (3) times their annual retainer in Common Shares, within three (3) years of their election to the Board of Directors.

## Hedging/Anti-Hedging Policy

The NEOs and the directors are, under the terms of the Company's Code of Conduct, prohibited from engaging in short sales, sale of a call option, and purchase of a put option with respect to securities of Goodfood.

## Compensation Consultant

In Fiscal 2020, the GHRC Committee retained the services of PCI, a consulting firm which provides independent advice with respect to executive and director compensation matters, to review the Company's executive and director compensation market positioning and to assist in refining the executive compensation policy. No services were required from PCI for Fiscal 2021.

The provision of any services by PCI to the Company, in addition to any executive and director compensation-related services, do not require the pre-approval of the Board or the GHRC Committee.

The aggregate fees billed to the Company in Fiscal 2021 and Fiscal 2020 for executive and director compensation-related services and all other services provided by PCI are as set out below:

Services Retained	Fees billed in Fiscal 2021	Fees billed in Fiscal 2020
Executive compensation-related fees	None	\$39,750
All other fees <sup>(1)</sup>	–	–
Total	–	\$39,750

(1) No service rendered other than executive or director compensation-related services.

## DIRECTOR COMPENSATION

The GHRC Committee reviews directors' compensation periodically. In determining directors' remuneration for Fiscal 2021, the GHRC Committee considered the directors' compensation offered by a peer group in determining compensation matters, and the risks and responsibilities that the directors of the Company assume in keeping with the roles of the Board of Directors and of the committees.

During the course of Fiscal 2020, the GHRC Committee retained the services of PCI to review the Company's director compensation market positioning and to assist in refining the director compensation policy going forward, beginning with Fiscal 2021. For Fiscal 2021, the peer group used included the companies from the list below. For Fiscal 2022, the same peer group will be used:

- Recipe Unlimited Corporation
- Artizia Inc.
- MTY Food Group Inc.
- Andrew Peller Ltd.
- Jamieson Wellness Inc.
- Aurora Cannabis Inc.
- Alithya Group Inc.
- Kinaxis, Inc.
- Lightspeed POS Inc.
- Grubhub Inc.
- Medifast Inc
- Stamps.com Inc.
- Zuora Inc.

## Director Compensation

Jonathan Ferrari and Neil Cuggy have not been and are not entitled to any compensation as directors. Directors are entitled to be reimbursed for reasonable travel and other expenses incurred by them in carrying out their duties as directors. There are currently no service contracts or agreements, or predetermined plans or arrangements, between the Company and any of the directors with respect to payments upon termination of their services as a director.

For Fiscal 2021, the Company ceased paying meeting fees to its non-executive directors, opting instead for increased cash and equity retainers. The equity component of the retainer for non-

executive directors were paid half in Options and half in RSUs. Each non-executive member of the Board of Directors received a grant of 9,729 Options at an exercise price of \$8.26 and 4,826 RSUs for a grant amount of \$37,500 representing the equity component of their Fiscal 2021 retainer.

The following table indicates, for each non-executive director, a summary of the compensation received during Fiscal 2021.

Name	Fees earned <sup>(1)</sup> (\$)	RSU-based awards (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Hamnett Hill	\$55,000	\$37,500	\$37,500	—	—	—	\$130,000
Donald Olds	\$87,500	\$37,500	\$37,500	—	—	—	\$162,500
Terry Yanofsky	\$47,500	\$37,500	\$37,500	—	—	—	\$122,500
François Vimard	\$55,000	\$37,500	\$37,500	—	—	—	\$130,000

(1) Represents fees earned for services as a director for Fiscal 2021.

(2) Represents the grant-date fair value of option-based awards granted to the directors determined using the Black-Sholes method in accordance with IFRS 2 Share-Based Payment.

## Director Incentive Plan Awards

### *Outstanding RSU-based Awards and Option-based Awards*

The following table indicates, for each of the directors (other than our Chairman and Chief Executive Officer and President and Chief Operating Officer), all awards outstanding as at August 31, 2021.

Name	Option-Based Awards				RSU-Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of RSU-based awards that have not vested (\$)	Market or payout value of vested RSU-based awards not paid out or distributed (\$)
Hamnett Hill	25,000	\$1.56	2025-08-23	\$207,000	4,826	\$47,488	—
	25,000	\$2.55	2026-09-01	\$182,250			
	25,000	\$2.97	2027-09-17	\$171,750			



	9,729	\$8.26	2028-09-29	\$15,372			
Donald Olds	5,000	\$1.56	2025-08-23	\$41,403	4,826	\$47,488	—
	25,000	\$2.55	2026-09-01	\$182,250			
	25,000	\$2.97	2027-09-17	\$171,750			
	9,729	\$8.26	2028-09-29	\$15,372			
Terry Yanofsky	25,000	\$3.00	2027-07-12	\$171,000	4,826	\$47,488	—
	9,729	\$8.26	2028-09-29	\$15,372			
François Vimard	25,000	\$2.80	2027-08-16	\$176,000	4,826	\$47,488	—
	9,729	\$8.26	2028-09-29	\$15,372			

(1) The closing price of the securities underlying the Options on August 31, 2021 was \$9.84 per Common Share.

### ***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table indicates, for each of the directors (other than our Chairman and Chief Executive Officer, and President and Chief Operating Officer), a summary of the value of Option-based compensation for Fiscal 2021.

<b>Name</b>	<b>Option-Based Awards - Value Vested (\$)<sup>(1)</sup></b>	<b>RSU-Based Awards - Value Vested (\$)</b>	<b>Non-Equity Incentive Plan Compensation - Value Earned (\$)</b>
Hamnett Hill	\$154,435	—	—
Donald Olds	\$154,435	—	—
Terry Yanofsky	\$39,755	—	—
François Vimard	\$40,940	—	—

(1) Represents the aggregate dollar value of in-the-money options that would have been realized if the options had been exercised on the vesting date during Fiscal 2021. The value is equal to the difference between the closing market price of the underlying securities at exercise and the exercise price of the Options on the vesting date.

## **EQUITY COMPENSATION PLAN INFORMATION**

The following table indicates the total number of Common Shares to be issued upon the exercise of outstanding Options under all of Goodfood's equity-based compensation plans, their weighted average exercise price, and the number of Common Shares available for future issuance as at August 31, 2021.

Plan Category	Number of Common Shares to be issued upon the exercise of outstanding Options, warrants and rights (#)	Weighted-average exercise price of outstanding Options, warrants and rights (\$)	Number of Common Shares remaining available for future issuance under equity compensation plans (excluding shares issuable under outstanding Options, warrants and rights) <sup>(1)</sup> (#)
Equity compensation plans approved by securityholders			
Option-based awards	3,174,309	\$4.47	3,672,004
RSU-based awards	625,491	N/A	

(1) Calculated on the date of grant of each Option or RSU. All of the Common Shares covered by exercised, expired, cancelled or forfeited Options and by vested, cancelled or forfeited RSUs shall become available Common Shares for the purposes of Options or RSUs that may be subsequently granted under the Stock Option Plan and RSU Plan. See “Stock Option Plan” and “RSU Plan”.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set out below and elsewhere in this Management Proxy Circular, we have not completed a transaction since September 1, 2020, that has materially affected or is reasonably expected to materially affect us in which any informed person of the Company, including any of our directors, executive officers or principal shareholders, or any of their associates or affiliates, had any material interest, either direct or indirect.

## INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

As of November 18, 2021, none of our directors, executive officers, employees, former directors, former executive officers or former employees, and none of their associates, is indebted to us or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by us, except for routine indebtedness as defined under applicable securities legislation.

## STATEMENT OF CORPORATE GOVERNANCE

Goodfood is committed to high standards of corporate governance and recognizes that good corporate governance plays an important role in its overall success, enhancing shareholder value.

Accordingly, Goodfood has adopted certain corporate governance policies and practices which are reflective of the recommended corporate governance guidelines, which are reflective of the recommended corporate governance guidelines issued by the Canadian Securities Administrators pursuant to National Policy 58-201 – Corporate Governance Guidelines (“NP 58-201”) together with certain related disclosure requirements pursuant to NI 58-101. The corporate governance guidelines set forth in NP 58-201 are recommended as “best practices” for issuers to follow.

Set out below is the disclosure required by NI 58-101 which describes Goodfood’s approach to corporate governance in relation to the corporate governance guidelines set forth in NP 58-201.

## **Board of Directors**

### ***Board Size and Independence of the Board of Directors***

The Board is currently comprised of six (6) directors, four (4) of whom are independent for the purposes of NI 58-101. A director is independent for the purposes of NI 58-101 if he or she is independent within the meaning of National Instrument 52-110 – Audit Committees (“**NI 52-110**”). Subject to certain exceptions, a director is “independent” within the meaning of NI 52-110 if he or she has no direct or indirect material relationship with the issuer. A “material relationship” is a relationship that could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

It is the Board’s determination that all current directors are independent other than Jonathan Ferrari by reason of the fact that he is the Chairman and Chief Executive Officer of the Company and Neil Cuggy by reason of the fact that he is the President and Chief Operating Officer of the Company.

The Board determines annually whether each member of the Board is independent pursuant to applicable securities legislation by ascertaining, among other matters, whether they were engaged as an executive officer or employee of Goodfood, they have any immediate family member engaged as an executive officer or employee of Goodfood, they received remuneration from Goodfood other than remuneration for acting as a director or a member of any committee of the Board, or they or an immediate family member benefitted from a business relationship with Goodfood that could reasonably be perceived to materially interfere with their independent judgment. For additional information regarding the directors of Goodfood, see “Proposed Nominees for Election as directors - Information on Proposed Nominees”.

### ***Outside Directorships***

Certain members of the Board are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction, as listed in “Proposed Nominees for Election as Directors - Information on Proposed Nominees”.

### ***Meetings of Independent Directors***

The Board of Directors holds regularly scheduled quarterly meetings as well as ad hoc meetings from time to time. In the course of meetings of the Board of Directors or of committees of the Board, the independent directors hold meetings, or portions of such meetings, at which neither non-independent directors nor officers of Goodfood are in attendance. See “Attendance and Board and Committee Meetings”.

If a director or officer holds an interest in a transaction or agreement under consideration at a Board meeting or a Board committee meeting, that director or officer shall not be present at the time the Board or Board committee deliberates such transaction or agreement and shall abstain from voting on the matter, subject to certain limited exceptions provided for in the Company’s laws of incorporation.

### ***Chairman of the Board***

Jonathan Ferrari, the Chairman and Chief Executive Officer of the Company, is the Chairman of the Board of Directors, and in such role, he is principally responsible for overseeing the operations and affairs of the Board.

### ***Lead Director***

As the Chairman of the Board is an Executive Officer, the directors have appointed Donald Olds, an independent director, as the lead director of Goodfood (the “**Lead Director**”). The Lead Director is responsible for performing the duties and responsibilities of ensuring that the Board of Directors discharges its responsibilities, that the Board of Directors evaluates performance of management objectively, that the Board of Directors understands the boundaries between the responsibilities of the Board of Directors and of management and managing any conflicts of interest between the Board of Directors and management.

### ***Board of Directors Mandate***

The charter of the Board of Directors describes, inter alia, the Board’s role and overall responsibility to supervise the management of the business and affairs of Goodfood. The Board, directly and through its Board committees and the Chairman of the Board (or the Lead Director in the event the Chairman of the Board has a conflict of interest), provides direction to the Executive Officers. The Board has overall responsibility for the Company’s strategic planning, risk management, human resources management, corporate governance, and communications with Goodfood’s shareholders and the market. The text of the Board of Directors Charter is reproduced in its entirety in Annex A attached to this Management Proxy Circular.

### **Committees of the Board**

In addition to the Audit Committee, the Board has established the GHRC Committee, which is currently comprised of Donald Olds, Hamnett Hill and Terry Yanofsky, all of whom are independent within the meaning of NI 58-101. Mr. Olds is the chair of the GHRC Committee. For more information on the Audit Committee, including the text of its terms of reference, refer to the Audit Committee section in our annual information form for Fiscal 2020.

### **Position Descriptions**

The Board has developed and implemented written descriptions for the Lead Director, Chairman of the Board and the chair of each committee of the Board in the Board of Directors Charter and each committee’s respective charter. In addition, the Board, in conjunction with the President and Chief Executive Officer, has developed and implemented a written position description for the role of the President and Chief Executive Officer who is primarily responsible for the general direction and management of the business and affairs of the Company, including establishing the corporate strategy and leadership of the Company, overseeing financial, compliance and governance matters, and ensuring effective Board, stakeholder and investors communication. The text of the Terms of

Reference for the President and Chief Executive Officer is reproduced in its entirety in Annex B attached to this Management Proxy Circular.

## **Orientation and Continuing Education**

The GHRC Committee reviews, monitors and makes recommendations with respect to director orientation. All newly elected directors shall be provided with an orientation as to the nature and operation of the business and affairs of the Company and as to the role of the Board and its committees. Each new director shall meet with the Lead Director and Chairman and Chief Executive Officer, and will also be given the opportunity to meet with the Company's other senior managers to discuss the Company's business and activities. Orientation will be designed to assist the directors in fully understanding the nature and operation of the Company's business, the role of the Board and its committees, and the contributions that individual directors are expected to make, including the time and effort the Company expects them to devote to the execution of their functions.

Given the size of the Company, directors do not receive a formal continuing education program. However, directors are regularly briefed by the Chairman and Chief Executive Officer, the President and Chief Operating Officer and the Chief Financial Officer on the strategic issues affecting the Company as well as the competitive landscape and other developments that could materially affect the business. In addition, the GHRC Committee intends to periodically review, monitor and make recommendation with respect to the sufficiency of director continuing education opportunities available to the Company's directors.

## **Ethical Business Conduct**

Committed to maintaining and instilling a strong ethical culture, the Board and the Company's management adopted codes and policies to provide a framework for ethical behaviour based on our values, applicable laws and regulations. This section summarizes key significant corporate-wide policies.

### ***Code of Conduct***

The Board of Directors has adopted a written Code of Conduct applicable to all employees, executive officers and directors of Goodfood. The Code of Conduct has been filed under Goodfood's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Code of Conduct summarizes the standards of business conduct expected of employees, executive officers and directors, and provides guidance on their ethical and legal responsibilities. The Code of Conduct aims to deter wrongdoing and to promote, inter alia:

- honest and ethical conduct;
- avoidance of conflicts of interest with the interests of the Company;
- confidentiality of corporate information;

- protection and proper use of corporate assets and opportunities;
- compliance with applicable laws, rules and regulations, including compliance with securities laws and regulations; and
- internal reporting of any violations of the Code of Conduct and accountability for adherence of the Code of Conduct.

All directors, executive officers and employees of Goodfood have been provided with a copy of the Code of Conduct and the directors, executive officers and employees of Goodfood are required to sign an acknowledgment of their receipt and understanding of their obligations to comply with the Code of Conduct on an annual basis.

### ***Trading Policy***

The Company has a Trading Policy designed to prevent employees, officers, directors, consultants, contractors and agents of Goodfood from buying, selling, or otherwise trading in securities of Goodfood when in possession of undisclosed material information related to Goodfood, and from disclosing such information to anyone or recommend anyone to trade in securities of Goodfood when in possession of such information. In order to reduce the potential for and appearance of improper trading, directors and specified employees of the Company are prohibited from buying, selling or otherwise trading in securities of Goodfood, including exercising options on securities of Goodfood, during black-out periods (other than pursuant to automatic disposition or purchase plans). The Trading Policy further prohibits directors, executive officers and employees of Goodfood to enter into any transactions relating to short sales of securities of Goodfood, sales of call options on securities of Goodfood, and purchases of put options on securities of Goodfood.

### ***Disclosure Policy***

The Board of Directors believes it is a function of management to speak for the Company in its communications with its stakeholders, including shareholders, employees, analysts, the media, institutional investors, governments and the public in general. As such, the Company has adopted a Policy on Corporate Disclosure and Confidentiality of Information which establishes a committee (comprised of the Chief Financial Officer, the VP Legal Affairs, General Counsel & Corporate Secretary, the Director, External Financial Reporting and the Senior Director, Financial Planning and Investor Relations). This committee is responsible for ensuring that the Company's public communications with its stakeholders and documents it files with regulators are timely, accurate and broadly disseminated, in accordance with applicable legal and regulatory requirements. It further establishes procedures for the verification of the accuracy and completeness of information disclosed publicly and other guidelines dealing with various matters including confidentiality, material information, news releases, conference calls, electronic communications and rumours.

### ***Monitoring Compliance with the Code of Conduct***

The Board, together with the GHRC Committee and the Audit Committee monitors adherence to the Code of Conduct and reviews potential situations related thereto brought to the attention of the any of the Board, GHRC Committee or Audit Committee in order to recommend to the GHRC Committee whether or not to grant waivers from the requirements of the Code of Conduct.

### ***Requirement for Directors and Officers to Disclose Interest in a Contract or Transaction***

In accordance with the Company's laws of incorporation, directors and officers must disclose the nature and value of any interest he or she has in a material contract or material transaction whether made or proposed with the Company. Such disclosure is also required for any contract or transaction to which Goodfood is a party and an entity in which the director or officer is a director or officer or an individual acting in a similar capacity, or an entity in which the director or officer has a material interest. Subject to certain limited exceptions under the Company's laws of incorporation, no director may vote on a resolution to approve a material contract or material transaction which is subject to such disclosure requirement.

The GHRC Committee monitors conflicts of interest (actual or perceived) of both the directors and officers in accordance with the Code of Conduct, including compliance with all applicable corporate and securities law disclosure obligations, and restrictions on voting or participating in deliberations with respect to contracts or transactions in which a director or officer of Goodfood has an interest.

### ***Complaint Reporting and Review of Ethical Business Conduct***

In order to foster a climate of openness and honesty in which any concern or complaint pertaining to accounting, internal accounting controls or auditing matters affecting Goodfood can be reported in good faith, without fear of retaliation, harassment or an adverse employment consequence, the Code of Conduct contains policies and procedures to facilitate confidential, anonymous submissions by employees of concerns or complaints regarding questionable accounting, internal accounting controls or auditing matters. The Chief Financial Officer is responsible for reviewing any such complaints or concerns that are received. However, when necessary, the Chair of the GHRC Committee may receive and review any complaints or concerns received that relate to non-financial matters, while the Audit Committee may receive and review any complaints or concerns received that relate to financial matters. Each of the Chief Financial Officer, GHRC Committee and Audit Committee, if determined to be necessary or appropriate, may engage outside advisors to investigate any matter, and will work with management and legal counsel to reach a satisfactory conclusion.

### ***Nomination of Directors***

The GHRC Committee, in consultation with the Chairman and Chief Executive Officer, annually or as required, recruits and identifies, and recommends to the Board for nomination, individuals qualified to become new Board members, as well as recommend individual directors to serve on the various Board committees. In making its recommendations, the GHRC Committee considers

the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee will bring to the boardroom. The Committee also considers the amount of time and resources that nominees have available to fulfill their duties as a Board member.



The following table exemplifies the current competencies and skills that the Board believes each nominee possesses, based on recent self-assessment questionnaires completed by each Board members during Fiscal 2021:

Expertise/Experience/	Jonathan Ferrari	Neil Cuggy	Donald Olds	Hamnett Hill	Terry Yanofsky	François Vimard
Industry Expertise - Grocery	✓	✓				✓
Industry Experience – Digital Consumer	✓	✓		✓	✓	✓
Senior Executive / Public Board Service	✓	✓	✓		✓	✓
Financial Experience & Expertise & Risk Management	✓	✓	✓	✓	✓	✓
Legal Experience /Expertise	✓	✓	✓	✓		✓
Capital Raising / Investor Relations Experience & Expertise	✓	✓	✓	✓		✓
Public Relations Experience & Expertise	✓	✓	✓	✓	✓	✓
Food Safety/Regulatory Experience & Expertise	✓	✓	✓	✓		✓
ESG Experience & Expertise		✓	✓		✓	
Business & Corporate Development / Licensing / Strategic Alliances/ M&A	✓	✓	✓	✓	✓	✓
Marketing Experience & Expertise	✓	✓		✓	✓	
Strategic Planning	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓
Human Resources / Compensation	✓	✓	✓	✓	✓	✓
Manufacturing		✓	✓			✓
Logistics/Supply Chain Experience & Expertise		✓			✓	✓
Strategic Technology Development/Implementation Experience & Expertise	✓	✓	✓	✓		✓
Cybersecurity/Privacy Experience & Expertise				✓		
New Product Development/ Customer Experience	✓	✓		✓	✓	
Government Relations Experience & Expertise		✓	✓			
Business Network		✓	✓		✓	✓

The GHRC Committee is composed of a majority of independent directors within the meaning of NI 58-101. The Chair of the GHRC Committee is an independent director and will lead the nominating process in accordance with and pursuant to the criteria for Board membership as set forth in the Charter of the GHRC Committee.

In accordance with the requirements of the TSX, the Company has adopted a majority voting policy for uncontested director elections.

### ***Diversity***

The Company's senior management and the members of the Board of Directors have diverse backgrounds and expertise and were selected on the belief that the Company and its stakeholders would benefit from such a broad range of talent and experiences. Goodfood's Board and senior management are committed to achieving and maintaining a culture of diversity and inclusion.

The Board of Directors and the GHRC Committee value diversity of experience, perspective, education, background, race, gender and national origin as part of its overall evaluation of director nominees for election or re-election and the Board of Directors and GHRC Committee will value same as part of its evaluation of candidates for executive positions. This will be achieved

through ensuring that diversity considerations are taken into account to fill vacancies, continuously monitoring the level of women, Indigenous peoples, persons with disabilities and members of visible minorities represented on our Board of Directors and in our executive team, continuing to broaden recruiting efforts to attract and interview qualified female candidates, and committing to retention and training to ensure that our most talented employees are promoted from within our organization. Goodfood believes that a diversified workforce strengthens the business at all levels and, as such, diversity should be fostered, valued and leveraged.

In August 2021, the Company adopted a Board and Senior Management Diversity & Inclusion Policy, which seeks to attract and maintain diversity at the executive and Board of Directors levels through the recruitment efforts of management in discussion with directors prior to proposing nominees to the GHRC Committee and to the Board of Directors as a whole for consideration.

The Board of Directors considers merit as the key requirement for board and executive appointments. The Board of Directors will actively search for diverse board members who will bring skill sets to increase and add to the existing Board of Directors and, specifically, Goodfood is committed to achieving and maintaining a gender balanced board (with 3/7 or 4/9 of either gender being considered balanced) and actively seeking board members who represent other diverse Canadian communities. The Company has not adopted any specific targets with respect to representation of Indigenous peoples, persons with disabilities or members of visible minorities on the Board of Directors or as part of senior management.

The following table sets out the representation of women, Indigenous peoples, persons with disabilities and members of visible minorities on the Company's Board of Directors and senior management as well as the percentage of the Board of directors and senior management comprised of persons from each such designated group.

	Women		Indigenous Peoples		Persons with Disabilities		Members of Visible Minorities	
	#	%	#	%	#	%	#	%
Board of Directors	1/6	16%	–	n/a	–	n/a	–	n/a
Senior Management	3/9	33%	–	n/a	–	n/a	2/9	22%

## ESG Considerations and Oversight

### *Sustainability*

Sustainability is an integral part of the Company's enterprise strategy. The Company focuses its execution in the following areas: product innovation, customer experience, operational efficiency, people, health, safety and environment, corporate citizenship and governance.

Reducing food waste is an important part of our mission and is still very much at the heart of what we do today. Meal kits significantly cut down on food waste because each ingredient is perfectly measured at peak freshness and pre-portioned. At Goodfood, we aim to source our products in a

responsible way and have made significant strides in sourcing our products locally and ethically. Our packaging and cardboard boxes are currently entirely recyclable. Goodfood has also entered into an agreement with a supplier for plant-based packaging solutions to be used for selecting ready-to-eat products as part of the Company's green initiatives.

On October 16, 2019, the Company launched its reusable delivery box as part of green initiatives, positioning the Company as a leader in the industry with respect to environmental sustainability initiatives. Today, the Company is approaching packaging needs (required in the distribution of grocery items and meal products, such as ice packs, boxes, and liners) with another perspective, with the environment and sustainability being its top priority. The Company's new delivery models aim to eliminate ice packs, boxes, and liners altogether by increasing the speed with which deliveries are made to customers. The launch of on-demand fulfillment centers in geographies across Canada through refrigerated vehicles will replace ice packs, boxes, and liners while preserving the freshness of meals and grocery items. Furthermore, the Company is considering additional potential initiatives, such as: implementing biodegradable paper recipe bags for the meal kits, reducing the weight of plastic inside recipe bags by transitioning portioned ingredients from hard plastics to flexible plastics and implementing recyclable flexible packaging for its produce items.

Furthermore, the Company continues to set the bar for a sustainable future and is willing to go beyond its products (e.g., fully recyclable Goodfood meal kit boxes and other initiatives as set out in the *Technology and Product Development* section hereof) and bring sustainability in grocery through delivery. Innovation being one of its core pillars, the Company's sustainability efforts to electrify delivery are also reflective of its commitment to ESG factors, aiming to reduce emissions for a sustainable future. On September 23, 2021, the Company announced a collaboration with Lightning eMotors, Volta Air and Frigid Rentals for the launch of a fully electric rental vehicle fleet across Vancouver, allowing the Company to continue to evolve and lead environmental impact through technology. This launch makes the Company the first grocery delivery service in Canada to deliver groceries without emissions, and the Company is looking to expand the development of new partnerships across markets.

## ***Governance***

The Company actively engages with its suppliers to improve efficiency, quality and sustainability practices. The Company's Code of Conduct and its underlying policies address ethical conduct in Goodfood's work environment, business practices and relationships with external stakeholders, including suppliers. In addition, suppliers and partners are expected to commit to Goodfood's Code of Conduct and all agreements with our suppliers and partners must be detailed in writing. This practice formalizes the Company's commitment to integrate ESG considerations and clearly indicates its expectations regarding these components to all its business partners.

## ***Social Policies***

Management is committed to the well-being of its community, especially in the context of access to food for all Canadians. As such, we contribute a certain portion of the proceeds of boxes purchased by customers to providing nutritious meals to children in need in schools located within

our community. In Canada, many children go to school every morning without any breakfast or lunch. By contributing to such meals, we hope to make a difference in the lives of these children. In addition, Goodfood partnered with CIBC to provide frontline healthcare workers with 100,000 meals as a demonstration of its deep appreciation of Canada's frontline healthcare workers and their unwavering commitment throughout the pandemic. Through the initiative, called "Plate it Forward", 100,000 meals were delivered directly to hospitals in cities and communities across Canada for healthcare workers to take home.

### ***Oversight***

The Company's GHRC Committee is tasked to review, monitor, report, and where appropriate, provide recommendations to the Board of Directors on ESG policies and practices.

Goodfood is in the process of further elaborating its ESG vision and goals. In Fiscal 2021, the Company continued to actively integrate sustainability into its business strategy and internal policies. In this regard, Goodfood engaged an ESG consultant to assist in the conducting of a materiality assessment of its ESG priorities by gauging the key issues raised by prominent global standards, rating agencies and our peers; surveying and interviewing influential stakeholders across the Company's organization (targeting both internal and external stakeholders); and engaging with the Company's executive leadership to establish a strategic roadmap that is aligned with our future ESG vision and goals.

These measures reinforce the Company's belief that its performance in sustainability is fundamental to its long-term business success. The Company is determined to include ESG-related priorities as part of its corporate priorities and will continuously work on the establishment of a strategy with a clear path towards strengthening ESG-related policies, measurement, management and reporting practices.

### **Compensation**

The GHRC Committee oversees and recommends for approval by the Board of Directors Goodfood's executive compensation principles, policies, programs, grants of equity-based incentives and processes and specifically considers and recommends annually or as required for approval by the independent directors of the Board of Directors of all forms of compensation for the Chairman and Chief Executive Officer, and for approval by the Board of Directors of all forms of compensation for the other executive officers of Goodfood. Further particulars of the process by which compensation for Goodfood's executive officers is determined, is provided under the heading "Executive Compensation" in this Management Proxy Circular. The Chair of the GHRC Committee is an independent director and leads the compensation review process in accordance with the GHRC Committee Charter.

### **Assessments**

It is the responsibility of the Board of Directors and the GHRC Committee to regularly evaluate the overall efficiency of the Board of Directors and its various committees. In connection with such evaluations by the Board of Directors, the performance of the Board of Directors as a whole

as well as the performance of each individual director is evaluated and reviewed on an annual basis. The evaluation by the Board of Directors takes into account (i) in the case of the Board of Directors, the Board of Directors charter and (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Board of Directors. The GHRC Committee assesses the contribution of individual directors on an ongoing basis and in light of the opportunities and risks facing Goodfood, the competencies, skills and qualities required of directors. As part of its mandate, the GHRC Committee develops long-term plans for the composition of the Board, as well as ensures that an appropriate system is in place to evaluate the effectiveness of the Board as a whole and its various committees. Director Term Limits.

The Company does not have a policy that limits the term of the directors on its Board of Directors and has not provided other mechanisms of board renewal. At this time, the Board of Directors does not believe that it is in the best interest of the Company to establish a term limit of the director's mandate or the mandatory retirement age. The Board of Directors is of the opinion that term limits may disadvantage the Company through the loss of beneficial contributions of directors who have developed increasing knowledge of the Company, its operation and the industry over a period of time. Furthermore, the GHRC Committee periodically reviews the composition of the Board of Directors and its committees, to determine "relatedness" as well as the profile of the Board of Directors (such as age, disciplines, geographical representation, etc.) so as to ensure that the Board of Directors is comprised of members who facilitate effective decision-making.

### **Attendance at Board and Committee Meetings**

The GHRC Committee monitors director attendance and, in addition to considering attendance in relation to the recommendation for directors to be proposed for election at the annual meeting of shareholders, the Committee discloses the attendance record for all directors in the Management Proxy Circular. During Fiscal 2021, the Board of Directors met a total of five (5) times, the Audit Committee met a total of four (4) times, and the GHRC Committee met one (1) time. At the end of each of the Board of Directors meetings held during Fiscal 2021, the independent directors met separately.

### **ADDITIONAL INFORMATION**

Additional information relating to Goodfood may be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.makegoodfood.ca](http://www.makegoodfood.ca). You can also obtain a copy of such documents by contacting Investor Relations by sending an e-mail to [ir@makegoodfood.ca](mailto:ir@makegoodfood.ca), by visiting the Investors section on the Company's website at [www.makegoodfood.ca](http://www.makegoodfood.ca) or by contacting us by mail or telephone:

Investor Relations  
[ir@makegoodfood.ca](mailto:ir@makegoodfood.ca)  
Telephone: 1-855-515-5191

Additional financial information is provided in the Audited Consolidated Financial Statements and the Management's Discussion & Analysis of the Company for its fiscal year ended August 31, 2021.

## **APPROVAL BY THE DIRECTORS**

The Board of Directors of the Company has approved the content and delivery of this Management Proxy Circular.

By order of the Board of Directors,

*(s) Nadia Jubinville*

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Nadia Jubinville

VP Legal Affairs, General Counsel and Corporate Secretary

**ANNEX A**  
**BOARD OF DIRECTORS CHARTER**

**Approved by the Board of Directors on August 23, 2017, and revised on  
August 17, 2021**



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## **I. PURPOSE**

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The Board of Directors (the “**Board**”) of Goodfood Market Corp. (the “**Corporation**”) is responsible for the supervision of the management of the business and affairs of the Corporation. The Board shall pursue the best interests of the Corporation and shall discharge its duties directly and through the committees that may exist from time to time.

The composition and meetings of the Board are subject to the requirements set forth in the articles and by-laws of the Corporation as well as in applicable laws.

## **II. DUTIES AND RESPONSIBILITIES OF THE BOARD**

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In furtherance of its purpose, the Board assumes the following duties and responsibilities, some of which are initially reviewed and recommended by the applicable committee of the Board to the full Board for approval:

### **A. STRATEGY AND BUDGET**

1. Ensure a strategic planning process is in place and approving, on at least an annual basis, a Business Plan which takes into account, among other things, the longer term opportunities and risks of the business;
2. Approve the Corporation’s annual operating and capital budgets;
3. Review operating and financial performance results in relation to the Corporation’s Business Plan and budgets.

### **B. GOVERNANCE**

1. Develop, adopt, implement, review and enforce the Corporation’s Code of Conduct, Trading Policy and other policies, and the actions, reports and recommendations received periodically from the Audit Committee and the Governance, Human Resources and Compensation Committee (the “**GHRC Committee**”) with respect to the conduct of the business in compliance with such policies;
2. Oversee the Corporation’s policies concerning business conduct, ethics, environmental, social and governance (ESG) practices, public disclosure of material information and other matters;

### **C. BOARD AND COMMITTEE MEMBERS**

1. Identify individuals qualified to become Board members considering the size of the Board and the competences and skills of directors and proposed directors and the nominees for election at the next annual meeting of shareholders;
2. Approve the nomination of Directors to the Board and its Committees, as well as:

- a. ensuring that a majority of the Corporation's Directors have no direct or indirect material relationship with the Corporation and determine who, in the reasonable opinion of the Board, are independent pursuant to applicable legislation, regulation and listing requirements;
  - b. developing appropriate qualifications/criteria for the selection of Board members, including criteria for determining Director independence;
  - c. appointing the Board Chair, the Lead Director if necessary and the Chair and members of each Committee of the Board, in consultation with the relevant Committee of the Board.
- 3. Determine the Directors' remuneration for Board and Committee service;
- 4. Ensure that the Corporation's compensation policy for Directors reflects realistically the time spent, responsibilities and risks involved in being an effective director;
- 5. Assess annually the effectiveness and contribution of the Board, the Board Chair and the Lead Director, and of each Committee of the Board and their respective Chairs and of individual Directors;
- 6. Identify individuals qualified to become members of the Audit Committee in light of the independence, financial literacy, experience and other membership requirements set forth under applicable laws, rules and regulations and listing requirements;
- 7. Provide a comprehensive orientation program for new Directors to the Board and continuing education opportunities for all Directors;
- 8. Develop written position descriptions for the Board Chair, Lead Director and the Chair of each Committee of the Board;
- 9. Review and discuss with each of the Committees of the Board the appropriateness of the charters adopted by each such Committee, and as deemed appropriate, recommend changes to the Board.

**D. CEO, CFO, COO, OTHER EXECUTIVE OFFICERS AND COMPENSATION AND BENEFITS POLICIES**

- 1. Appoint the executive officers of the Corporation including the Chief Executive Officer (the "CEO"), the Chief Financial Officer (the "CFO") and the Chief Operating Officer (the "COO") (collectively, the "Executive Officers");
- 2. Develop a written position description for the role of the CEO;
- 3. Develop the corporate goals and objectives that each Executive Officer is responsible for meeting and reviewing the performance of each Executive Officer against such corporate goals and objectives;

4. Evaluate the performance of each Executive Officer in relation with the corporate and personal objectives set by the Board;
5. Approve the Corporation's compensation and benefits policy or any changes thereto for Executive Officers and approval, by the independent directors, all forms of compensation for the CEO, CFO and COO;
6. Ensure that the Corporation's compensation and benefits policy create and reinforce good conduct, ethical behavior and promote reasonable risk taking;
7. Satisfy itself as to the integrity of the Executive Officers and senior management personnel and that the Executive Officers, and senior management personnel create a culture of integrity throughout the organization;
8. Provide stewardship in respect of succession planning, and approving, as may be required, (i) the succession plan with respect to the positions of the Executive Officers, and (ii) the appointment, training and monitoring of the Executive Officers and senior management personnel;

**E. RISK MANAGEMENT, CAPITAL MANAGEMENT AND INTERNAL CONTROLS**

1. Identify and assess the principal risks of the Corporation's business, and ensure the implementation of appropriate systems to manage these risks;
2. Ensure the integrity of the Corporation's internal control system and management information systems and the safeguarding of the Corporation's assets;
3. Review, approve, and as required, oversee compliance with the Corporation's policy on corporate disclosure and confidentiality of information by Directors, Executive Officers and other management personnel and employees;
4. Review and approve the Corporation's internal and external policies for communicating and disseminating information;;
5. Review, approve and overseeing the Corporation's disclosure controls and procedures;
6. Review and approve the Code of Conduct with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct and as required, overseeing compliance with the Code of Conduct by Directors, Executive Officers and other management personnel and employees.

**F. FINANCIAL REPORTING, AUDITORS AND TRANSACTIONS**

1. Review and approve, as required, the Corporation's financial statements, related financial information, and financial outlook;

2. Appoint, subject to approval of shareholders, (including terms and review of engagement) and remove of the external auditor and approving external auditor compensation;
3. Establishing appropriate limits on the authority delegated to the Executive Officers and management personnel to manage the business and affairs of the Corporation, the whole in accordance with the Authorization Policy.

#### **G. LEGAL REQUIREMENTS AND DIALOGUE WITH STAKEHOLDERS**

1. Oversee the adequacy of the Corporation's processes to ensure compliance by the Corporation with applicable legal and regulatory requirements;
2. Establish appropriate measures for receiving feedback from stakeholders.

#### **H. OTHER**

1. Review, approve, and as required, oversee, with the assistance of the GHRC Committee, Directors, Executive Officers and management personnel and employees compliance with the Corporation's environmental, health and safety policies;
2. Perform any other function as prescribed by law or as not delegated by the Board to one of the Committees of the Board or to management personnel.

### **III. BOARD CHAIR**

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#### **A. APPOINTMENT OF THE BOARD CHAIR**

The Board shall appoint its Chair from among the Corporation's Directors.

#### **B. DUTIES AND RESPONSIBILITIES OF THE BOARD CHAIR**

The Board Chair leads the Board in all aspects of its work and is responsible to effectively manage the affairs of the Board and ensure that the Board is properly organized and functions efficiently.

More specifically, the Board Chair shall with respect to:

1. Strategy
  - a. provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board Charter and as otherwise may be appropriate;
  - b. work with the Executives Officers to monitor progress on the Business Plan, annual budgets, policy implementation and succession planning;
2. Board structure and management

- a. chair the Board meetings;
  - b. in consultation with the Executive Officers and the Corporate Secretary and the Committee Chairs, as appropriate, determine the frequency, dates and locations of meetings of the Board, of Committees, and of the shareholders;
  - c. in consultation with the Executive Officers and the Corporate Secretary, review the meeting agendas to ensure all required business is brought before the Board to enable it to efficiently carry out its duties and responsibilities;
  - d. ensure the Board has the opportunity, if and when required, to meet separately without non-independent directors and management personnel present;
  - e. ensure, in consultation with the Committee Chairs, that all items requiring Board and Committee approval are appropriately tabled;
  - f. ensure the proper flow of information to the Board and review, with the Executive Officers and the Corporate Secretary, the adequacy and timing of materials in support of management personnel's proposals; and
  - g. in conjunction with the relevant Committee (and its Chair), review and assess the Directors' meeting attendance records and the effectiveness and performance of the Board, its Committees (and their Chairs) and individual Directors.
3. Shareholders
- a. chair the annual, and any special meeting, of the shareholders; and
  - b. ensure that all business that is required to be brought before a meeting of shareholders is brought before such meeting.

#### **IV. LEAD DIRECTOR**

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##### **A. APPOINTMENT OF LEAD DIRECTOR**

If the appointed Board Chair is also an Executive Officer, the Directors will appoint a Lead Director that will perform the duties and responsibilities associated with the Chair. The Lead Director should be able to stand sufficiently back from the day-to-day running of the business to ensure that the Board is in full control of the Corporation's affairs and attentive to its obligations to its shareholders.

##### **B. DUTIES AND RESPONSIBILITIES OF THE LEAD DIRECTOR**

The Lead Director shall have the following responsibilities:

- a. oversee that the Board discharges its responsibilities, ensure that the Board evaluates performance of management objectively and that the Board understands the boundaries between the Board and management responsibilities;
- b. perform the duties of the Chair when there is a conflict of interest between the Board Chair and Executive Officer roles;
- c. in the absence of the Board Chair, serve as acting Chair presiding over meetings of the Board and shareholders;
- d. review agendas and give input for meetings of the Board in advance with the Board Chair;
- e. convene and preside over meetings of the independent directors and communicate the results of these sessions where appropriate to the Board Chair, other management or the Board;
- f. in general serve as principal liaison between the independent directors and the Board Chair and between the independent directors and management;
- g. provide advice, counsel and mentorship to the Executive Officers and fellow members of the Board; and
- h. review annually, on a retrospective basis, the expenses of the Board Chair and of the Executive Officers of the Corporation.

## **V. EVALUATION OF THE BOARD**

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The Board shall, on an annual basis, evaluate and review its performance as a whole, as well as the performance of each individual director while taking into account: (i) in the case of the Board as a whole, the present Charter, and (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to contribute to the Board.

## **VI. OUTSIDE ADVISORS**

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The Board shall have the authority to engage outside counsel and other outside advisors as it deems appropriate to assist the Board in the performance of its functions. The Corporation shall provide appropriate funding for such advisors as determined by the Board.

## **VII. MEMBERSHIP**

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The majority of the members shall, pursuant to applicable laws, rules, regulations and listing requirements: (i) meet the independence test; and (ii) have the required experience and qualifications as determined by the Board.

**VIII. TERM**

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The members of the Board shall be appointed or changed by resolution of the Board to hold office from the time of their appointment until the next annual general meeting of the shareholders or until their successors are so appointed.

**IX. PROCEDURES FOR MEETINGS**

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The Board shall fix its own procedure at meetings and for the calling of meetings. Meetings of the Board will be held quarterly, or more frequently, as required. Independent directors may meet before or after each Board meeting or more often if required.

Directors are expected to attend all meetings of the Board and review, in advance, the meeting materials.

**X. QUORUM AND VOTING**

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The majority of the Board shall constitute a quorum for the transaction of business at a meeting. For any meeting(s) at which the Board Chair is absent, the Chair of the meeting will be the Lead Director. At a meeting, any question shall be decided by a majority of the votes cast.

**XI. SECRETARY**

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Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Corporation or his/her delegate shall be the Secretary of the Board.

**XII. RECORDS**

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The Board shall keep such records as it may deem necessary of its proceedings.

**XIII. REVIEW OF CHARTER**

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The Board will annually review and assess the adequacy of the Board Charter.



**ANNEX B**  
**TERMS OF REFERENCE FOR THE**  
**PRESIDENT AND CHIEF EXECUTIVE OFFICER**

**POSITION DESCRIPTION FOR THE PRESIDENT AND CHIEF EXECUTIVE  
OFFICER OF GOODFOOD MARKET CORP.  
(THE “CORPORATION”)**

**I. INTRODUCTION**

The President and Chief Executive Officer is responsible for the general direction and management of the business and affairs of the Corporation in accordance with the corporate strategy and objectives approved by the Board of Directors (the “Board”), within the authority limitations delegated by the Board. The President and Chief Executive Officer develops the strategic direction of the Corporation to create sustainable long-term shareholder value.

**II. KEY RESPONSIBILITIES**

**A. Corporate Strategy and Leadership**

1. Develop and recommend to the Board a corporate strategy designed to achieve sustained, profitable growth with an objective of maximizing value and ensuring the long-term success of the business;
2. Review and report regularly to the Board the Corporation’s progress against its objectives, and all material deviations from such objectives and strategies, including any proposed changes as required, while informing the Board in early stages of the strategic plan development;
3. Foster a corporate culture that promotes ethical practices and integrity and maintains a positive work environment in an effort to attract, motivate and retain top talent at all levels in the Corporation;
4. Lead and oversee the required interfaces between the Corporation and the external constituencies, and act as the principal spokesperson for the Corporation;
5. Manage key resources of the Corporation, including financial, human and other resources to implement and achieve the Corporation’s strategic plan and ensure the implementation of effective control, monitoring and performance standards and systems relative to the utilization of all corporate resources for greater success and effectiveness;
6. Manage the significant risks of the Corporation’s businesses and ensure that proper procedures are established to mitigate the impact of the risks in the best interest of the shareholders;
7. Recruit and manage an effective and appropriate senior leadership team;
8. Establish and maintain succession plans for current and future potential senior management positions, to be approved by the Board.

## **B. Financial Leadership**

1. Oversee the development of an annual business plan that supports the strategic direction to be approved by the Board which would include the development of: (1) annual operating forecasts of revenue, expenditures, operational results and financial performance, (2) an effective oversight of the capital structure and ongoing financial management of the Corporation and (3) appropriate and strategic deployment of the Corporation's capital.

## **C. Compliance & Governance**

1. Ensure that effective control and coordination mechanisms for all operations and activities are in place, including the establishment and development of effective internal controls over financial reporting and mechanisms providing for the ongoing integrity of the Corporation's management information systems;

2. Ensure that all operations and activities of the Corporation are conducted in accordance with laws, regulations, the Corporation's Code of Ethics, disclosure and trading policies, sound business practice and in accordance with any policies and practices approved by the Board;

3. Foster a high performance corporate culture that promotes ethical practices and encourages individual integrity, accountability, and social responsibility, and ensure every officer of the Corporation acts honestly and in good faith with a view to the best interests of the Corporation.

## **D. Outside Stakeholder & Board Communication:**

1. Ensure effective Board communication with sufficient, timely information on all material aspects of the Corporation's operations and financial affairs, as well as other matters relevant to the Corporation;

2. Ensure effective communication and appropriate relationships are maintained with all the stakeholders of the Corporation and investors.

## **III. PRESIDENT AND CHIEF EXECUTIVE OFFICER PERFORMANCE ASSESSMENT**

On behalf of the Board, the Governance, Human Resources and Compensation Committee reviews and recommends to the Board the annual objectives for which the President and Chief Executive Officer is responsible. At the end of the year, the Committee evaluates the performance of the President and Chief Executive Officer including the assessment of such objectives for the year and recommends to the Board the President and Chief Executive Officer's compensation.