

Management Information Circular

2020

/ JUNE 4, 2020

Saputo



LETTER FROM THE CHAIR OF THE BOARD AND CHIEF EXECUTIVE OFFICER
LINO SAPUTO, JR.

Saputo

Dear Shareholders,

On behalf of the Board of Directors and Management of Saputo Inc., we cordially invite you to attend our 2020 annual meeting of shareholders to be held on August 6, 2020 at 10:00 a.m. (Eastern time).

This year, out of an abundance of caution, to proactively deal with the unprecedented public health impact of the COVID-19 pandemic and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our annual meeting in a virtual only format. Shareholders will be able to attend the meeting live, submit questions and vote their shares on all items of business during the meeting. We are confident that hosting a virtual meeting will enable greater participation by our shareholders, by allowing those that might not otherwise be able to travel to a physical meeting to attend online, while minimizing the health risk that may be associated with large physical gatherings. All shareholders, regardless of their geographic location, will have an equal opportunity to participate in the meeting.

Registered shareholders and duly appointed proxyholders will be able to attend, participate, vote and ask questions at the meeting online at <https://web.lumiagm.com/177229360>. Non-registered shareholders who will not have duly

appointed themselves as their proxy will be able to attend the meeting only as guests. Guests will be able to listen to the meeting but will not be able to vote or ask questions.

This management information circular provides details about all the items for consideration at the meeting, how to attend the meeting online and how to exercise your right to vote. It also provides information about the nominee directors and their compensation, our corporate governance practices, our executive compensation practices and our auditors.

During the meeting, we will present Management's review of our financial position and share key highlights for fiscal 2020, including the announcement of our environmental targets and our formal commitment to make significant and sustainable progress by 2025. We will also proceed to elect directors, appoint auditors, cast an advisory vote on the Company's approach to executive compensation and vote on the shareholder proposal received. Furthermore, we will be discussing our business activities and answering your questions.

We look forward to your participation at our annual meeting of shareholders. If you are unable to attend the virtual meeting online, please

complete and return the enclosed proxy form or voting instruction form by the date indicated on your form. Even if you plan to attend the virtual meeting online, you may find it convenient to express your views in advance of the meeting by completing and returning the proxy form or voting instruction form, or by voting by telephone or over the Internet.

Sincerely,

LINO SAPUTO, JR.

Chair of the Board and Chief Executive Officer

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VOTING INFORMATION

SOLICITATION OF PROXIES

This Management Information Circular (the “Circular”) is provided in connection with the solicitation of proxies by the management (the “Management”) of Saputo Inc. (“Saputo” or the “Company”) for use at the annual meeting (the “Meeting”) of the holders of common shares of the Company (the “Common Shares”) to be held at 10:00 a.m. (Eastern time) on August 6, 2020, in a virtual-only format, which will be conducted at <https://web.lumiagm.com/177229360>, for the purposes set forth in the foregoing Notice of Meeting (the “Notice”) and at any adjournment thereof.

The solicitation of proxies will be made primarily by mail. However, the Management of the Company (through employees or agents) may solicit proxies at a nominal and customary cost by telephone, email, or by personal interview.

As permitted by Canadian securities regulators and consistent with the goals stated in its environmental policy, the Company will use the notice-and-access procedures for the delivery of meeting materials to shareholders. These procedures allow issuers to post meeting materials online rather than mailing paper copies to shareholders. Instead of receiving this Circular, shareholders will receive a notice (the “**Notice-and-Access Letter**”) with instructions on how to access the Circular and the other proxy-related materials online. The Notice-and-Access Letter and form of proxy or voting instruction form have been sent to both registered and non-registered shareholders. This Circular and other relevant materials are available on the Company’s website at www.saputo.com and on SEDAR at www.sedar.com.

The Company has elected to pay for the delivery of this Circular and the other proxy-related materials to objecting beneficial owners and will reimburse brokers and other persons holding Common Shares for others for their reasonable expenses for sending proxy material to beneficial owners in order to obtain voting instructions. The Company will bear all expenses in connection with the solicitation of proxies.

SHAREHOLDER VOTING MATTERS

The following items will be brought before the Meeting:

1. Election of directors;
2. Appointment of auditors;
3. Adoption of an advisory, non-binding resolution in respect of the Company’s approach to executive compensation;
4. Shareholder proposal attached hereto as Schedule A; and
5. Consideration of such other business, if any, that may properly come before the Meeting or any adjournment thereof.

VIRTUAL-ONLY FORMAT

This year, out of an abundance of caution, to proactively deal with the unprecedented public health impact of the COVID-19 pandemic and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, we will hold our Meeting in a virtual-only format, which will be conducted via live webcast. All shareholders, regardless of their geographic location, will have an equal opportunity to participate in the Meeting.

Shareholders will not be able to attend the Meeting in person. Registered shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/177229360> by following the steps outlined below. Non-registered (beneficial) shareholders who have not duly appointed themselves as a proxyholder, can login to the Meeting by clicking "I am a guest" and completing the online form. Non-registered (beneficial) shareholders will be able to attend the live webcast but will not be able to ask questions or vote at the Meeting. See "Appointment of Proxyholders" for additional information on voting at the Meeting and appointing yourself as a proxyholder and registering with Computershare Investor Services ("Computershare"). To attend the Meeting:

- Check in online at <https://web.lumiagm.com/177229360>. We recommend that you log in at least one hour before the Meeting starts. The Meeting will begin promptly at 10:00 a.m. (Eastern time) on August 6, 2020, unless otherwise adjourned or postponed.
- Click "I have a Login" and then enter your control number and the password **Saputo2020** (case sensitive).
 - **Registered shareholders:** The control number located on the form of proxy or in the email notification you received is your control number.
 - **Duly appointed proxyholders:** Computershare will provide the proxyholder with a control number by e-mail after the proxy voting deadline has passed and the proxyholder has been duly appointed AND registered as described in "Appointment of Proxyholders" below.

OR

- **Click "Guest" and then complete the online form.**

It is important that you are connected to the Internet at all times during the Meeting in order to vote when ballots are opened. You should ensure you have a strong, preferably high-speed, Internet connection wherever you intend to participate in the Meeting. It is your responsibility to ensure connectivity for the duration of the Meeting.

For any technical difficulties experienced during the check-in process or during the Meeting, please call 1-800-564-6253 (toll free in North America) or 514-982-7555 (outside North America).

REGISTERED AND NON-REGISTERED SHAREHOLDERS

You are a registered shareholder if your Common Shares are registered directly in your name with Computershare. You may hold your Common Shares in the form of a physical share certificate or through the direct registration system (DRS) on the records of Computershare in electronic form. Unless otherwise indicated in this Circular, the form of proxy or the Notice, “shareholders” refer to registered shareholders.

You are a non-registered shareholder when an intermediary (such as a broker, a bank, a trust company or another financial institution) (an “**Intermediary**”) holds your Common Shares in your name. Non-registered shareholders must ensure that their voting instructions are communicated to the appropriate person well before the Meeting or any adjournment thereof. **In all cases, non-registered shareholders should carefully follow the instructions of their Intermediary, including those regarding when, where, and by what means the voting instruction form must be delivered.**

Intermediaries are required to request voting instructions from non-registered shareholders prior to the Meeting. Intermediaries have their own procedures for sending materials and their own voting instructions. Non-registered shareholders should follow these instructions carefully for their votes to be cast at the Meeting. In Canada, brokers often use a service provider, such as Broadridge Financial Solutions Inc. (“Broadridge”) or Computershare, to forward meeting materials to non-registered shareholders and to obtain their clients’ instructions. Non-registered shareholders cannot use a voting instruction form received from Broadridge or Computershare to vote directly at the Meeting. If you have questions on how to exercise voting rights carried by Common Shares held through an Intermediary, please contact your Intermediary directly.

HOW TO VOTE

Voting by Proxy before the Meeting

You may vote before the Meeting by completing your form of proxy or voting instruction form in accordance with the instructions provided therein. Non-registered shareholders should also carefully follow all instructions provided by their Intermediaries to ensure that their Common Shares are voted at the Meeting. Voting by proxy is the easiest way to vote. It means you are giving someone else the authority to attend the Meeting and vote on your behalf.

The directors of the Company named as proxyholders in the enclosed form of proxy (the “**Saputo proxyholders**”) will vote (or withhold from voting) the Common Shares in respect of which they are appointed as proxies in accordance with your instructions, including on any ballot that may be called. If there are changes to the items of business or new items properly come before the Meeting, a proxyholder can vote as they see fit.

You can appoint someone else to be your proxy. This person does not need to be a shareholder. See the section below entitled “Appointment of Proxyholders”.

There are three ways for registered shareholders to vote by proxy before the Meeting:

- **Telephone voting** – You may vote by calling the toll-free telephone number 1-866-732-VOTE (8683). You will be prompted to provide your control number printed on the form of proxy. If you vote by telephone, you may not appoint a person as your proxy other than the directors of Saputo named in the form of proxy or voting instruction form. Please follow the voice prompts that allow you to vote your Common Shares and confirm that your instructions have been properly recorded.
- **Internet voting** – You may vote by logging on to the website indicated on the form of proxy (www.investorvote.com). Please follow the website prompts that allow you to vote your Common Shares and confirm that your instructions have been properly recorded.
- **Return your form of proxy by mail** – You may vote by completing, signing and returning the form of proxy in the postage-paid envelope provided.

Proxies, whether submitted through the Internet, by telephone or mail as described above, must be received by Computershare (Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, Canada M5J 2Y1) no later than 10:00 a.m. on August 4, 2020, or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the Meeting is resumed. Your Common Shares will be voted in accordance with your instructions as indicated on the proxy. The time limit for the deposit of proxies may be waived or extended by the chair of the Meeting at his discretion without notice.

If you are a registered shareholder, contact Computershare at 1-800-564-6253 (toll free in North America) or 514-982-7555 (outside North America), for any voting questions.

Voting at the Meeting

Registered shareholders may vote at the Meeting by completing a ballot online during the Meeting, as further described in the section above entitled “Virtual-Only Format”.

Non-registered shareholders who have not duly appointed themselves as their proxy will not be able to vote at the Meeting but will be able to participate as a guest. This is because the Company and Computershare do not have a record of the non-registered shareholders of the Company, and, as a result, will have no knowledge of your shareholdings or entitlement to vote unless you appoint yourself as your proxy. If you are a non-registered shareholder and wish to vote at the Meeting, you have to appoint yourself as your proxy by inserting your own name in the space provided on the voting instruction form sent to you and you must follow all of the applicable instructions, including the deadline, provided by your Intermediary. See the section “Appointment of Proxyholders” below and the section “Virtual-Only Format” above.

APPOINTMENT OF PROXYHOLDERS

Appointment of Proxy

The Saputo proxyholders are directors of the Company. Every holder of Common Shares has the right to appoint a person (who need not be a shareholder), to act on their behalf at the Meeting. To exercise this right, the holder of Common Shares must insert its nominee's name in the blank space provided for such purpose in the form of proxy or prepare another proxy in proper form and, in either case,

deliver the completed form of proxy to Computershare (Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, Canada M5J 2Y1) no later than 10:00 a.m. on August 4, 2020, or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the Meeting is resumed.

Exercise of Discretion by Proxies

The persons whose names are printed on the enclosed form of proxy will vote (or withhold from voting) all the Common Shares in respect of which they are appointed to act in accordance with the instructions indicated on the form of proxy. If a shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If no instructions are given, the Common Shares will be voted:

FOR:

- **the election of directors;**
- **the appointment of auditors;**
- **the adoption of an advisory, non-binding resolution in respect of the Company's approach to executive compensation; and**

AGAINST

- **the shareholder proposal attached as Schedule A to this Circular.**

A completed proxy confers discretionary authority upon the proxyholder with respect to amendments or variations to the matters identified in the Notice and any other matter that may properly come before the Meeting or any adjournment thereof.

Appointment of a Third-Party Proxyholder

The following applies to registered and non-registered shareholders who wish to appoint someone as their proxy other than the Saputo proxyholders named in the form of proxy or voting instruction form. Shareholders who wish to appoint themselves or a third-party proxyholder to represent them at the Meeting **MUST** submit their form of proxy or voting instruction form (as applicable), appointing themselves or that third-party proxyholder **AND** register themselves or that third-party proxyholder online, as described below. Registering yourself or your third-party 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 will act as their online sign-in credentials and is required for them to vote at the Meeting and, consequently, only being able to attend the Meeting online as a guest.**

Step 1: Submit your form of proxy or voting instruction form: To appoint yourself or a third-party proxyholder, insert your or such person's name in the blank space provided in the form of proxy or voting instruction form and follow the instructions for submitting such proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an

additional step to be completed once you have submitted your form of proxy or voting instruction form.

If you are a non-registered shareholder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary AND register yourself as your proxyholder, as described below. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary.

Step 2: Register your proxyholder: To register yourself or a third-party proxyholder, you must submit your proxy or voting instruction form (as applicable) prior to registering your proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the meeting. To register a proxyholder, shareholders MUST visit <http://www.computershare.com/saputo2020> no later than August 4, 2020 at 10:00 a.m. or if the Meeting is adjourned, at least 48 hours (excluding weekends and holidays) before the Meeting is resumed, and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a username via email. Without a username, proxyholders will not be able to vote or ask questions at the Meeting but will be able to participate as a guest.

REVOCATION OF PROXIES

A shareholder who previously completed a form of proxy may revoke it by submitting a written notice of the revocation to the Secretary of the Company no later than the business day preceding the Meeting.

VOTING REQUIREMENT AND QUORUM

A quorum is present at the Meeting if the holders of not less than 25% of the Common Shares entitled to vote at the Meeting are present online or represented by proxy, irrespective of the number of persons actually at the Meeting. If a quorum is present at the opening of the Meeting, the shareholders present or represented by proxy may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If a quorum is not present at the opening of the Meeting, the shareholders present or represented by proxy may adjourn the Meeting to a fixed time and place but may not transact any other business.

A simple majority of the votes cast, by proxy or online, will constitute approval of the matters to be adopted at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Common Shares are the only securities of the share capital of the Company. As at May 26, 2020, the Company had 408,729,435 Common Shares outstanding. Each Common Share entitles its holder to one vote.

Only holders of Common Shares of record at 5:00 p.m. on June 12, 2020, will be entitled to receive the Notice and to exercise the voting rights attached to the Common Shares in respect of which they are so registered at the Meeting, or any adjournment thereof, if present or represented by proxy.

To the knowledge of the Company's directors and executive officers, on May 26, 2020, the persons or companies who or which owned of record or beneficially, or exercised control or direction over, directly or indirectly, 10% or more of the issued and outstanding Common Shares were the following:

Name	Type of Ownership	Number of Common Shares	Percentage of Class
Jolina Capital Inc. ⁽¹⁾	of record	129,585,101 ⁽²⁾	32%
Placements Italcantec Inc. ⁽³⁾	of record	42,500,000	10%

(1) Jolina Capital Inc. is a holding company controlled by Mr. Emanuele (Lino) Saputo.

(2) Includes 2,525,253 Common Shares held indirectly by Jolina Capital Inc. through 11446037 Canada Inc.

(3) Placements Italcantec Inc. is a holding company controlled by Mr. Francesco Saputo.

ELECTION OF DIRECTORS

For fiscal 2021, the Board of Directors of the Company (the "Board") proposes that it be composed of ten members and that the current ten members of the Board be proposed as nominees for election to the Board. **Except where the authority to vote in favour of the directors is withheld, the persons whose names are printed on the enclosed form of proxy intend to vote FOR the election of each of the ten nominees whose names are set forth in the following tables.** The vote for each director will be conducted on an individual basis. All nominees have established their eligibility and willingness to serve as directors if elected to office. Each director elected will hold office until the next annual meeting of the shareholders of the Company or until such director's successor is duly elected, unless the office is vacated earlier in accordance with the relevant provisions of applicable laws.

The following tables provide, for each nominee, their name, age, place of residence, the year in which they first became a director, their principal occupation, their independence with respect to the Company, their biography, their attendance at Board and committee meetings, their directorships with other public companies, if any, and whether they serve on committee(s) of the board of directors of such companies, and the number of securities of the Company they beneficially own, or over which they exercise control or direction, directly or indirectly. Refer to the section entitled "Skills Matrix" for additional information on the skills possessed by the nominees.

LINO SAPUTO, JR.

Québec, Canada
Age: 53
Director since: 2001
Non-independent

2019 Voting Results:
For: 98.27%
Withheld: 1.73%

CURRENT PRINCIPAL OCCUPATION

Chair of the Board and Chief Executive Officer of the Company

CAREER PROFILE

Lino Saputo, Jr. joined the Company in 1988 as an Administrative Assistant. Over the next few years, he started rising through the ranks, managing a plant in Ontario, Canada, and holding various administrative and marketing positions. In 1993, he became Vice President, Operations and, in 1998, Executive Vice President, Operations. From July 2001 to January 2004, he was President and Chief Operating Officer of the Company's Dairy Products Division (USA). Since March 2004, Mr. Saputo, Jr. serves as Chief Executive Officer of the Company. In 2011, he was appointed to the position of Vice Chair of the Board, and since August 2017, he serves as Chair of the Board. Under his leadership, the Company implemented the Saputo Promise, a commitment to live up to the values on which Saputo was founded in 1954. Mr. Saputo, Jr. was named Canada's 2019 Outstanding CEO of the Year®, an award founded in 1990 to identify and recognize exemplary leadership and achievement by a Canadian Chief Executive Officer.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board (Chair)	10/10	100%	\$4,004,000 ⁽¹⁾

Securities held or controlled		Director share ownership met	Other Public Board Memberships	Other Committee
Common Shares	Value (\$) ⁽²⁾	Yes ⁽³⁾	National Bank of Canada	Conduct Review and Corporate Governance Risk Management
136,902	4,632,764			

LOUIS-PHILIPPE CARRIÈRE, CFP, FCA

Québec, Canada
Age: 59
Director since: 2017
Non-independent

2019 Voting Results:
For: 99.85 %
Withheld: 0.15 %

CURRENT PRINCIPAL OCCUPATION

Corporate Director

CAREER PROFILE

Louis-Philippe Carrière joined the Company in 1986 as Supervisor of Accounting and held various management positions in finance and administration. Mr. Carrière retired on August 1, 2017, from his role as Chief Financial Officer and Secretary after 30 years of service with the Company. His responsibilities over the years included oversight of various functions such as accounting, internal audit, taxation, legal, financing, information technology, investor relations, corporate communications, as well as mergers and acquisitions. In addition, through his role as Secretary of the Company, he was actively involved in the analysis, elaboration and implementation of the Company's corporate governance practices. Between August 1, 2017, and April 3, 2020, Mr. Carrière acted as senior advisor to the Company.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	9/10	90%	\$932,005 ⁽⁴⁾

Securities held or controlled				Director share ownership met	Other Public Board Memberships	Other Committee Memberships
Common Shares	Options ⁽⁵⁾	PSUs ⁽⁵⁾	Value (\$) ⁽²⁾	Yes ⁽³⁾	WSP Global Inc.	Audit (Chair)
46,435	561,285	29,488	4,063,667			

HENRY E. DEMONE

Nova Scotia, Canada
 Age: 66
 Director since: 2012
 Independent

2019 Voting Results:
 For: 99.62 %
 Withheld: 0.38 %

CURRENT PRINCIPAL OCCUPATION

Corporate Director

CAREER PROFILE

Henry E. Demone is a corporate director. From May 2015 to May 2019, Mr. Demone was the Chair of the Board of Directors of High Liner Foods Incorporated. He was Chief Executive Officer of High Liner Foods Incorporated from 1992 to 2015, and from August 2017 to May 2018.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Corporate Governance and Human Resources Committee	6/6	100%	

Securities held or controlled			Director share ownership met	Other Public Board Memberships	Other Committee Memberships
Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾	Yes ⁽³⁾	Emera Incorporated	Nominating and Corporate Governance Management Resources and Compensation
10,000	50,334	2,041,703			

ANTHONY M. FATA

Québec, Canada
 Age: 53
 Director since: 2008
 Independent

2019 Voting Results:
 For: 99.42 %
 Withheld: 0.58 %

CURRENT PRINCIPAL OCCUPATION

President, Sager Food Products Inc. (a food products manufacturing and distribution company)

CAREER PROFILE

Anthony M. Fata was, until 1999, Executive Director of Investment Banking for a wholly-owned subsidiary of a Canadian Chartered Bank. In this position, he was actively involved in various equity and debt issues, as well as numerous merger and acquisition transactions. In 1999, he became Vice President of sales and marketing of Sager Food Products Inc. He was appointed President of this company in November 2004. Mr. Fata is a member of the Québec Bar.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board (Lead Director)	10/10	100%	\$ 340,000
Corporate Governance and Human Resources Committee (Chair)	6/6	100%	

Securities held or controlled			Director share ownership met	Other Public Board Memberships ⁽⁷⁾	Other Committee Memberships
Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾	Yes ⁽³⁾	None	
12,000	95,862	3,650,050			

ANNALISA KING, ICD.D

British Columbia, Canada
 Age: 53
 Director since: 2012
 Independent

2019 Voting Results:
 For: 99.98 %
 Withheld: 0.02 %

CURRENT PRINCIPAL OCCUPATION

Chair of the Board of the Vancouver Airport Authority

CAREER PROFILE

Annalisa King is currently Chair of the Board of the Vancouver Airport Authority. Between 2008 and 2016, Ms. King was Senior Vice President and Chief Financial Officer of Best Buy Canada Ltd., where she was also responsible for overseeing the information and ecommerce technology, legal and real estate functions of Best Buy Canada Ltd. Prior to her position with Best Buy Canada Ltd., Ms. King was Senior Vice President of Business Transformation for Maple Leaf Foods Inc. from 2001 to 2008, and previously held leadership roles in finance at Pillsbury Canada Inc. from 1998 to 2001, and Kraft Canada Inc. from 1990 to 1998.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Audit Committee	7/7	100%	

Securities held or controlled

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
3,031	51,114	1,832,267

Director share ownership met

Yes ⁽³⁾

Other Public Board Memberships

First Capital Realty Inc.

The North West Company Inc.

Other Committee Memberships

Audit
 Corporate Governance (Chair)

Audit
 Compensation

KAREN KINSLEY, FCPA, FCA, ICD.D

Ontario, Canada
 Age: 63
 Director since: 2015
 Independent

2019 Voting Results:
 For: 99.94 %
 Withheld: 0.06 %

CURRENT PRINCIPAL OCCUPATION

Corporate Director

CAREER PROFILE

Karen Kinsley is currently a corporate director. From 1987 to 2013, Ms. Kinsley held various positions within Canada Mortgage and Housing Corporation, including Chief Financial Officer for nine years, Vice President of Mortgage Insurance and Securitization and President and Chief Executive Officer from 2003 to 2013.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Audit Committee	7/7	100%	

Securities held or controlled

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
6,800	25,473	1,092,118

Director share ownership met

Yes ⁽³⁾

Other Public Board Memberships

National Bank of Canada

Choice Properties Real Estate
 Investment Trust

Other Committee Memberships

Audit (Chair)
 Risk Management

Audit (Chair)

TONY METI, ICD.D

Québec, Canada
Age: 65
Director since: 2008
Independent

2019 Voting Results:
For: 99.40 %
Withheld: 0.60 %

CURRENT PRINCIPAL OCCUPATION

President, G.D.N.P. Consulting Services, Inc. (a consulting company)

CAREER PROFILE

Tony Meti held various executive positions within Canadian Chartered Banks over the past 30 years, including Senior Vice President, Commercial Banking and International from 2002 to 2007, and Senior Vice President, Commercial, North America, from 2000 to 2002. Since 2007, he is the President of G.D.N.P. Consulting Services, Inc.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 315,000
Audit Committee (Chair)	7/7	100%	

Securities held or controlled

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
20,800	105,913	4,287,968

Director share ownership met

Yes ⁽³⁾

Other Public Board Memberships

ADF Group Inc. (Co-Chair)

Other Committee Memberships

Audit
Compensation, Nominating and
Corporate Governance

DIANE NYISZTOR, CPA, CA, H.R.C.C.C.

Québec, Canada
Age: 53
Director since: 2016
Independent

2019 Voting Results:
For: 99.62 %
Withheld: 0.38 %

CURRENT PRINCIPAL OCCUPATION

Senior Vice President and Chief Human Resources Officer, Cogeco Inc. (a telecommunications company)

CAREER PROFILE

Diane Nyisztor has been, since August 31, 2019, Senior Vice President and Chief Human Resources Officer of Cogeco Inc. She was Senior Vice President, Corporate Human Resources of Cogeco Inc. from October 2015 to August 2019 and Vice President, Corporate Human Resources of Cogeco Inc. from October 2014 to October 2015. Prior to that, Ms. Nyisztor was Partner, International Executive Services at KPMG Canada LLP from 2013 to 2014. From 2002 to 2013, she held senior management positions with SNC-Lavalin Group Inc., including Senior Vice President, Global Human Resources and Senior Vice President, Compensation and Benefits.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Corporate Governance and Human Resources Committee	6/6	100%	

Securities held or controlled

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
5,000	23,904	978,111

Director share ownership met

Yes ⁽³⁾

Other Public Board Memberships

None

Other Committee Memberships

FRANZISKA RUF


Québec, Canada
Age: 57
Director since: 2016
Independent

2019 Voting Results:
For: 99.61 %
Withheld: 0.39 %

CURRENT PRINCIPAL OCCUPATION

Partner, Davies Ward Phillips & Vineberg LLP (a law firm)

CAREER PROFILE

Franziska Ruf is a partner with Davies Ward Phillips & Vineberg LLP in the Capital Markets, Corporate Governance and Mergers & Acquisitions practices since 2009. Prior to her current position, Ms. Ruf was a partner with the law firms of Stikeman Elliott LLP from 2000 to 2009 and McCarthy Tétrault LLP from 1994 to 2000. Ms. Ruf also served on the Legal Advisory Committee of the *Autorité des marchés financiers*. Ms. Ruf is a member of the Québec Bar.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Corporate Governance and Human Resources Committee	6/6	100%	

Securities held or controlled
Director share ownership met
Other Public Board Memberships Other Committee Memberships

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
2,000	23,904	876,591

Yes ⁽³⁾

None

ANNETTE VERSCHUREN, O.C.


Ontario, Canada
Age: 63
Director since: 2013
Independent

2019 Voting Results:
For: 99.84 %
Withheld: 0.16 %

CURRENT PRINCIPAL OCCUPATION

Chair of the Board and Chief Executive Officer, NRstor Inc. (a commercial energy storage project developer)

CAREER PROFILE

Annette Verschuren has been the Chair and Chief Executive Officer of NRstor Inc. since March 2012. Prior to her current position, she was President of The Home Depot Canada from 1996 to 2011. Ms. Verschuren is Chair of the Board of Sustainable Development Technology Canada (SDTC), a foundation created by the Government of Canada to support environmental technologies, and Co-Chair of the Smart Prosperity Leaders' Initiative, an initiative launched by respected Canadian leaders in 2016 to harness new thinking to accelerate Canada's transition to a stronger, cleaner economy. In 2011, Ms. Verschuren was honoured as an Officer of The Order of Canada for her contribution to the retail industry and corporate social responsibility.

Saputo Board and Committee Memberships for fiscal 2020	Attendance for fiscal 2020		Compensation received for fiscal 2020
Board	10/10	100%	\$ 260,000
Audit Committee	7/7	100%	

Securities held or controlled
Director share ownership met
Other Public Board Memberships Other Committee Memberships

Common Shares	DSUs ⁽⁶⁾	Value (\$) ⁽²⁾
8,000	27,511	1,201,692

Yes ⁽³⁾

Air Canada

Governance and Nominating (Chair)
Audit, Finance and Risk

Canadian Natural Resources Limited

Compensation
Health, Safety, Asset Integrity and Environmental

- (1) Mr. Saputo, Jr. is an executive officer of the Company. He does not receive any compensation for his services as Chair of the Board.
- (2) This value corresponds to the number of Common Shares, DSUs and/or PSUs, as applicable, held by each director multiplied by the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84) plus the value of unexercised in-the-money options, as applicable, which value corresponds to the difference between the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84), and the applicable exercise price.
- (3) See "Share Ownership Policy for Directors".
- (4) Mr. Carrière acted as senior advisor to the Company until April 3, 2020, and as such did not receive any compensation for his services as a director in fiscal 2020.
- (5) Mr. Carrière was granted options and PSUs while he was an executive officer of the Company.
- (6) Represents the aggregate of (i) the DSUs granted with respect to the director's compensation and (ii) the additional DSUs accumulated as notional equivalents of cash dividends declared on Common Shares.
- (7) Mr. Fata was a director of Verona Foods Inc., an importer of specialty foods, until August 3, 2012. Verona Foods Inc. commenced proposal proceedings under the *Bankruptcy and Insolvency Act* (Canada) on October 3, 2012 by filing a notice of intent to make a proposal. On January 29, 2013, Verona Foods Inc. made a voluntary assignment into bankruptcy pursuant to the *Bankruptcy and Insolvency Act* (Canada). The trustee to Verona Foods Inc. completed its administration of the estate and was discharged on September 8, 2016.

Information as to securities beneficially owned by each nominee, or over which each nominee exercised control or direction, as at May 26, 2020, has been provided by the nominees individually.

SKILLS MATRIX

The Corporate Governance and Human Resources Committee (the “Corporate Governance and HR Committee”) has identified qualifications, competencies and skills deemed important for the Board to possess in order to provide effective oversight of the Company. The main qualifications, competencies and skills identified by the Corporate Governance and HR Committee for each nominee director are set forth in the skills matrix below. The matrix is reviewed annually by the Corporate Governance and HR Committee. The matrix also focuses on age and board tenure considerations.

Name	Age			Board Tenure at Saputo					Top Three Skills ⁽¹⁾ ⁽²⁾ ⁽³⁾							
	50-54	55-59	60-70	0-2 years of service	3-5 years of service	6-10 years of service	11-15 years of service	16-20 years of service	Manufacturing, Food & Drug Industries	International	Retail & Consumer Trends	Government & Regulatory Affairs	Accounting & Finance	Mergers & Acquisitions	Management & Strategy	Environmental, Social, Governance
Louis-Philippe Carrière	X				X								X	X	X	
Henry E. Demone			X			X			X	X						X
Anthony M. Fata	X						X		X	X				X		
Annalisa King	X					X			X	X		X				
Karen Kinsley		X			X							X	X			X
Tony Meti		X					X			X			X	X		
Diane Nyisztor	X				X							X	X			X
Franziska Ruf		X			X					X		X		X		
Lino Saputo, Jr.	X							X	X						X	X
Annette Verschuren		X			X					X	X					X

(1) Definition of Competencies:

Manufacturing, Food & Drug Industries: Senior executive experience in the manufacturing industry, in the food and/or the drug industry;

International: Top-level international experience;

Retail & Consumer Trends: Senior executive experience in a retail or consumer company;

Government & Regulatory Affairs: Experience with government and/or regulatory affairs;

Accounting & Finance: Senior executive experience in financial accounting and financial reporting;

Mergers & Acquisitions: Experience in M&A transactions;

Management & Strategy: Experience working in management of a publicly listed company or large organization or other senior experience driving strategic direction and leading growth;

Environment, Social and Governance: Experience with policies, practices or risk management associated with environmental, sustainable development, social and corporate responsibility, and/or governance issues relevant to the Company.

(2) All director nominees are financially literate and have senior executive experience in risk management.

(3) For skills on compensation policies and practices, see section “Role and Composition of the Corporate Governance and HR Committee”.

COMPENSATION OF DIRECTORS

The Company’s compensation policy for non–employee directors aims to attract and retain qualified individuals, taking into consideration the risks and responsibilities as directors. The Corporate Governance and HR Committee is responsible for annually reviewing the compensation policy regarding directors of the Company.

The Corporate Governance and HR Committee considers, on an annual basis, the appropriateness of retaining independent consultants to advise its members on questions concerning director compensation. The last review by an independent consultant was conducted for fiscal 2018 and concluded that the compensation of the Company’s directors was slightly above the third quartile of the compensation offered to directors of the companies forming part of the Director Comparative Group (as hereinafter defined). For fiscal 2020, the Corporate Governance and HR Committee recommended to the Board to continue relying on the review conducted for fiscal 2018, and that, accordingly, no change be made to the compensation of directors for fiscal 2020 in line with the Company’s director compensation policy, as was the case for fiscal 2019.

The comparative group used for the compensation of the Company’s directors (the “**Director Comparative Group**”) reflects the Company’s recruitment pool for directors and is formed of the Canadian Comparative Group (as hereinafter defined), as well as other TSX–listed issuers listed below. The Canadian Comparative Group is described under the heading “Comparative Groups” in the section entitled “Executive Compensation”. The other TSX–listed issuers have been selected for being similar in size to the Company and/or having significant operations in the USA and abroad. The Company’s director compensation policy’s objective is to be competitive with the third quartile of the compensation offered by the companies forming part of the Director Comparative Group.

Director Comparative Group		
Canadian Comparative Group	Other TSX–listed Issuers	
Alimentation Couche–Tard Inc.	Air Canada	Finning International Inc.
Empire Company Limited	Bombardier Inc.	Goldcorp Inc.
George Weston Limited	Canadian National Railway Company	Loblaw Companies Limited
Maple Leaf Foods Inc.	Canadian Pacific Railway Limited	Shaw Communications Inc.
Metro Inc.	Canadian Tire Corporation, Limited	SNC–Lavalin Group Inc.
Molson Coors Beverage Company	Celestica Inc.	Thomson Reuters Corporation
Nutrien Ltd.	CGI Group Inc.	
Primo Water Corporation		

The following table sets out the annual retainer paid to directors in fiscal 2020, in cash or in the form of Deferred Share Units (“DSUs”), as per the compensation policy and the DSU Plan. The Company does not pay a meeting fee for Board meetings or committee meetings.

Annual retainer	
Chair of the Board ⁽¹⁾	–
Lead Director and Chair of the Corporate Governance and HR Committee	\$340,000
Chair of the Audit Committee	\$315,000
Board members who sit on a committee	\$260,000
Board member only (no committee) ⁽²⁾	\$240,000

(1) Mr. Saputo Jr. is not eligible to receive director fees as long as he is the Chief Executive Officer of the Company.

(2) For fiscal 2020, Mr. Carrière was not eligible to receive any compensation for his services as a director, since he acted as senior advisor to the Company.

Deferred Share Unit Plan for Directors

The Company has a DSU plan (the “DSU Plan”) for its directors. A DSU is a fully-vested phantom share of the Company with the same value as one Common Share but does not qualify as a share of the Company and, therefore, does not confer rights normally granted to shareholders. The DSU Plan provides that additional DSUs are accumulated as notional equivalents of dividends declared on Common Shares. Each DSU vests upon award and entitles directors to receive a cash payment for the value of the DSUs they hold on the last business day of the calendar year, following the calendar year in which they cease to be members of the Board, unless they choose an earlier date upon ceasing to be members of the Board. The DSU Plan provides directors with an ongoing stake in the Company in line with the value of the Common Shares for the duration of their mandate.

Share Ownership Policy for Directors

The directors of the Company play a central role in enhancing shareholder value and, as such, the Company believes that the economic interests of directors should be aligned with those of its shareholders. The Corporate Governance and HR Committee annually reviews the Company’s share ownership policy for directors and considers, among other things, corporate governance best practices, market practices and the market value of the securities required to be owned by directors to meet the threshold set out by the share ownership policy.

Pursuant to the ownership policy adopted by the Board, all directors of the Company shall, at all times while serving as directors, own a number of Common Shares and/or DSUs having a total market value of at least three times their then-current annual retainer. A copy of this policy can be found on the Company’s website at www.saputo.com. Each director is required to comply with this policy within five years following their appointment as a director of the Company, and throughout their term as director. Pursuant to the DSU Plan, each director who does not meet the minimum value representing at least three times their then-current annual retainer must receive their entire compensation in DSUs. The value of the securities required to be owned by the Company’s directors to meet the share ownership policy is superior to the average value of securities required to be owned by the directors

of the companies forming the Director Comparative Group that have a share ownership policy for directors.

As of March 31, 2020, all directors complied with the minimum value required under the share ownership policy. The information set out in the following table is as at March 31, 2020.

Director ⁽¹⁾	Common Shares	DSUs ⁽²⁾	Total Common Shares and DSUs	Total Market Value of Common Shares and/or DSUs (\$) ⁽³⁾	Minimum Required (\$) ⁽⁴⁾	Meets the Company's Share Ownership Requirements for Directors
Louis-Philippe Carrière	46,435	-	46,435	1,571,360	720,000	Yes
Henry E. Demone	10,000	50,334	60,334	2,041,703	780,000	Yes
Anthony M. Fata	12,000	95,862	107,862	3,650,050	1,020,000	Yes
Annalisa King	3,031	51,114	54,145	1,832,267	780,000	Yes
Karen Kinsley	6,800	25,473	32,273	1,092,118	780,000	Yes
Tony Meti	20,800	105,913	126,713	4,287,968	945,000	Yes
Diane Nyisztor	5,000	23,904	28,904	978,111	780,000	Yes
Franziska Ruf	2,000	23,094	25,094	876,591	780,000	Yes
Annette Verschuren	8,000	27,511	35,511	1,201,692	780,000	Yes

- (1) Mr. Saputo, Jr. is an executive officer of the Company. He does not receive any compensation for his services as Chair of the Board, and is subject to the Company's share ownership policy for executive officers (see "Share Ownership Policy for Executive Officers").
- (2) The DSUs shown in the table represent the aggregate of (i) the DSUs granted with respect to the director's compensation and (ii) the additional DSUs accumulated as notional equivalents of cash dividends declared on Common Shares.
- (3) This value corresponds to the number of Common Shares and/or DSUs held by each director, multiplied by the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84).
- (4) This value corresponds to three times the then-current annual retainer of each director.

Director Summary Compensation Table

The following table provides a summary of total compensation earned by each of the directors during fiscal 2020 and the manner in which the compensation was paid:

Name ⁽¹⁾⁽²⁾	Total Fees Earned ⁽³⁾ (\$)	Allocation of Fees Earned			All Other Compensation (\$)	Total Compensation (\$)
		Cash (\$)	DSUs ⁽⁴⁾⁽⁵⁾ (\$)	Allocation of Fees between Cash and DSUs (%)		
Henry E. Demone	260,000	130,000	130,000	50% cash/50% DSUs	-	260,000
Anthony M. Fata	340,000	-	340,000	100% DSUs	-	340,000
Annalisa King	260,000	-	260,000	100% DSUs	-	260,000
Karen Kinsley	260,000	130,000	130,000	50% cash/50% DSUs	-	260,000
Tony Meti	315,000	-	315,000	100% DSUs	-	315,000
Diane Nyisztor	260,000	-	260,000	100% DSUs	-	260,000
Franziska Ruf	260,000	-	260,000	100% DSUs	-	260,000
Annette Verschuren	260,000	130,000	130,000	50% cash/50% DSUs	-	260,000
Total (\$)	2,215,000	390,000	1,825,000	-	-	2,215,000

- (1) Mr. Saputo, Jr. is an executive officer of the Company and does not receive any compensation for his services as Chair of the Board. His compensation as Chief Executive Officer is disclosed in the "NEO Summary Compensation Table".

- (2) In fiscal 2020, Mr. Carrière received \$932,005 as compensation for his services as senior advisor to the Company and no additional compensation for his services as director. Mr. Carrière's mandate as senior advisor to the Company ended on April 3, 2020.
- (3) Directors must receive 100% of their annual retainer in DSUs until they satisfy the minimum value required under the share ownership policy for directors, after which they can elect to receive (i) 50% of their annual retainer in cash and 50% in DSUs, or, (ii) 100% of their annual retainer in DSUs.
- (4) These amounts do not include additional DSUs accumulated as notional equivalents of dividends declared on Common Shares in accordance with the DSU Plan.
- (5) In accordance with the DSU Plan, amounts reflect the grant date fair value of the DSUs based on the average of the closing prices on the TSX on the last ten trading days of each calendar quarter. DSUs are vested upon award, but directors are only entitled to receive a cash payment after they cease to be members of the Board (see "Deferred Share Unit Plan for Directors").

Outstanding Share-Based and Option-Based Awards

The following table presents, for each director, all the share-based and option-based awards outstanding at the end of fiscal 2020. The directors do not participate in the Equity Compensation Plan.

Outstanding Share-Based Awards and Option-Based Awards								
Name ⁽¹⁾	Option-Based Awards					Share-Based Awards		
	Award Date	Number of Common Shares Underlying Unexercised Options (#)	Option Exercise Price (\$/Share)	Option Expiry Date	Value of Unexercised In-The-Money Options (\$)	Number of Common Shares or Units that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$) ⁽⁵⁾⁽⁶⁾
Louis-Philippe Carrière ⁽²⁾	04/01/2012	21,182	21.48	04/01/2022		-	-	
	04/01/2013	63,806	25.55	04/01/2023		-	-	
	04/01/2014	115,356	27.74	04/01/2024		-	-	
	04/01/2015	95,781	35.08	04/01/2025		-	-	
	04/01/2016	137,379	41.40	04/01/2026		-	-	
	04/01/2017	127,781	46.29	04/01/2027	1,494,433 ⁽³⁾	29,488	997,874 ⁽⁴⁾	-
Henry E. Demone	-	-	-	-	-	-	-	1,703,307
Anthony M. Fata	-	-	-	-	-	-	-	3,243,996
Annalisa King	-	-	-	-	-	-	-	1,729,724
Karen Kinsley	-	-	-	-	-	-	-	862,032
Tony Meti	-	-	-	-	-	-	-	3,584,120
Diane Nyisztor	-	-	-	-	-	-	-	808,933
Franziska Ruf	-	-	-	-	-	-	-	808,933
Annette Verschuren	-	-	-	-	-	-	-	930,996

(1) Mr. Saputo, Jr. is an executive officer of the Company and does not receive any compensation for his services as Chair of the Board. Outstanding share-based and option-based awards for Mr. Saputo, Jr. are disclosed in the table "Outstanding Share-Based Awards and Option-Based Awards" for named executive officers.

(2) Mr. Carrière was an executive officer of the Company until August 1, 2017. Outstanding share-based and option-based awards shown in this table reflect options and PSUs granted to Mr. Carrière in such capacity. In fiscal 2020, Mr. Carrière acted as senior advisor to the Company and did not receive any DSUs or other compensation for his services as director.

- (3) This value corresponds to the difference between the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84) and the exercise price of in-the-money options. This value has not been, and may never be, realized. The actual gain, if any, will depend on the value of the Common Shares on the dates the options are exercised relative to the exercise price (see “Long-Term Incentive Plans”).
- (4) This value corresponds to the payout value of PSUs granted on April 1, 2017, based on the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84) and a Three-year Vesting Multiplier (as defined below) of 68.2% for the Performance Cycle ended March 31, 2020, as is applicable further to the changes to the PSU vesting design (see “Long-Term Incentive Plans” and “Changes to the PSU Vesting Design”).
- (5) These amounts include additional DSUs accumulated as notional equivalents of dividends declared on Common Shares.
- (6) This value corresponds to the number of DSUs held by each director multiplied by the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84). DSUs are vested upon award, but directors are only entitled to receive a cash payment after they cease to be members of the Board (see “Deferred Share Unit Plan for Directors”).

ATTENDANCE AT BOARD OF DIRECTORS AND COMMITTEE MEETINGS

The following table provides the number of meetings of the Board and its committees held during fiscal 2020, and the attendance record. During the year, there were 10 meetings of the Board, seven meetings of the Audit Committee and six meetings of the Corporate Governance and HR Committee. There was a 99% attendance rate for the Board meetings, a 100% attendance rate for the Audit Committee meetings and a 100% attendance rate for the Corporate Governance and HR Committee meetings.

Summary of Attendance of Directors			
Director	Board	Audit Committee	Corporate Governance and HR Committee
Lino Saputo, Jr.	10 of 10	-	-
Louis-Philippe Carrière	9 of 10	-	-
Henry E. Demone	10 of 10	-	6 of 6
Anthony M. Fata	10 of 10	-	6 of 6
Annalisa King	10 of 10	7 of 7	-
Karen Kinsley	10 of 10	7 of 7	-
Tony Meti	10 of 10	7 of 7	-
Diane Nyisztor	10 of 10	-	6 of 6
Franziska Ruf	10 of 10	-	6 of 6
Annette Verschuren	10 of 10	7 of 7	-



LETTER FROM THE LEAD DIRECTOR AND CHAIR OF THE
CORPORATE GOVERNANCE AND HUMAN RESOURCES COMMITTEE
ANTHONY M. FATA

Saputo

Dear Shareholders,

The members of the Corporate Governance and HR Committee are pleased to present you this report on the corporate governance practices of the Company, along with a discussion of the Company's executive compensation policies and practices. The Committee's report discusses key topics of interest to our shareholders, including corporate responsibility.

The annual meeting of shareholders provides a valuable opportunity for shareholders to discuss the Company's performance, plans, corporate governance and other important matters with the management and the Board, as appropriate. This year, the virtual-only format of the meeting will enable greater participation by shareholders, allowing those that might not otherwise be able to travel to a physical meeting to attend online.

The Board understands the importance of constructive communication and engagement with shareholders and recently adopted a Shareholder Communication and Engagement Policy in this regard. The Corporate Governance and HR Committee believes that by engaging with a broad range of stakeholders through open dialogue, both formally and informally, the Company gains a better understanding of key topics and matters of importance to the Company's shareholders.

At the Meeting, shareholders will be invited to cast an advisory vote on the Company's approach to executive compensation. Our compensation policies and practices are aimed at aligning the interests of the senior executive team with those of shareholders and at attracting, retaining and motivating high-performing executives who are incented to increase business performance and enhance shareholder value on a sustainable basis.

We appreciate the importance shareholders place on effective executive compensation policies and are committed to maintaining an ongoing engagement process with you to gather feedback. We look forward to your participation at our annual meeting of shareholders. Please remember to vote your shares by proxy or online during the Meeting.

On behalf of the Corporate Governance and HR Committee and the Board, we invite you to review the following sections for more details on our corporate governance and executive compensation policies and practices.

Sincerely,

ANTHONY M. FATA

Lead Director and Chair of the
Corporate Governance and HR Committee

To contact the Board: investors@saputo.com

REPORT ON CORPORATE GOVERNANCE PRACTICES

The Board understands the importance of good corporate governance practices. The Corporate Governance and HR Committee is responsible of reviewing the Company's corporate governance practices and making recommendations to the Board with respect thereto.

The Company's principal shareholder is its founder, Mr. Emanuele (Lino) Saputo, who holds in the aggregate, or exercises control or direction over, directly or indirectly, shares representing 32% of the Common Shares outstanding on May 26, 2020. Considering the principal shareholder's equity stake in the Company, the Board believes that the Company's corporate governance practices are appropriate and effective. The Board considers that there are appropriate structures, procedures and practices in place to ensure board efficiency, board independence from Management and fair representation of the investment of minority shareholders of the Company.

This report provides a discussion of the Company's corporate governance practices. The Company continuously monitors compliance with legislative and regulatory requirements, and reviews and considers recent developments, leading practices and trends in corporate governance, as well as expectations and/or guidelines issued by shareholders, institutional investors and associations (institutes) focused on governance, and other authoritative sources. The Corporate Governance and HR Committee regularly reviews the Company's corporate governance practices and, where appropriate, recommends changes for continuous improvement.

CORPORATE RESPONSIBILITY GOVERNANCE

The Saputo Promise is the Company's approach to social, environmental and economic performance based on seven Pillars: Food Quality and Safety, Our People, Business Ethics, Responsible Sourcing, Environment, Nutrition and Healthy Living, and Community. The Board oversees the Company's practices, guidelines and policies related to the Saputo Promise.

Corporate governance of the Saputo Promise and its Pillars are summarized below:

- The **Corporate Responsibility Committee ("CR Committee")** oversees the overall strategy of the Saputo Promise and monitors the Company's progress for each of its seven Pillars. The CR Committee is composed of the Company's President and Chief Operating Officer, the Chief Financial Officer, the Chief Human Resources Officer, the President and Chief Operating Officer of each operating division, and the Company's Director, Corporate Responsibility. The Company's President and Chief Operating Officer annually reports to the Board of Directors on the Saputo Promise.
- The **Environmental Committee**, which includes the Chief Executive Officer, the Company's President and Chief Operating Officer, the President and Chief Operating Officer of each operating division and the senior manager in each division responsible for environmental matters, is responsible for overseeing the implementation of the Environmental Policy and the achievement of the Company's environmental objectives. Quarterly reporting of the Company's environmental performance is made to the Audit Committee by the Environmental

Committee and the Chair of the Environmental Committee meets annually with the Audit Committee.

- The **Quality Assurance Committee (“QA Committee”)** provides global governance to ensure the Company’s high food quality and safety standards and its Food Quality and Safety Policy are upheld consistently across its operations. The QA Committee is chaired by the Company’s Chief Executive Officer and is comprised of the Company’s President and Chief Operating Officer, Vice President of Operations and quality assurance experts of each of its divisions. Quarterly reporting on the Company’s food quality and safety performance is made to the Audit Committee by the QA Committee and the Chair of the QA Committee meets annually with the Audit Committee.
- The **Health and Safety Committee (“H&S Committee”)** is responsible for aligning the Company’s best practices in respect of health and safety (“H&S”) globally. It is led by the Company’s President and Chief Operating Officer and is composed of the Company’s Chief Human Resources Officer and the H&S leaders of each of its divisions. The Chief Human Resources Officer reports quarterly to the Corporate Governance and HR Committee on H&S matters.
- The **Saputo Diversity and Inclusion Global Council (“Council”)**, comprised of the Company’s President and Chief Operating Officer and employees from each of the Company’s divisions, promotes a diverse and inclusive work environment. Through the initiatives of the Council, the Company aims to continue reviewing the current policies and procedures as well as deploying learning and development programs with the intent of providing equal opportunities to all employees and potential candidates. The Chief Human Resources Officer receives regular updates on the Council’s progress and reports yearly to the Board on diversity and inclusion matters.
- The **Animal Welfare Committee** oversees the Company’s efforts and initiatives to ensure suppliers’ compliance with recognized animal care standards or Codes of Practice, and monitors animal welfare best practices. The Animal Welfare Committee is led by the Company’s Director of Animal Welfare and is comprised of internal senior leaders from Governmental Affairs, Milk Procurement, Communications and Sales. Breaches to the Company’s Animal Welfare Policy would be reported annually to the Audit Committee.

Additional information on the Company’s approach to Corporate Responsibility is available in the Company’s Annual Information Form dated June 4, 2020.

CORPORATE GOVERNANCE INITIATIVES

Amongst its various corporate governance initiatives, the Company has adopted:

- (i) a *Code of Ethics* for directors, officers and employees;
- (ii) position descriptions for the Chief Executive Officer, the Chair of the Board, the Board committee Chairs and the Lead Director;
- (iii) a selection process for new directors;
- (iv) a complaint procedure for financial issues;

- (v) an assessment process for the Chief Executive Officer, the Board, the committees and the directors, individually;
- (vi) a director orientation and training program;
- (vii) a share ownership policy for directors, executive officers and senior levels of management;
- (viii) a DSU Plan for the directors who are not employees of the Company;
- (ix) a majority voting policy for the election of directors;
- (x) a procedure on directors' employment and other directorships;
- (xi) a Board diversity policy and an employee diversity policy;
- (xii) an incentive compensation clawback policy;
- (xiii) an advisory vote on executive compensation; and
- (xiv) a shareholder communication and engagement policy.

BOARD OF DIRECTORS

The Board is responsible for the stewardship of the business and affairs of the Company. As such, the Board oversees the management of the Company's business so as to enhance the creation of long-term shareholder value while considering the interests of the Company's various stakeholders, including shareholders, employees, customers, suppliers, business partners and the communities where the Company operates.

BOARD MANDATE

The mandate of the Board is to supervise the management of the business and affairs of the Company. In order to better fulfill its mandate, the Board takes on the following responsibilities, among others:

- (i) reviewing and approving the Company's strategic orientation and periodically reviewing and approving the results obtained by the Company in comparison with objectives pursued;
- (ii) monitoring, where possible, the integrity of the Chief Executive Officer of the Company and other senior executives, and ensuring that each of them promotes a culture of integrity within the Company;
- (iii) reviewing and approving the appointment, indemnification, succession and education plans, and overseeing compensation, for the executive officers;
- (iv) identifying the main risks associated with the Company's business and ensuring the deployment of appropriate risk management measures;
- (v) overseeing the integrity of internal control over financial reporting and disclosure controls and procedures;
- (vi) establishing and overseeing the implementation of the corporate disclosure policy, and reviewing and approving the continuous disclosure documents;
- (vii) establishing and overseeing the implementation of the shareholder communication and engagement policy;
- (viii) meeting with the Company's shareholders and stakeholders at the annual meeting of shareholders and being available to respond to questions at that time or in accordance with the Company's shareholder communication and engagement policy;
- (ix) overseeing the ESG factors material to the Company's business and the deployment of appropriate measures to manage them
- (x) overseeing the Company's practices, guidelines and policies related to the Saputo Promise;
- (xi) approving the Company's approach to corporate governance, in particular adopting

corporate governance principles and guidelines that apply specifically to the Company; and
(xii) reviewing and approving the compensation and indemnification of directors.

The Board has taken, when necessary, specific measures in this respect. Some of these duties were delegated to the Corporate Governance and HR Committee and to the Audit Committee. A copy of the mandate of the Board is reproduced in Schedule B of this Circular and is also available on the Company's website at www.saputo.com.

At the beginning of every fiscal year, the Board meets with Management in order to discuss the strategic plan prepared by Management. The Board reviews the Company's annual budget and the objectives set by Management. It also reviews the competitive and regulatory environment in which the Company operates in order to identify risks and opportunities. The Board then reviews, on a quarterly basis, the Company's results and accomplishments in comparison with the objectives set in the strategic plan.

The Chief Executive Officer has the responsibility of keeping the Board informed of important developments that may impact the Company or its industry. In this regard, special meetings of the Board have been held regularly since mid-March 2020 to keep Board members apprised of developments related to the COVID-19 pandemic and their impact on the Company, allowing Board members to oversee the Company's strategic orientation and risk management measures in response to the crisis.

COMPOSITION AND INDEPENDENCE OF THE BOARD

The Board is currently composed of ten directors, eight of whom are considered independent, as defined under securities laws.

- Mr. Saputo, Jr. is not considered independent because of his position as Chief Executive Officer of the Company;
- Mr. Carrière is not considered independent because of his position as senior advisor to the Company, which he held until April 3, 2020;
- Each of Mr. Demone, Mr. Fata, Ms. King, Ms. Kinsley, Mr. Meti, Ms. Nyisztor, Ms. Ruf and Ms. Verschuren are considered independent.

In reviewing the independence of directors, the Corporate Governance and HR Committee identifies the directors with no direct or indirect relationship with the Company or any of its subsidiaries that could, in their view, reasonably be expected to interfere with the exercise of a director's independent judgment. The Corporate Governance and HR Committee's review is based on, among other things, the information provided by the directors by way of a questionnaire. Upon the recommendation of the Corporate Governance and HR Committee, the Board annually assesses the independence of directors. The Company is of the opinion that the presence of the existing eight independent directors adequately reflects the investment of minority shareholders in the Company. With the election of the ten proposed nominees at the Meeting, the Board would continue to be composed of eight independent directors, which ratio, in the Company's opinion, would continue to adequately reflect the investment of minority shareholders.

BOARD INTERLOCKS

On an annual basis, the Corporate Governance and HR Committee reviews the common memberships on boards of directors of public companies among directors, and, if any, new director nominees. The sole interlock between directors is set out below.

Corporation	Directors	Committees
National Bank of Canada	Ms. Kinsley	Audit Committee Risk Management Committee
	Mr. Saputo, Jr.	Risk Management Committee Conduct Review and Corporate Governance Committee

INDEPENDENT DIRECTORS' MEETINGS

The independent members of the Board meet *in camera* with the Lead Director and without Management and the non-independent directors after each Board meeting, including *ad hoc* and special meetings. The Corporate Governance and HR Committee and the Audit Committee are composed solely of independent members and meet *in camera* without Management after each committee meeting, including *ad hoc* and special meetings.

CHAIR AND LEAD DIRECTOR

The positions of Chair of the Board and Chief Executive Officer are currently held by Mr. Saputo, Jr. The Board believes that combining the Chair and Chief Executive Officer positions under the strong leadership of Mr. Saputo, Jr. is beneficial for the Company.

As the positions of Chair of the Board and Chief Executive Officer are held by the same person, and recognizing the importance of independent Board oversight, the Board appointed the Chair of the Corporate Governance and HR Committee, Mr. Fata, as Lead Director. See section "Position Descriptions" below for a summary of the position descriptions of the Chair of the Board and of the Lead Director. The appointment of the Lead Director is part of the measures taken by the Board to ensure that adequate processes and structures are in place for the Board to function independently.

COMMITTEES

The Board has two committees: the Corporate Governance and HR Committee and the Audit Committee, both of which are composed exclusively of independent directors.

In certain circumstances, it may be appropriate for an individual director to engage an outside advisor at the expense of the Company. The Corporate Governance and HR Committee has the mandate to determine if circumstances warrant the hiring of an outside advisor. In addition, both committees can hire outside advisors to assist them in fulfilling their mandate.

POSITION DESCRIPTIONS

The Board has developed written position descriptions for the Chair, the Lead Director, the committee Chairs and the Chief Executive Officer.

Chair of the Board

The position description of the Chair of the Board, which sets out the responsibilities and duties of the Chair of the Board, is developed by the Corporate Governance and HR Committee and approved by the Board.

The Chair of the Board is responsible for establishing procedures to govern the Board's work and ensuring the Board's full discharge of its duties. Specifically, the responsibilities of the Chair of the Board include: collaborating with the Lead Director and other members of Management, where appropriate, to develop agendas and schedules for Board meetings; providing appropriate information from Management to enable the Board and the committees to exercise their duties; ensuring proper flow of information to the Board and reviewing adequacy and timing of documentary materials in support of Management's proposals; and ensuring that the Board has full access to such members of senior Management and other personnel as well as to documents of the Company and its subsidiaries. A copy of the position description for the Chair of the Board is available on the Company's website at www.saputo.com.

Lead Director

The position description of the Lead Director sets out the responsibilities and duties of the Lead Director, which role is to provide independent leadership to the Board. The position description of the Lead Director is developed by the Corporate Governance and HR Committee and approved by the Board.

The Lead Director is responsible for facilitating the functioning of the Board independently of Management and enhancing the quality of the Company's corporate governance practices. Specifically, the responsibilities of the Lead Director include: providing the Chair of the Board with input as to the preparation of the Board agendas; taking measures to ensure the quality, quantity and timeliness of the flow of information from Management; coordinating and moderating sessions of the Board's independent directors; representing the independent directors in discussions with Management on corporate governance issues and other matters; and approving meetings between directors and shareholders, shareholder organizations and other governance groups. The Lead Director is elected annually by a vote of the directors who qualify as independent directors. A copy of the position description for the Lead Director is available on the Company's website at www.saputo.com.

Committee Chairs

The committee Chair position description sets out the responsibilities and duties of the Chair in guiding each committee in the fulfillment of its duties.

Chief Executive Officer

The position description for the Chief Executive Officer is developed with input from the Chief Executive Officer and the Corporate Governance and HR Committee, and is approved by the Board. The description provides that the Chief Executive Officer plans and oversees development of short-term and long-term organizational goals, fosters development and maintenance of the organizational culture with a view to maximizing the Company's performance, and assumes the entire responsibility for the Company's business pursuant to existing strategic plans, business goals, budgets and policies.

In addition, the Corporate Governance and HR Committee reviews and approves annually the corporate goals and objectives under the Chief Executive Officer's responsibility. The Corporate Governance and HR Committee also conducts an annual assessment of the Chief Executive Officer's performance in relation to those objectives and reports the results of the assessment to the Board. A copy of the evaluation process for the Chief Executive Officer can be found on the Company's website at www.saputo.com.

CORPORATE GOVERNANCE AND HUMAN RESOURCES COMMITTEE

The Corporate Governance and HR Committee is composed of four independent directors: Mr. Fata, who is the Chair of this committee, Mr. Demone, Ms. Nyisztor and Ms. Ruf. For more information on their skills and experience, and on the committee's responsibilities related to executive compensation, see the section "Executive Compensation" under the heading "Role and Composition of the Corporate Governance and HR Committee" below. The Corporate Governance and HR Committee has the mandate to:

- (i) develop and review the Company's corporate governance practices and make recommendations to the Board;
- (ii) review the compensation of directors, and make recommendations to the Board;
- (iii) develop and supervise the process of selection and appointment of directors;
- (iv) review and approve the executive compensation policy and executive compensation, and review and consider the results of the most recent shareholder advisory vote on executive compensation;
- (v) supervise the annual performance assessment process of the Chief Executive Officer, and of the Board, its committees and the directors, individually;
- (vi) adopt and maintain the share ownership policies for directors, executive officers and senior Management of the Company, and ensure compliance with such policies;
- (vii) review the Management succession planning program and make recommendations to the Board;
- (viii) oversee risk management measures related to human resources risks; and
- (ix) report to the Board on the material matters considered by the committee.

A copy of the mandate of the Corporate Governance and HR Committee can be found on the Company's website at www.saputo.com. During fiscal 2020, the Corporate Governance and HR Committee held six meetings, all of which were followed by a meeting where Management was not present.

AUDIT COMMITTEE

The Audit Committee is composed of four independent directors: Mr. Meti, who is the Chair of this committee, Ms. King, Ms. Kinsley and Ms. Verschuren, all of whom are financially literate. The Audit Committee has the mandate to:

- (i) review the annual and interim financial statements of the Company and certain other public disclosure documents required by regulatory authorities;
- (ii) evaluate and assess the adequacy of the disclosure controls and procedures of the Company;
- (iii) review the appropriateness, quality and disclosure of the accounting principles and practices used by the Company;
- (iv) review and evaluate the risk factors inherent to the Company and ensure that appropriate measures are in place to identify and manage them effectively;
- (v) review and monitor periodically the presence and the effectiveness of the Company's internal control over financial reporting;
- (vi) maintain procedures regarding complaints and concerns of an auditing, audit controls or accounting nature;
- (vii) oversee the internal audit function;
- (viii) review and approve the annual internal audit plan;
- (ix) review and adopt the annual audit plan prepared by the external auditors and oversee their work;
- (x) review and evaluate the independence and performance of the external auditors;
- (xi) maintain a policy concerning the prior approval of all services not related to audit services by the external auditors and approve these services in accordance with the policy;
- (xii) examine, approve and ensure enforcement and compliance with the Company's hiring policy with respect to current and former partners and employees of the current and former auditors of the Company; and
- (xiii) report to the Board on the material matters considered by the Audit Committee.

The Audit Committee's charter is published in the Annual Information Form of the Company under Appendix A and can also be found on the Company's website at www.saputo.com. During fiscal 2020, the Audit Committee held seven meetings, all of which were followed by meetings where Management was not present.

RISK MANAGEMENT

Through the Audit Committee and, for human resources risks, the Corporate Governance and HR Committee, the Board oversees the Company's management of the principal risks to which it is exposed, ensures the implementation of appropriate systems to manage these risks and receives regular reports from Management on these matters. For a list of the principal risks affecting the Company's business, please refer to the "Risks and Uncertainties" section of the Management's Discussion and Analysis contained in the Annual Report of the Company for fiscal 2020.

Under the Audit Committee's oversight, Management, assisted by the Company's internal audit team, identifies the principal risks relating to the Company's business and determines adequate measures to manage these risks. Management also identifies key performance indicators to measure each risk identified and provides the Audit Committee with a quarterly performance report. The Audit Committee reviews annually the list of risks monitored and the key performance indicators. The

Company's internal audit team and Management are responsible to assess the risks to which the Company is exposed on a periodic basis and present the results of their assessments to the Audit Committee.

The Audit Committee is responsible for ensuring the adequacy and the effectiveness of the Company's internal control over financial reporting. The Audit Committee regularly meets with the Chief Financial Officer and Secretary, the internal audit team and the external auditors of the Company in order to examine issues pertaining to the presentation of financial information, accounting practices, new accounting standards, internal accounting systems, as well as financial controls and procedures and auditing plans. The Audit Committee also reviews and monitors the practices and procedures relating to the certifications by the Chief Executive Officer and the Chief Financial Officer and Secretary with respect to internal control over financial reporting and disclosure controls and procedures to ensure compliance with applicable securities legislation. In the exercise of its mandate, the Audit Committee meets quarterly with the internal auditor of the Company, with and without Management.

For additional information on the Audit Committee, see the "Audit Committee Information" section in the Company's Annual Information Form for the year ended March 31, 2020.

SUCCESSION PLANNING

The Corporate Governance and HR Committee is responsible for ensuring that a comprehensive succession plan for the Company's senior leaders is in place. The Company's succession plan identifies potential successors for each executive officer in the short and medium term. For each potential successor, the plan highlights areas of personal development to be better prepared to take on the relevant position. The Chief Human Resource Officer meets annually with the Corporate Governance and HR Committee to review and update the succession plan. A summary of the succession plan is presented by the Committee to the Board for discussion.

The executive succession plan is integrated with the Company's overall succession planning process, the primary objective of which is to have high performing individuals in key roles at all levels of the organization. The Company has implemented a comprehensive succession plan for key roles within the organization. The Company focuses on the development of talent in these key roles, and manages talent by providing adequate development plans, coaching and training. Reference is made to the section "Diversity" for a discussion on diversity considerations in the Company's overall succession planning process. In connection with succession planning, the Chief Human Resources Officer benefits from the involvement of the Chief Executive Officer, as well as other members of senior Management.

COMPENSATION

The Corporate Governance and HR Committee evaluates annually the compensation of the directors and executive officers in their respective capacity in light of the compensation policy of the Company, the practices of the market, as well as the risks and responsibilities associated with carrying out their duties. As part of its mandate, the Corporate Governance and HR Committee is also responsible for approving the performance targets and criteria used in relation to the annual incentive (bonus) and long-term incentive grants under the Company's compensation plans and for reviewing any adjustments proposed by Management. Reference is made to sections entitled "Executive

Compensation” and “Compensation of Directors” or additional information on executive and director compensation, respectively.

ASSESSMENT OF THE BOARD OF DIRECTORS, COMMITTEES AND DIRECTORS

The Company carries out an evaluation of the Board, its committees and individual directors on an annual basis. As part of the evaluation process, Board members complete a detailed survey. These surveys are reviewed, on a confidential basis, by the Chair of the Corporate Governance and HR Committee. The survey of the Chair of the Corporate Governance and HR Committee is reviewed by a member of the committee designated by the other members. The survey provides for quantitative responses in key areas such as board responsibilities, structure and meetings, and provides directors with the option to provide subjective comments, including with respect to the quality and completeness of information provided by Management.

After reviewing the survey results, the Chair of the Corporate Governance and HR Committee meets each Board member individually for a discussion of the evaluation of their contribution and that of other Board members, and other matters identified in the survey. Any key issue identified in the process is presented by the Chair of the Corporate Governance and HR Committee to the Committee and reported to the Board. Independent directors may discuss any of the matters raised during an *in camera* meeting, or with the Chair of the Board. At all times, Board members may discuss the performance of a fellow director or submit any matter related to the performance of the Board and its members to the Chair of the Corporate Governance and HR Committee, who ensures the implementation of appropriate measures to address any issue.

The consensus of the results of the evaluation conducted in fiscal 2020 was that Board members are generally satisfied with the performance and effectiveness of the Board, its committees and directors. Board members noted the quality of communication among the Board, its committees and Management. The results of the evaluation guided the Board in identifying areas of focus tied to business priorities for the upcoming fiscal year. The Corporate Governance and HR Committee considered the results of the evaluation in reviewing the composition of the Board committees and their respective Chair.

ORIENTATION AND CONTINUING EDUCATION

The Board considers that orienting and educating new directors, as well as maintaining and continuing the education of current directors, is an important element to ensure responsible corporate governance. The Corporate Governance and HR Committee is responsible for maintaining the orientation and continuing education program.

Orientation Program

Newly appointed directors are provided with background materials and the information necessary to fulfill their role as directors, such as the Company’s continuous disclosure documents, copies of the mandate of the Board and its committees, minutes of previous meetings of the Board and copies of the policies and procedures adopted by the Board and its committees. In addition, new directors have the opportunity to meet individually with members of Management, the Chair of the Board and Chief Executive Officer and the Lead Director to discuss these documents, the Company’s sectors of activity,

its competitive and regulatory environment, as well as its business and operational strategies. New directors also have the opportunity to visit a Company facility as part of the orientation program.

Continuing Education Program

The continuing education program for current directors was developed to assist them in maintaining their skills and abilities, as well as updating their knowledge and understanding of the Company and its industry. Directors regularly meet with members of Management to discuss the affairs of the Company, the continuous disclosure documents, sectors of activity of the Company, its competitive and regulatory environment, as well as its business and operational strategies. Directors are also provided with the opportunity to meet with members of Management outside of formal Board meetings to discuss and better understand the business and remain current with industry trends. Written materials and briefings are used to ensure that directors' knowledge and understanding of the Company's affairs remain current and that directors are informed of the developments in regulatory and industry initiatives. The background materials given to all directors upon appointment are continuously updated and made available.

In addition, as part of the meetings of the Board and the committees, educational presentations are regularly given by Company representatives, or, from time to time, external consultants, on matters that are of interest to the directors or which relate to their role as directors or committee members. Board members also hold a strategic planning meeting annually with Management. The following table provides details on the sessions provided to directors during fiscal 2020.

Topic	Date	Participants
Developments in regulatory and industry initiatives	Quarterly	Board
Strategic orientation and objectives	April 2019	Board
Enterprise resources planning	April 2019	Board
Financial risk management	May 2019	Audit Committee
New audit or accounting standards	May 2019	Audit Committee
Information technology – Project risk management and Cybersecurity	May 2019, October 2019, February 2020	Audit Committee
Pension plan risks	October 2019	Audit Committee
Competition, international markets, consumer trends and dairy industry: updates	October 2019	Audit Committee
Food quality and safety	November 2019	Audit Committee
Environment	November 2019	Audit Committee
Corporate governance practices	November 2019	Corporate Governance and HR Committee
Trends in executive compensation	February 2020	Corporate Governance and HR Committee
Corporate and Social Responsibility	February 2020	Board

Moreover, members of the Board attend the Company's meeting of shareholders, absent a compelling reason. The Board has a policy of periodically conducting field visits of Company facilities. Directors have complete access to Company records. Finally, each Board member is invited to address to the Corporate Governance and HR Committee any request they may have regarding additional information or education. The Corporate Governance and HR Committee reviews such requests and takes the measures it deems appropriate. Many of the Company's directors sit on other boards of directors and are invited to share any best practices observed elsewhere with the Corporate Governance and HR Committee.

NOMINATION OF DIRECTORS

The Corporate Governance and HR Committee is responsible for (i) the implementation of a uniform and transparent process for selecting nominees for election to the Board and the recruitment of new candidates for Board membership, and making recommendations to the Board with respect thereto; and (ii) the implementation and application of an annual performance assessment process of the Board, its committees and individual Board members. A copy of the Director Selection and Appointment Process can be found on the Company's website at www.saputo.com.

The Company endorses a balanced representation in terms of director tenure and age, and fostering diversity in this regard in terms of positions of leadership and the nomination of directors. For the selection of nominees for election to the Board of the Company, the Corporate Governance and HR Committee adopted a process which takes into consideration (i) what competencies and skills the Board, as a whole, should possess taking into account the Company's Board Diversity Policy (see the section entitled "Diversity" for more information); (ii) what competencies and skills each existing director possesses; (iii) what competencies and skills the Board, as a whole, possesses; and (iv) the individual performance of each director. Refer to the section entitled "Skills Matrix" for more information concerning the competencies and skills possessed by the director nominees. The Corporate Governance and HR Committee may rely on the services of qualified consultants to identify and/or recruit candidates, if it deems necessary, to assist in meeting the aforementioned objectives. The Corporate Governance and HR Committee also assesses any concerns relating to potential conflict, independence or time commitment that each nominee may present. Refer to the section entitled "Directors' Employment and Other Directorships" for additional information. Based on this analysis, which is completed at least annually, the Corporate Governance and HR Committee recommends to the Board the candidates proposed for election to the Board at the next meeting of shareholders. This assessment also allows the identification, *inter alia*, of competencies and skills that the Board should consider if and when a new director will be added to the Board.

The Board does not currently impose, nor does it believe that it should establish, term limits or retirement age limits on its directors, as such limits may cause the loss of experience and expertise important to the optimal operation of the Board. However, the importance of a balanced representation in terms of director tenure and age is recognized. Reference is made to the section "Diversity".

DIVERSITY

Board of Directors

Saputo recognizes that a diverse and inclusive environment which values diversity of thought, background, skills and experience facilitates a broader exchange of perspectives. The Board believes that diversity enriches discussions among directors and better reflects the Company's relationship with its customers, employees, shareholders, business partners and other stakeholders.

The Company's Board Diversity Policy states that, in the context of the director nomination process, the Corporate Governance and HR Committee will consider the merit of potential candidates based on a balance of skills, abilities, personal qualities, educational qualifications and professional experience, including taking into account diversity considerations such as gender, age and geographic areas and other characteristics of the communities in which Saputo is present and conducts its business. The Company's Board Diversity Policy is available on the Company's website at www.saputo.com.

The Corporate Governance and HR Committee endorses a balanced representation in terms of director tenure and age, and aims to foster diversity in the leadership of the Company. In order to effectively implement the Board Diversity Policy, the Board has embedded it into its director selection and appointment process. Additionally, the Corporate Governance and HR Committee's annual review of the size and composition of the Board is conducted with a view to identifying imbalances or gaps, as well as opportunities that may be associated with further diversification. Accordingly, the Board of Directors and the Corporate Governance and HR Committee consider diversity in the broadest sense, including gender and other diverse attributes, in selecting potential director candidates.

The Board of Directors has not adopted a written policy relating to the identification and nomination of women, Aboriginal peoples, persons with disabilities and members of visible minorities (each a "Designated Group") for directors or set targets related to the representation of the Designated Groups on the Board, as it has achieved gender parity and incorporated consideration of diversity into its practices as described above. Further, the Board of Directors believes that it is a combination of the skills, experience and character of an individual that are the most important qualities in assessing the value that such individual can bring to the Board of Directors.

Currently, five of the ten directors (50%) are women and the Board does not have any directors from other Designated Groups. Following the Meeting and assuming that all nominees are elected as contemplated in this Circular, five of the ten directors (50%) will be women and no director will be a member of another Designated Group.

Diversity throughout the Company

Saputo strives to embed diversity and inclusion in the corporate culture. Saputo's Diversity Policy sets out the guidelines by which Saputo endeavors to promote diversity throughout the Company. A copy of the Company's Diversity Policy can be found on the Company's website at www.saputo.com.

While the Company seeks to recruit or appoint those individuals who are most qualified for the particular position, regardless of personal characteristics, Saputo recognizes the value of diversity, including gender diversity, which offers a depth of perspectives and enhances the Company's

operations. The Company is committed to attracting talented women and men, and in its recruiting and staffing efforts, the Company promotes a work environment that values diversity of gender, backgrounds, experiences and perspectives in order to foster diversity of thought and build diverse teams.

In fiscal 2019, the Company appointed its first Director, Talent Management with a key focus on Diversity and Inclusion. The Company also launched the Saputo Diversity and Inclusion Global Council, comprised of employees from each of its Divisions, which continues to promote a diverse and inclusive work environment.

Management provides the leadership framework and direction and it is the responsibility of everyone within the Company to sustain a culture that promotes and supports principles of diversity and inclusivity. Saputo is an equal opportunity employer. All decisions regarding recruitment, hiring, promotion, compensation, employee development decisions such as training, and all other terms and conditions of employment are made without regard to race, national or ethnic origin, colour, religion, age, sex, sexual orientation, matrimonial status, civil status, or physical or mental handicap, as set out in the Company's *Code of Ethics*. Reference is made to the section entitled "Ethical Business Conduct" for more information.

Saputo is committed to offering its employees a stimulating work environment where their entrepreneurship, initiatives, professionalism, leadership and commitment are recognized and encouraged. In doing so, Saputo endorses an organizational structure which enables promotion opportunities. Proactive and engaged leaders drive change. The Company believes that an active group of diverse leaders will sustain and promote its culture of diversity by inspiring others through their actions, their development and that of their teams.

The Company has a leadership program to ensure that this "pipeline" of talent is properly developed. The Company has refrained from setting specific diversity targets to ensure that the most capable candidates are identified and selected on the basis of skills, experience and leadership abilities. The Company believes the most effective way to achieve its goal of increasing diversity in leadership roles is to identify and foster the development of high-potential women within the Company and, when recruiting externally, to keep diversity considerations in mind. Consequently, the Company has not set targets related to the representation of the Designated Groups in senior management. For the first time, in fiscal 2020, the Company surveyed each executive officer to assess whether they self-identify as member of a Designated Group. For fiscal 2020, two of the ten executive officers (20%) are members of a Designated Group, as one executive officer (10%) is a woman and one executive officer (10%) is a member of a visible minority. There is currently no executive officer of the Company who is a member of another Designated Group.

MAJORITY VOTING POLICY

The Board believes that each of its members should carry the confidence and support of the shareholders. Therefore, the Board implemented a majority voting policy. Pursuant to this policy, any nominee for an uncontested election as a director at a shareholders' meeting for whom the number of votes withheld exceeds the number of votes in favour will be deemed not to have received the support of shareholders and will immediately tender their resignation to the Board following the meeting. The Corporate Governance and HR Committee shall accept the resignation, save in exceptional circumstances, and shall make a recommendation to the Board.

The Board shall determine whether or not to accept the resignation within 90 days following the applicable shareholders' meeting. Any director who tenders their resignation pursuant to this policy shall not participate in the deliberations of the Corporate Governance and HR Committee or the Board regarding the resignation. Save in exceptional circumstances, the resignation shall be accepted by the Board. The resignation will be effective when accepted by the Board. Following the Board's decision on the resignation, the Board shall promptly disclose, via press release, its decision whether or not to accept the director's proposed resignation and a copy of such press release shall be provided to the TSX. Should the Board determine not to accept the resignation, the press release shall fully state the reasons for the decision. This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected as determined by the Board. A copy of the Majority Voting Policy can be found on the Company's website at www.saputo.com.

The director nominee election results from the August 8, 2019, annual meeting of the shareholders of the Company are set out below:

Name	Voted For	Withheld from Voting	% For	% Withheld
Lino Saputo, Jr.	310,576,849	5,458,670	98.27%	1.73%
Louis-Philippe Carrière	315,552,893	482,625	99.85%	0.15%
Henry E. Demone	314,819,224	1,216,294	99.62%	0.38%
Anthony M. Fata	314,186,888	1,848,631	99.42%	0.58%
Annalisa King	315,968,465	67,053	99.98%	0.02%
Karen Kinsley	315,853,562	181,956	99.94%	0.06%
Tony Meti	314,126,628	1,908,891	99.40%	0.60%
Diane Nyisztor	314,829,561	1,205,957	99.62%	0.38%
Franziska Ruf	314,800,565	1,234,954	99.61%	0.39%
Annette Verschuren	315,540,630	494,888	99.84%	0.16%

BOARD SIZE

After reviewing its size, the Board determined that a board of nine to 11 directors is appropriate for decision-making purposes.

ETHICAL BUSINESS CONDUCT

The Company has a *Code of Ethics* that governs the conduct of its directors, officers and employees. The *Code of Ethics* can be obtained on the Company's website at www.saputo.com or on SEDAR at www.sedar.com. The Corporate Governance and HR Committee is responsible for the compliance process relating to the *Code of Ethics* and for the reporting process to the Board with respect thereto. The Company's Chief Human Resources Officer, has overall responsibility for the oversight of the *Code of Ethics*. In addition, pursuant to the process implemented, the Chief Human Resources Officer is required to report to the Corporate Governance and HR Committee, on an annual basis, any non-compliance by managers of the Company, except for any non-compliance by executive officers, which is required to be reported promptly to the Corporate Governance and HR Committee.

The *Code of Ethics* specifies that officers and managers have elevated responsibilities to lead by example and that they are responsible for promoting a culture of compliance and integrity. The *Code of Ethics* includes provisions on compliance with laws, including anti-bribery and antitrust laws. It also includes a section on conflicts of interest and, more specifically, on gifts and other advantages. The *Code of Ethics* requires that a statement be completed and signed by all employees, including senior executives, as well as all directors, requiring any potential, apparent or real conflict of interest involving the employee or director to be reported.

In accordance with applicable law, when a conflict of interest involving a director arises, the director has the obligation to disclose such conflict of interest and abstain from voting on the matter. The Corporate Governance and HR Committee rules on questions concerning conflicts of interest. Also refer to the section entitled "Directors' Employment and Other Directorships".

Any complaint or concern regarding compliance with the *Code of Ethics*, the Company's policies, procedures, guidelines and applicable laws can be reported by any employee to his or her supervisor or human resource partner, to the Chief Human Resources Officer or anonymously by using the Company's whistleblower tool. The Company's whistleblower tool is provided by an independent service provider and accessible online or by telephone.

DIRECTORS' EMPLOYMENT AND OTHER DIRECTORSHIPS

Directors must inform senior Management before accepting an invitation to serve on another board or any new employment relationship. Senior Management assesses whether the director would be involved in a real, apparent or potential conflict of interest and whether the director's ability to discharge their responsibilities as a director of the Company is likely to be affected.

The Board believes that the fact that a director of the Company serves on the board of directors of another company does not necessarily interfere with their ability to exercise their independent judgement and to act in the best interest of the Company. However, directors are expected to have sufficient time to devote to their duties as Board members of the Company. In this regard, the Board

has established guidelines on the maximum number of public directorships that directors may hold: (i) directors who hold a full-time executive position (other than at the director's own business) should hold at most two public company directorships, excluding any directorships (a) on the board of the corporation or organization at which such director is employed and (b) on the board of any subsidiaries or affiliated entities of the corporation or organization at which such director is employed; and (ii) other directors should hold no more than four public company directorships. Copy of the Directors' Employment and other Directorships Procedure can be found on the Company's website at www.saputo.com.

The Company maintains an up-to-date list of all the directorships and other employment of its directors.

SHAREHOLDER COMMUNICATION AND ENGAGEMENT

The Board understands the importance of constructive communication and engagement with shareholders as part of its oversight and direction of the Company. The Company and the Board believe that by engaging with a broad range of stakeholders through open dialogue, both formally and informally, the Company gains a better understanding of key topics and matters of importance to its shareholder base. The Company adopted, during fiscal 2020, a Shareholder Communication and Engagement Policy which can be found on the Company's website at www.saputo.com.

Investors Relations

Management of the Company engages with its shareholders on an ongoing basis and in a variety of ways. The Company communicates with shareholders and other stakeholders through various channels, including news releases and other continuous disclosure documents, website, industry and institutional investor conferences, quarterly earnings and acquisition-specific calls and other meetings. Feedback from shareholders comes from one-on-one or group meetings, in addition to regular informal interactions on specific questions between the Company's investor relations department and shareholders.

Board Engagement with Shareholders

Members of the Board may also meet with Saputo's shareholders, shareholder organizations and governance groups. The main intent of these meetings is for the Board to gain a better understanding of key topics and matters of importance to its shareholder base.

The Board encourages shareholder participation at the Company's Meeting as it provides a valuable opportunity to discuss the Company's activities and general business, financial situation, corporate governance and other important matters. Shareholders may also contact the Board via the Company's corporate communications department at investors@saputo.com. Requests made to this address are reviewed by the Company's Secretary who determines whether the communication received should be addressed to the Board or should instead be addressed by Management.

Corporate Disclosure Policy

The Audit Committee is responsible for the review of the annual and interim financial statements of the Company and other continuous disclosure documents, such as the Management Information

Circular, the Annual Information Form, the Management’s Discussion and Analysis and the Annual Report, all of which are approved by the Board before their filing or mailing. The Board maintains a corporate disclosure policy to ensure that communications with the investment community, the media and the public are timely, consistent and accurate, and that the information is disseminated in compliance with applicable legal and regulatory requirements.

ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Corporate Governance and HR Committee and the Board spend considerable time and effort overseeing the implementation of the Company’s executive compensation policies and practices and are satisfied that the policies and practices in place are aimed at aligning the interests of the senior executive team with those of shareholders, while reflecting competitive market practices. This compensation approach allows the Company to attract, retain and motivate high-performing executives who will be incented to increase business performance and enhance shareholder value on a sustainable basis. The Board appreciates the importance shareholders place on effective executive compensation policies and practices and is committed to maintaining an ongoing engagement process with its shareholders by adopting measures to gather feedback.

At the Meeting, the Board will present a “say on pay” advisory vote (a non-binding advisory vote on its approach to executive compensation) to shareholders as part of its shareholder engagement efforts. At the Meeting, shareholders will be asked to approve the following resolution:

“THAT, on an advisory basis and not to diminish the role and responsibilities of the Board, the shareholders accept the Company’s approach to executive compensation disclosed in the management information circular delivered in connection with the 2020 annual shareholders’ meeting.”

As this is an advisory vote, the results will not be binding upon the Board. However, the Board and the Corporate Governance and HR Committee will review and analyze the voting results and take into account such results when considering future executive compensation policies and practices. Results of the vote will be disclosed in the report of voting results to be posted on SEDAR at www.sedar.com shortly after the Meeting.

Unless instructed to vote against in the accompanying form of proxy, the persons whose names are printed on the enclosed form of proxy intend to vote FOR the advisory non-binding resolution in respect of the Company’s approach to executive compensation.

The section that follows sets out an overview of the Company’s executive compensation policies and practices.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Role and Composition of the Corporate Governance and HR Committee

The Corporate Governance and HR Committee is composed of four independent directors with relevant experience in executive compensation. Specifically, all members have either held executive management positions as Chief Executive Officer, President or senior executive role with oversight over human resources functions, have advised reporting issuers with regards to human resources and compensation matters or have experience as a member of human resources and compensation committees of other public companies. In connection with their responsibilities, all members have implemented, managed and/or provided advice on compensation policies and practices. As a result, the members of the Corporate Governance and HR Committee have the relevant skills and experience necessary to enable the Committee to make decisions as to the suitability of the Company's compensation policies and practices. Reference is made to the members' biographies contained in the section entitled "Election of Directors" for more information.

As part of its functions, the Corporate Governance and HR Committee is responsible for:

- (i) reviewing and approving the executive compensation policy and the executive compensation;
- (ii) establishing the annual performance targets used in relation with the annual incentive (bonus);
- (iii) determining long-term incentive grants under the Company's compensation plans and establishing their terms, including, where applicable, performance criteria;
- (iv) assessing the risks associated with the Company's compensation policies and practices; and
- (v) overseeing risk management measures related to human resources risks.

The Corporate Governance and HR Committee reviewed the Company's compensation policies and practices for fiscal 2020 and considered the risks associated with them. The Committee has not identified any risks associated with the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company. The significant risks and uncertainties relating to the Company and its business are disclosed in the Management's Discussion and Analysis accompanying the Company's financial statements. None of these risks relates to compensation policies and practices. See "Additional Information".

The Corporate Governance and HR Committee implemented various compensation practices and policies consistent with the Company's philosophy of refraining from taking inappropriate or excessive risks. The Company's compensation structure provides for:

- (i) a fixed portion (base salary) which is competitive and provides a regular income stream unrelated to the share price;
- (ii) a variable portion composed of both an annual incentive (bonus) and long-term incentives (options, performance share units ("PSUs") and restricted share units ("RSUs"));
- (iii) a cap on amount payable under the annual incentive (bonus);
- (iv) a five-year vesting period for the options;
- (v) the performance criteria for PSUs is set at the beginning of the relevant three-year performance cycle, with the PSUs vesting at the end of the cycle if the performance criteria is met;

- (vi) a share ownership policy provides that executives must hold a minimum number of Common Shares;
- (vii) rules of conduct prohibit insiders, including directors and executive officers, from selling short, or buying any put or call options with respect to the securities of the Company, and also prohibit the purchase of financial instruments designed to hedge or offset a decrease in market value of the Company's securities; and
- (viii) the incentive compensation is subject to a clawback policy.

Executive Compensation Policy Objective

The Company's executive compensation policy aims to attract and retain competent individuals and motivate them to optimize value for the Company's shareholders. The compensation policy is designed to be competitive, to stimulate profitable return on investments and long-term growth.

The Corporate Governance and HR Committee is responsible for annually reviewing and approving the executive compensation policy and executive compensation, including determining the compensation elements and the compensation mix to balance the executives' focus on short-term and long-term objectives. The Company's compensation policies and practices are designed to adequately reward executive officers for their services, and to encourage them to establish short-term and long-term strategies aimed at increasing share value and creating economic wealth. The Company's compensation strategy therefore places the emphasis on compensation elements linked to performance, including share value through long-term incentive plans.

Reference is made to the section entitled "Elements of Executive Compensation" for additional information on the components of executive compensation and the relative weight of fixed and variable compensation elements.

Incentive Compensation Clawback Policy

The Company has an incentive compensation clawback policy which applies to all executive officers and certain members of senior Management of the Company. A copy of the Company's Incentive Compensation Clawback Policy can be found on the Company's website at www.saputo.com. Under this policy, the Board may, after considering the Corporate Governance and HR Committee's recommendation, in its entire discretion and to the extent that it is in the best interest of the Company to do so, require the reimbursement of the overcompensation amounts of annual and long-term incentive compensation awarded, granted or paid to such individuals if (i) they were engaged in gross negligence, intentional misconduct or fraud which caused or significantly contributed to an accounting restatement of the financial statements of the Company and (ii) the individual received incentive compensation that would have been lower than the amount actually received if the incentive compensation had been computed or received in accordance with the restated financial results.

Decision Making Process and Compensation Consulting Services

PCI Perrault Consulting Inc. ("PCI") has been retained by the Corporate Governance and HR Committee for over ten years as independent compensation consultant to provide advice relating to the competitiveness and appropriateness of the compensation programs of the Company's executives and directors.

The services include advice on compensation policies and elements of compensation for directors and compensation policies and practices, including base salaries, short and long-term incentive programs and pension benefits for executives. In providing such advice, PCI also assists the Corporate Governance and HR Committee in the selection of the comparative groups, provides information on the benchmarking of executive and director compensation with the comparative groups and provides observations and recommendations with respect to the composition and design of the compensation elements.

In fiscal 2020, PCI assisted the Company with the following matters:

- providing market positioning research on executive compensation;
- reviewing and updating the performance criteria for PSUs; and
- reviewing the disclosure on director and executive compensation provided in the Circular.

Every mandate granted to PCI must be approved by the Corporate Governance and HR Committee. The table below sets forth the fees incurred by the Company for PCI’s services in the two most recently completed fiscal years.

Fiscal Year	Executive Compensation-Related Fees	All Other Fees
2020	\$194,848	\$0
2019	\$96,199	\$953 ⁽¹⁾

(1) Fees related to a non-material compliance mandate.

For fiscal 2020, the Corporate Governance and HR Committee conducted a review of the Company’s executive compensation with the Chief Human Resources Officer. In their review, the Committee examined the compensation of executive officers with similar responsibilities in the comparative groups provided by PCI. The Committee also considered recommendations made by PCI for executive compensation, which are based on the executive officers’ performance and responsibilities. Following discussions with the Chief Human Resources Officer, the Committee approved, in March 2019, the executive compensation packages for fiscal 2020, and provided a report to the Board at its next meeting.

In connection with executive compensation, the Corporate Governance and HR Committee also benefits from the involvement of the Chief Financial Officer and Secretary, and other executive officers involved in the preparation of the Company’s budgets on which financial performance targets are based. The Chief Financial Officer and Secretary also oversees the financial, accounting, legal and regulatory aspects of the Equity Compensation Plan, the performance share unit plan (the “PSU Plan”) and the restricted share unit plan (the “RSU Plan”), including maintaining a record of the options, PSUs and RSUs granted, vested, exercised, paid-out, and cancelled, as the case may be, and filing reports with the regulatory authorities. The Chief Human Resources Officer assists in the administration of the Equity Compensation Plan, the PSU Plan and the RSU Plan. Any proposed modifications to the annual incentive (bonus) plan, the Equity Compensation Plan, the PSU Plan and the RSU Plan are also discussed with the Chief Executive Officer, and then with the Corporate Governance and HR Committee. Amendments to the Equity Compensation Plan are submitted for approval to the Board and, when required, to the shareholders. Amendments to the PSU Plan and the RSU Plan are submitted to the Corporate Governance and HR Committee for approval.

Comparative Groups

The Corporate Governance and HR Committee used the comparative groups set forth below to determine all aspects of executive compensation for fiscal 2020. The comparative groups were established considering the size, financial performance, market capitalization and revenue of the companies, as well as their sectors of activity. No changes were made to the Canadian Comparative Group and the US Comparative Group for fiscal 2020, except changes resulting from mergers and acquisitions involving the companies in the US Comparative Group.

The Canadian Comparative Group is composed of five companies in the agri-food sector and three companies in the retail distribution and sales sector of the food industry, and the US Comparative Group is composed of thirteen companies in the food processing industry, as set forth below:

Canadian Comparative Group	US Comparative Group
Alimentation Couche-Tard Inc.	Campbell Soup Company
Empire Company Limited	Conagra Brands, Inc.
George Weston Limited	Dean Foods Company ⁽¹⁾
Maple Leaf Foods Inc.	General Mills, Inc.
Metro Inc.	Hormel Foods Corporation
Molson Coors Beverage Company	Ingredion Incorporated
Nutrien Ltd.	Kellogg Company
Primo Water Corporation (formerly Cott Corporation)	Keurig Dr Pepper Inc.
	The Kraft Heinz Company
	Mondelez International, Inc.
	The J.M. Smucker Company
	The Hershey Company
	United Natural Foods, Inc.

(1) Executive compensation for fiscal 2020 was established prior to Dean Foods Company filing Chapter 11 reorganization proceedings on November 12, 2019.

The chart below identifies the named executive officers (“NEOs”) for fiscal 2020 and the comparative group(s) used to benchmark their fiscal 2020 compensation.

Name	Position	Comparative Group Used for Base Salary and Total Compensation	Comparative Group Used for Annual and Long-Term Incentive Opportunities
Lino Saputo, Jr.	Chief Executive Officer	Combined Group	Combined Group
Maxime Therrien	Chief Financial Officer and Secretary	Combined Group	Combined Group
Kai Bockmann	President and Chief Operating Officer Saputo Inc. and International Sector	Combined Group	Combined Group
Terry Brockman	President and Chief Operating Officer Cheese Division (USA)	US Comparative Group	Combined Group
Paul Corney	President and Chief Operating Officer Dairy Foods Division (USA) ⁽¹⁾	US Comparative Group	Combined Group

(1) Mr. Corney’s tenure as President and Chief Operating Officer of the Dairy Foods Division (USA) ended on April 1, 2020. Mr. Corney will ensure the transition with the Division’s new leadership until his retirement in July 2020.

For fiscal 2020, the “Combined Group” referred to in the chart above was determined using a weighting of 50%/50% between the Canadian Comparative Group and the US Comparative Group, respectively (except that a weighting of 40%/60% was used for Mr. Kai Bockmann).

Share Ownership Policy for Executive Officers

Pursuant to the Share Ownership Policy for Executive Officers, the executive officers of the Company shall own a number of shares having a total market value of at least:

- three times their annual base salary for the Chief Executive Officer;
- two times their annual base salary for the Chief Financial Officer and the President and Chief Operating Officer of Saputo Inc. and International Sector;
- 1.5 times their annual base salary for other executive officers.

Each executive officer is required to comply with this policy within five years following their appointment as an executive officer of the Company (the “Grace Period”). Management has established guidelines providing for intermediate thresholds to be met during the Grace Period. Under these management guidelines, an executive officer may not exercise options for Common Shares during the Grace Period unless the executive officer retains enough of the Common Shares received as a result of the exercise to meet the intermediate thresholds.

For the purposes of assessing the share ownership levels, contrary to some of its peers, the Company has decided not to include the value of options, PSUs and RSUs. This element was considered by the Committee when establishing the multiples to be held under the policy.

The following table sets out the requirements for each NEO under the share ownership policy as at March 31, 2020.

Name	Common Shares	Total Market Value of Common Shares (\$) ⁽¹⁾	Minimum Required (\$) ⁽²⁾	Meets the Company's Share Ownership Requirements for Executives
Lino Saputo, Jr.	136 902	4 632 764	3,900,000	Yes
Maxime Therrien	21 526	728 440	1,240,000	n/a ⁽³⁾
Kai Bockmann	49 462	1 673 794	1,650,000	Yes
Terry Brockman	83 603	2 829 126	1,140,000	Yes
Paul Corney	25 189	852 396	975 000	No ⁽⁴⁾

(1) This value corresponds to the number of Common Shares held by each executive officer multiplied by the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84).

(2) This value corresponds to the annual base salary of each executive officer for fiscal 2020 multiplied by the relevant number depending on their position. Mr. Brockman and Mr. Corney are remunerated in US dollars. For the purposes of ensuring compliance with the minimum share ownership requirement, the absolute value of their salary is used, without having regard to the exchange into Canadian dollars.

(3) Mr. Therrien was appointed Chief Financial Officer and Secretary on August 1, 2017 and was, on March 31, 2020, within the Grace Period.

(4) Mr. Corney did not meet the Company's Share Ownership Requirements as at March 31, 2020, due to the decrease in the market price of Common Shares in the final weeks of fiscal 2020. The total value of the Common Shares owned by Mr. Corney on December 31, 2019, exceeded the minimum required based on the closing price of the Common Shares on the TSX on that date (\$40.20).

ELEMENTS OF EXECUTIVE COMPENSATION

For fiscal 2020, the compensation for the executive officers of the Company (i.e. individuals having the title of Chief Officer), including the NEOs, consisted of the following:

- Base salary;
- Annual incentive (bonus);
- Long-term incentive plans (options, PSUs and RSUs); and
- Pension benefits (discussed under the section “Defined Benefit Pension Plan” of this Circular).

Executives also benefit from the Company’s group insurance plans generally available to all employees. None of the NEOs have a written employment contract with the Company.

The following table presents the key components of total direct compensation, whether such components represent fixed or variable compensation, their form and performance period:

Executive Compensation			
Component	Type	Form	Performance Period
Base salary	Fixed	Cash	One year
Annual incentive (bonus)	Variable	Cash	One year
Long-term incentive (options)	Variable	Options	Vesting over five years, ten-year term
Long-term incentive (PSUs)	Variable	PSUs	Performance cycle of three years
Long-term incentive (RSUs)	Variable	RSUs	Restriction period of three years

When establishing total direct compensation, the Corporate Governance and HR Committee’s objective is to target the third quartile of the compensation offered by the companies forming part of the relevant comparative group. The Chief Executive Officer’s compensation is determined separately from the other executive officers since he does not receive any long-term incentives as he considers that his interest in the principal shareholder constitutes a sufficient long-term incentive. As such, the Chief Executive Officer’s compensation does not set the pace for other executives’ compensation.

The Corporate Governance and HR Committee’s objective is also to provide adequate balance between components representing fixed and variable compensation in order to place the emphasis on compensation elements linked to performance and achieve the compensation policy’s objective (see “Executive Compensation Policy Objective” above and “Long-Term Incentive Component for Fiscal 2020” below). The following table presents, for fiscal 2020, the components of total direct compensation and, for each NEO, the approximate relative weight of fixed and variable compensation elements.

Position	Fixed Compensation	Variable Compensation			
	Base Salary	Annual Incentive (bonus) ⁽¹⁾	Long-Term Incentive		
			Options ⁽²⁾	PSUs ⁽³⁾	RSUs ⁽³⁾
Chief Executive Officer	33.3%	66.7%	–	–	–
Chief Financial Officer and Secretary	21.8%	19.7%	14.8%	35.0%	8.7%
President and Chief Operating Officer Saputo Inc. and International Sector	21.4%	21.4%	14.5%	34.2%	8.5%
President and Chief Operating Officer Cheese Division (USA)	28.4%	21.3%	13.4%	28.5%	8.4%
President and Chief Operating Officer Dairy Foods Division (USA)	28.4%	21.3%	13.4%	28.5%	8.4%

(1) Annual incentive at target.

(2) Based on the grant date fair value of option-based awards.

(3) Based on the grant date fair value of the Common Shares underlying PSU or RSU awards.

Base Salary

The base salary component of executive compensation aims to reflect salaries offered for positions involving similar responsibilities and complexity, internal equity comparisons, as well as the ability and experience of the Company's executive officers. Competitive salaries enable the Company to attract and retain talented individuals who can ensure its current and long-term success.

For NEOs, individual performance is measured based on the achievement of objectives determined annually by the executive together with the Chief Executive Officer and, with respect to the Chief Executive Officer, with the Corporate Governance and HR Committee. Reference is made to the section entitled "Position Descriptions" for a description of the annual review process of the Chief Executive Officer's performance.

For fiscal 2020, the Chief Executive Officer's base salary remained unchanged. The base salaries of other NEOs were increased to reflect market salary adjustments and to recognize the NEOs' respective experience in their current position, their tenure within the Company, the evolution of their skills and their performance against expectations.

Annual Incentive (Bonus)

The annual incentive (bonus) plan aims to encourage the achievement of financial performance targets and reward the executive officers based on the Company's success. The annual bonus of the executive officers is based solely on the financial performance of the Company or, if applicable, on a combination of the financial performance of the Company and of the relevant division, where the Corporate Governance and HR Committee considers that such performance is closely related to and reflects the officers' individual performance. Each year, the Corporate Governance and HR Committee determines the financial performance targets which are used for the calculation and payment of bonuses, and the bonus amount that would be paid to each executive officer for achieving such performance.

For fiscal 2020, financial performance was based on the level of achievement of specific levels of earnings before interest, income taxes, depreciation, amortization, gain on disposal of assets, inventory revaluation resulting from a business acquisition, acquisition and restructuring costs, and gain on hyperinflation ("Adjusted EBITDA") as set forth in the Company's financial statements, compared to the Adjusted EBITDA established in the fiscal 2020 budget approved by the Board ("Budgeted EBITDA"), after adjustments for the market assumptions described below (the Budgeted EBITDA, when adjusted, the "Market-Adjusted Budgeted EBITDA").

To determine the level of achievement of Adjusted EBITDA realized by the Company compared to the Market-Adjusted Budgeted EBITDA, the Company adjusts the Budgeted EBITDA based on the market assumptions used when determining the Budgeted EBITDA. The purpose of such adjustments is to exclude the impact of market factors that have an effect on Adjusted EBITDA, but on which the executive officers have no control. These market factors may include the average block market per pound of cheese, the spread (being the relationship between the average block market per pound of cheese and the cost of milk as raw material), dairy ingredient prices, international selling prices, as well as currency exchange rates. These adjustments are reviewed by the Corporate Governance and HR Committee on an annual basis.

To determine the Market-Adjusted Budgeted EBITDA for fiscal 2020, the Company adjusted the Budgeted EBITDA to exclude the impact of market factors consisting mainly of USA Market Factors (as defined in the Company's Management's Discussion and Analysis dated June 4, 2020) and other factors related to the impact of the COVID-19 pandemic, which resulted in an adjustment of \$44.8 million to the Budgeted EBITDA. USA Market Factors and the other market factors related to the impact of the COVID-19 pandemic and their impact on the Company's results are discussed in the Company's Management's Discussion and Analysis dated June 4, 2020, available on SEDAR under the Company's profile at www.sedar.com.

Under the annual incentive (bonus) plan, a bonus can only be paid to an executive if at least 85% of the Market-Adjusted Budgeted EBITDA is met by the Company, or the relevant division, depending on the executive officer. Similarly, the maximum bonus amount can only be earned if the Company, or the relevant division, meets or exceeds 107.5% of Market-Adjusted Budgeted EBITDA. Bonus payments are made proportionately to the level actually achieved above 85% of Market-Adjusted Budgeted EBITDA until the maximum of 107.5% of Market-Adjusted Budgeted EBITDA.

In connection with its responsibilities as the Company's compensation committee, the Corporate Governance and HR Committee has discretion to award compensation absent the achievement of the performance goals established and to reduce or increase the size of any payout as it deems appropriate. For fiscal 2020, the Company paid bonuses to all employees of the Cheese Division (USA) eligible under the annual incentive (bonus) plan, including Mr. Brockman, although the results of this Division were at 84% of the Market-Adjusted Budgeted EBITDA, which is slightly below the 85% of Market-Adjusted Budgeted EBITDA threshold allowing for a payment pursuant to the Company's annual incentive (bonus) plan. Consistent with the Company's pay-for-performance philosophy, the Company believes that an achievement level at 84% Market-Adjusted Budgeted EBITDA warrants a partial payout of Mr. Brockman's bonus adequately reflecting his individual performance for the period. The Corporate Governance and HR Committee's discretion to award compensation absent the achievement of the applicable performance goals was not otherwise exercised for fiscal 2020 with respect to NEOs.

To maintain the Company's ability to attract and retain top performers, and consistent with the Company's objective to target the third quartile of the compensation offered by the companies forming part of the relevant comparative group, the payout percentages established for the bonuses for fiscal 2020 as determined by the Corporate Governance and HR Committee were increased for certain NEOs as compared to fiscal 2019.

The table below sets forth, for each NEO, the payout percentages established for their bonuses in fiscal 2020, the level of achievement reached by the Company or the relevant division with respect to the financial performance objectives established, and the bonus earned. In line with the Company's pay-for-performance philosophy, there is a direct correlation between the Company's financial performance and the bonus earned.

Name	Financial Performance Target and Objective				Fiscal 2020	
	Payout percentage (% of Base Salary)			(Market-Adjusted Budgeted EBITDA)	Level of Achievement	Bonus Earned % of Base Salary
	Achievement of 85% of the Market-Adjusted Budgeted EBITDA	Achievement of 100% of the Market-Adjusted Budgeted EBITDA	Achievement of 107.5% or more of the Market-Adjusted Budgeted EBITDA			
Lino Saputo, Jr.	150%	200%	300%	Consolidated Budget (100%)	100.6%	208.0%
Maxime Therrien	70%	90%	180%	Consolidated Budget (100%)	100.6%	97.2%
Kai Bockmann	75%	100%	200%	Consolidated Budget (100%)	100.6%	108.0%
Terry Brockman	55%	75%	150%	Cheese Division (USA) Budget (75%) Consolidated Budget (25%)	84.0% 100.6%	48.2%
Paul Corney	55%	75%	150%	Dairy Foods Division (USA) Budget (75%) Consolidated Budget (25%)	119.2% 100.6%	132.8%

Long-Term Incentive Plans

For fiscal 2020, the Company's long-term incentives are comprised of options, PSUs and RSUs.

Equity Compensation Plan

Option grants are a key component of the compensation mix and serve to align executive compensation with the Company's shareholders' interests. Options are granted by the Corporate Governance and HR Committee to executive officers and other key executives pursuant to the terms of the equity compensation plan of the Company (the "Equity Compensation Plan") and the guidelines established by the Corporate Governance and HR Committee. For participants who receive their compensation in US dollars, grants of options are established as per the same guidelines as for participants who receive their compensation in Canadian dollars. These option grant guidelines are established by the Corporate Governance and HR Committee as part of its annual review of the compensation policy, taking into account the competitiveness of total compensation and compensation practices within the Combined Group, market trends, as well as the Company's pay-for-performance philosophy. Refer to the section entitled "Decision Making Process and Compensation Consulting Services" for a discussion on the involvement of executive officers in the Equity Compensation Plan.

The Equity Compensation Plan's objective is to attract and retain quality executive officers while promoting long-term profitability and maximizing shareholder value. Option grants made by the Corporate Governance and HR Committee pursuant to the Equity Compensation Plan are expressed as a percentage of a participant's base salary, which percentage is determined based on the participant's position, without taking into account the number of options already held by such participant. On April 1, 2020, the Corporate Governance and HR Committee granted options to plan participants based on the guidelines established by the Corporate Governance and HR Committee. Refer to the section "Securities Authorized For Issuance Under Equity Compensation Plans" for a discussion of the terms and conditions relating to the options, including exercise price and vesting conditions.

PSU Plan and RSU Plan

Both the PSU Plan and the RSU Plan for senior-level management of the Company and its subsidiaries are non-dilutive and are settled in cash only. The purpose of these plans is to attract and retain quality senior-level management while promoting long-term profitability and maximizing shareholder value.

PSU and RSU grants are an additional component of the compensation mix, together with the options, which serve to align executive compensation with the Company's shareholders' interests. Refer to the section entitled "Decision Making Process and Compensation Consulting Services" for a discussion on the involvement of executive officers in the decision-making process of PSU and RSU grants.

PSU and RSU grants are determined by the Corporate Governance and HR Committee and are expressed as a percentage of a participant's base salary. This percentage is determined based on the participant's position, without taking into account the number of PSUs or RSUs already held by the participant. On April 1, 2020, the Corporate Governance and HR Committee granted PSUs and RSUs to participants based on the guidelines established by the Committee as part of its annual review of the compensation policy. The guidelines are similar to the ones used for the options, and take into

account the competitiveness of total compensation and compensation practices within the Combined Group, market trends, as well as the Company's pay-for-performance philosophy.

Under the PSU Plan, each performance cycle consists of three financial years of the Company (a "Performance Cycle"). At the time of grant, the Corporate Governance and HR Committee determines the performance vesting criteria (the "PSU Vesting Criteria") which must be met by the Company. The PSU Vesting Criteria may include (i) a performance criteria for each financial year ("Annual Objectives") during a Performance Cycle, and (ii) a performance criteria for a complete Performance Cycle (the "Cycle Objectives"). Following completion of a Performance Cycle, the PSUs for which the PSU Vesting Criteria have been achieved vest and are paid-out to the participants.

Under the RSU Plan, each restriction period consists of three financial years of the Company (a "Restriction Period"). At the time of grant, the Corporate Governance and HR Committee determines the vesting criteria (the "RSU Vesting Criteria") which must be met by the participants. The RSU Vesting Criteria may include continuing employment through all or part of the Restriction Period. At the end of the Restriction Period, the RSUs for which the RSU Vesting Criteria has been achieved vest and are paid-out to the participants.

Under the PSU Plan and the RSU Plan, the Corporate Governance and HR Committee has discretion to award compensation absent the achievement of the Vesting Criteria established. Except as disclosed under the section entitled "Changes to the PSU Vesting Design" below, such discretion was not exercised during fiscal 2020.

The amount paid-out at the end of a Performance Cycle or a Restriction Period is equal to the volume weighted average trading price of the Common Shares during the five trading days preceding the calculation date, multiplied by the number of PSUs or RSUs, as the case may be, for which the applicable vesting criteria have been achieved. Participants are entitled to receive a payment in cash only. For PSUs, the Company determines whether the vesting criteria is achieved and calculates the amount payable to participants after the release of the annual financial results of the Company following the end of each Performance Cycle. The payment of the RSUs vested to a Participant is made after the end of the applicable Restricted Period in accordance with the RSU Plan.

Each of the PSU Plan and the RSU Plan provide certain rules, subject to the discretion of the Corporate Governance and HR Committee, for the vesting and/or cancellation of PSUs and RSUs in the case of termination of employment for cause or for a serious reason, by reason of death, injury or disability, by reason of retirement and other circumstances of termination.

The PSU Plan and the RSU Plan further provide that in the event of a change of control, the Board has discretion with respect to the treatment of PSUs and RSUs which is similar to that conferred to the Board under the Equity Compensation Plan. A change of control pursuant to the PSU Plan and the RSU Plan is defined in the same manner as in the Equity Compensation Plan. See "Securities Authorized For Issuance Under Equity Compensation Plans".

Long-Term Incentive Component for Fiscal 2020

On February 7, 2019, the Board adopted the RSU Plan. The Company made its first RSU grants on April 1, 2019. Introducing RSUs in the long-term incentive compensation mix allowed the Company to continue to reflect the Company's pay-for-performance philosophy while decreasing the proportion

of options granted. This reduced the Company's burn rate while maintaining a similar proportion of total compensation based on performance. Further to the introduction of RSUs as a new component of its long-term compensation, the Company used the following mix for the long-term incentive component of the NEOs' compensation package:

- 55% in PSUs;
- 30% in options; and
- 15% in RSUs.

This translates into NEOs (other than the Chief Executive Officer) receiving equity-based grants having an estimated fair value of either 75% or 80% of their base salary in options, 135% or 160% of their base salary in PSUs and 40% of their base salary in RSUs. In determining fiscal 2020's compensation mix, the Corporate Governance and HR Committee considered competitive equity-based compensation trends and practices. The estimated fair value of the long-term incentive component of the NEOs' compensation was set at either 250% or 280% of the NEO's base salary in fiscal 2020, compared to approximately 250% in fiscal 2019.

On April 1, 2019, the Corporate Governance and HR Committee granted options, PSUs and RSUs to all NEOs other than to the Chief Executive Officer, pursuant to the Equity Compensation Plan, the PSU Plan, the RSU Plan and the related grant guidelines for fiscal 2020. All options granted on April 1, 2019, vest at a rate of 20% per year, on each of the first five anniversaries of the date of grant. See "Long-Term Incentive Plans" above.

The PSUs were granted for the Performance Cycle ending March 31, 2022, and will vest and be paid-out to the participants at the end of the Performance Cycle if the following PSU Vesting Criteria is met:

- (i) 33 1/3% of the number of PSUs granted for each fiscal year of the cycle for which the return on average shareholders' equity of the Company, as may be adjusted ("Adjusted ROE"), \geq 13% (the "Annual Objective");
- (ii) it being understood that 100% of the PSUs granted will vest if the cumulative Adjusted ROE for the Performance Cycle \geq 39% (the "Cycle Objective").

Adjusted ROE is set forth in the Management's Discussion and Analysis accompanying the Company's financial statements as it may be adjusted, for the purpose of the PSUs, to exclude the impact of equity issuances other than equity issued under the Company's Equity Compensation Plan. Following the introduction of the Three-year Vesting Multiplier, the maximum realisation of the PSU payout for the Performance Cycle ending March 31, 2022 may reach up to 150% of the PSUs granted while there is no minimum guaranteed level of vesting. See "Changes to the PSU Vesting Design".

The RSUs were granted for the Restriction Period ending March 31, 2022, and will vest and be paid-out to the participants at the end of the Restriction Period if the RSU Vesting Criteria is met. The RSU Vesting Criteria for the Restriction Period ending March 31, 2022, is the continuing employment of the participant during the Restricted Period.

The Chief Executive Officer does not receive any long-term incentives as he considers that his interest in the principal shareholder constitutes a sufficient long-term incentive.

Payout of Fiscal 2016 PSU Grant

The PSUs granted on April 1, 2016, to NEOs and other senior-level management participants vested based on the achievement of Adjusted ROE for the three-year Performance Cycle ended March 31, 2019, as set out in the chart below.

Annual Cycle Ended	Annual Objective	Result	Cumulative percentage of PSUs ⁽¹⁾
March 31, 2017	Adjusted ROE ≥ 17%	Adjusted ROE = 20.7%	33 ¹ / ₃ %
March 31, 2018	Adjusted ROE ≥ 17%	Adjusted ROE = 18.3%	66 ² / ₃ %
March 31, 2019	Adjusted ROE ≥ 17%, or Cycle Objective Adjusted ROE ≥ 51%	Adjusted ROE = 14.2%, Cycle Objective Adjusted ROE = 53.2%	100%

(1) Represents the cumulative percentage of the PSUs granted on April 1, 2016, which attained the Annual Objective or the Cycle Objective, as the case may be.

As the PSU Vesting Criteria for the Cycle Objective was met, full payout (100%) of the PSUs granted on April 1, 2016, occurred in June 2019 in accordance with the PSU Plan.

The value vested during the year for each NEO is included in the table “Incentive Plan Awards – Value Vested or Earned During the Year” under the column “Share Based Awards – Value Vested During the Year”.

Target Total Direct Compensation for Fiscal 2020

The target total direct compensation of the NEOs represents the sum of salary, target annual bonus and estimated fair value of the long-term incentive grants for fiscal 2020. The chart below describes, for each NEO, the target total direct compensation for fiscal 2020 in comparison with the applicable comparator group.

Name and Principal Position	Comparison of the NEO’s target total direct compensation for fiscal 2020 with the applicable comparative group
Lino Saputo, Jr. Chief Executive Officer	Below the first quartile of the Combined Group
Maxime Therrien Chief Financial Officer and Secretary	Above the median of the Combined Group
Kai Bockmann President and Chief Operating Officer, Saputo Inc. and International Sector	Above the median of the Combined Group
Terry Brockman President and Chief Operating Officer Cheese Division (USA)	Above the third quartile of the US Comparative Group
Paul Corney President and Chief Operating Officer Dairy Foods Division (USA)	At the third quartile of the US Comparative Group

The target total direct compensation of Mr. Corney is at the third quartile of the US Comparative Group. The target total direct compensation of Mr. Brockman is slightly above the third quartile of the US Comparative Group, reflective of his long tenure. The current target total direct compensation of Messrs. Therrien and Bockmann is reflective of their more recent appointments in their respective roles and, as these NEOs continue to develop in their roles, they will progress towards the Company's objective of paying NEOs at the third quartile of the applicable comparative group. The target total direct compensation of Mr. Saputo, Jr. is below the first quartile of the Combined Group since he does not receive any long-term incentives.

Changes to the PSU Vesting Design

In fiscal 2020, the Corporate Governance and HR Committee, with the assistance of PCI, reviewed and updated the design of the vesting of the PSUs to better reflect the Company's philosophy to attract and retain key talent and motivate them to optimize value for the Company's shareholders. Following this review, the Corporate Governance and HR Committee approved, for grants made starting April 1, 2020, new PSU Vesting Criteria based on adjusted net earnings per share (fully diluted) excluding amortization of intangible assets related to business acquisitions ("Adjusted EPS") and the introduction of multipliers in the vesting formula.

Although Adjusted ROE was and is still considered an adequate vesting criterion to evidence value enhancement in line with the Company's pay-for-performance philosophy, the Corporate Governance and HR Committee determined that PSU Vesting Criteria based on Adjusted EPS is better aligned with the overall compensation objectives and philosophy of the Company. The Committee further believes that Adjusted EPS is simple for participants to understand and more directly reflects the Company's financial and operating performance in a given period. In addition, the new vesting formula is designed to allow for partial payouts where performance exceeds a minimum threshold while being below target performance, and for payouts in excess of 100%, up to a certain maximum, where performance exceeds target performance.

The PSUs granted on April 1, 2020, will vest and be paid-out to the participants at the end of the Performance Cycle ending March 31, 2023, as follows:

- (i) Up to one third of the PSUs may vest annually for each fiscal year of the Performance Cycle. The number of PSUs vesting for each fiscal year will be determined by multiplying one third of the PSUs granted by the applicable multiplier set out below, varying between 25% (if a minimum threshold is achieved) and 100% depending on the annual Adjusted EPS performance for the fiscal year.

Level of achievement for the Annual Cycle (% of the Annual Objective Adjusted EPS)	Payout multiplier under the new vesting formula (linear)
< 50%	0%
50%	25%
75%	50%
≥ 100%	100%

- (ii) At the end of the Performance Cycle, additional PSUs may be credited based on Adjusted EPS performance for the Three-year Performance Cycle. As such, at the end of the

Performance Cycle, a second multiplier (the “Three-year Vesting Multiplier”) as set out below will be applied to the number of PSUs granted for the Performance Cycle.

Level of achievement for the Performance Cycle (% of the Cycle Objective Adjusted EPS)	Three-year Vesting Multiplier under the new vesting formula (linear)
< 50%	0%
50%	25%
75%	50%
100%	100%
≥ 150%	150%

The additional PSUs described in paragraph (ii) will be credited only if the number of PSUs vesting using the Three-year Vesting Multiplier is higher than the sum of PSUs vested annually in accordance with paragraph (i). The maximum payout under the new vesting formula is equivalent to 150% of the number of PSUs initially granted for the Performance Cycle.

The introduction of multipliers is expected to generate payouts that are more reflective of the actual performance of the Company. It will encourage executives to exceed expectations, which has a positive impact on the Company’s overall performance and shareholder value and remains in line with the Company’s pay-for-performance philosophy. It will also support the Company’s efforts to retain key employees.

The Corporate Governance and HR Committee also approved the introduction of the Three-year Vesting Multiplier to the PSU vesting formula for the PSUs granted on April 1, 2017, April 1, 2018, and April 1, 2019, with the applicable PSU Vesting Criteria remaining based on Adjusted ROE. The Corporate Governance and HR Committee believes that the anticipated payout under the current “all-or-nothing” formula does not accurately reflect the strong financial and operating performance of the Company since April 1, 2017, with Adjusted ROE for the relevant periods being negatively impacted by significant merger and acquisition activities and the timing of significant changes in market factors.

Under the payout grid approved by the Corporate Governance and HR Committee, a payout will be made if the Company achieves at least 50% of the Cycle Objective of Adjusted ROE for the Performance Cycle set at the time of grant, as follows:

Level of achievement for the Performance Cycle (% of the Cycle Objective Adjusted ROE)	Payout under the revised formula (linear)
< 50%	0%
50%	25%
75%	50%
100%	100%
≥ 150%	150%

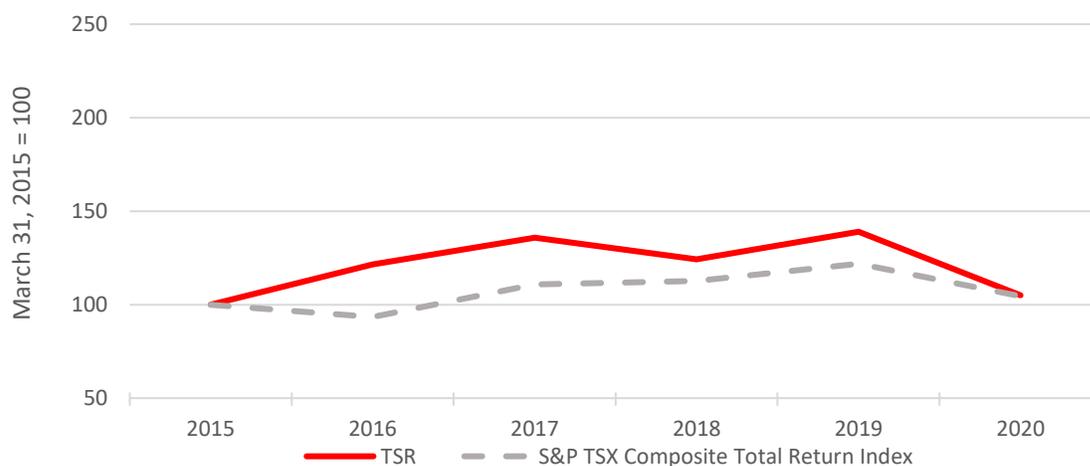
The introduction of the Three-year Vesting Multiplier will result in a partial payout of 68.2% of the PSUs granted on April 1, 2017, and vesting on June 4, 2020 in accordance with the PSU Plan.

Group Insurance Benefits

The Company's intention is to protect its employees and their families against adverse effects resulting from health-related complications. Consequently, as part of their total compensation, the NEOs participate in the Company's group health, medical, accidental death and dismemberment, short-term and long-term disability, and life insurance plans generally available to all of the Company's employees.

Performance Graph

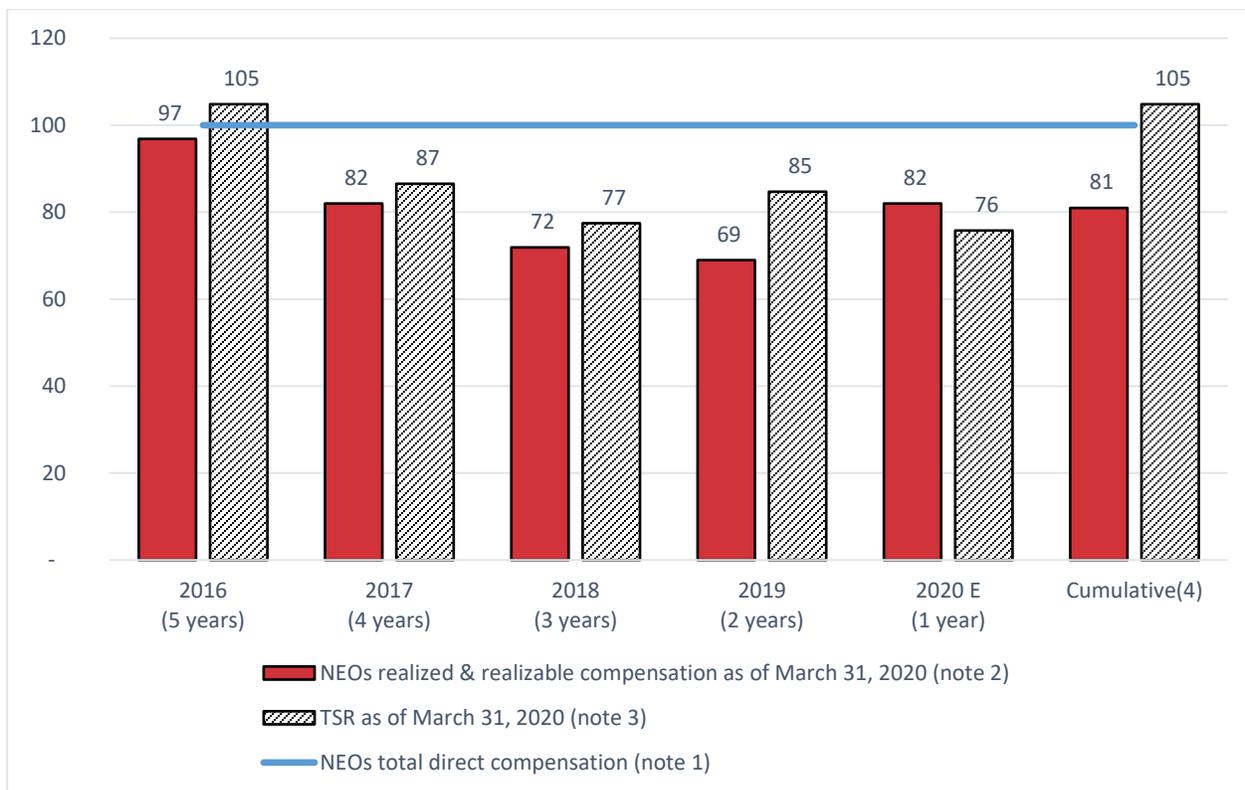
The following graph compares the yearly total shareholder return ("TSR") on a \$100 investment in Common Shares during the last five fiscal years, assuming reinvestment of dividends, with the cumulative return on the S&P/TSX Composite Total Return Index.



The Company does not establish a direct relationship between the NEOs' compensation over the last five fiscal years and the evolution of the price of Common Shares over that period, which is affected by external factors beyond their control.

NEOs Realized/Realizable Compensation

The following graph compares the total direct compensation awarded to the Company's NEOs over the past five fiscal years, as reflected in the NEO Summary Compensation Table, to the current value of their compensation (both realized and realizable) as at March 31, 2020. Compensation outcomes are shown next to the yearly TSR on a \$100 investment in Common Shares made on the first day of the period indicated, assuming reinvestment of dividends. Except for fiscal 2020, the TSR has been superior to the current value of the compensation awarded to the Company's NEOs relative to their total direct compensation. We note that in the final weeks of fiscal 2020, the market price for the Common Shares declined as global equity markets were affected by the impacts of the COVID-19 pandemic, which had a greater effect on the TSR calculation than on the value of compensation in the short term.



	2016 (5 years)	2017 (4 years)	2018 (3 years)	2019 (2 years)	2020 (1 year)	Cumulative ⁽⁴⁾
A NEOs' total direct compensation ⁽¹⁾	100	100	100	100	100	100
B NEOs' realized & realizable compensation as of March 31, 2020 ⁽²⁾	97	82	72	69	82	81
C TSR as of March 31, 2020 ⁽³⁾	105	87	77	85	76	105
D Difference (C-B = D)	8	5	5	16	(6)	24

- (1) Represents the sum of the base salary, the annual incentive (bonus) and long-term incentives awarded during the fiscal year as shown in the NEO's Summary Compensation Table. The value of long-term incentive awards included in the NEOs' total direct compensation for a fiscal year represents the grant date value of options-based awards and of the Common Shares underlying the PSU and RSU awards. This value may never be fully realized.
- (2) Represents the total of the sum of base salary, annual incentive paid, and, with respect to all NEOs other than Mr. Saputo, Jr., the payout value of PSUs granted during the reference year, the gain made on options exercised that were awarded during the reference year, the current value of unvested PSUs and RSUs adjusted based on Management's estimates (see "Changes to the PSU Vesting Design" above) and the in-the-money value of vested and unvested options awarded for the referenced year that are still outstanding at the end of the period for each \$100 awarded in total direct compensation for the fiscal year indicated, as at the end of the period.
- (3) Represents the value at the last day of the period of a \$100 investment in Common Shares made on the first day of the period indicated, assuming reinvestment of dividends.
- (4) Represents the sum of realized compensation from fiscal 2016 to 2020 and realizable compensation at the end of fiscal 2020 for NEOs compared with the sum of total direct compensation awarded from April 1, 2015, to March 31, 2020 and the TSR for the same period.

NEO Summary Compensation Table

The following table provides a summary of compensation earned by the NEOs during the fiscal years ended March 31, 2020, 2019, and 2018, being salary, bonus, long-term incentives, pension or otherwise. Certain aspects of this compensation are dealt with in greater detail in the following tables.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$) ⁽⁴⁾	All Other Compensation (\$) ⁽⁵⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Lino Saputo, Jr. Chief Executive Officer	2020	1,300,000	-	-	2,704,000	-	-	-	4,004,000
	2019	1,300,000	-	-	2,348,840	-	-	-	3,648,840
	2018	1,300,000	-	-	2,669,680	-	-	-	3,969,680
Maxime Therrien Chief Financial Officer and Secretary ⁽⁶⁾	2020	620,000	1,239,997	419,902	602,640	-	517,000	-	3,399,539
	2019	575,000	862,487	648,732	386,659	-	362,800	-	2,835,678
	2018	475,000	170,023	352,558	335,550	-	225,711	-	1,558,842
Kai Bockmann President and Chief Operating Officer, Saputo Inc. and International Sector	2020	825,000	1,650,007	558,744	891,000	-	557,900	685,505 ⁽⁸⁾	5,168,156
	2019	750,000	1,125,015	846,169	616,950	-	1,121,200	858,945 ⁽⁸⁾	5,318,279
	2018	650,000	975,006	700,969	616,122	-	870,600	795,391 ⁽⁸⁾	4,608,088
Terry Brockman President and Chief Operating Officer, Cheese Division (USA) ⁽⁷⁾	2020	1,020,604	1,330,008	482,550	492,294	-	248,000	-	3,573,456
	2019	960,603	1,117,508	840,530	575,065	-	525,100	-	4,018,806
	2018	964,540	1,087,491	781,855	641,335	-	243,700	-	3,718,921
Paul Corney President and Chief Operating Officer, Cheese Division (USA) ⁽⁹⁾	2020	872,885	1,137,528	412,707	1,158,755	-	488,800	53,307 ⁽¹⁰⁾	4,123,892
	2019	812,322	945,019	710,782	365,027	-	533,800	51,518 ⁽¹⁰⁾	3,418,468
	2018	798,240	900,016	647,048	577,906	-	977,600	59,753 ⁽¹⁰⁾	3,960,563

(1) This amount corresponds to the fair value of the PSU and RSU awards on the grant date. For purposes of calculating the fair value of the PSU and RSU awards on the grant date, a 100% payout was assumed, which is consistent with the valuation method used for accounting purposes. Such fair value equals the aggregate number of PSUs and RSUs granted on April 1, 2019, 2018, and 2017, multiplied by the volume weighted average trading price for the Common Shares on the TSX during the five trading days prior to the grant date (\$45.30, \$41.02 and \$46.29 respectively).

(2) This amount corresponds to the fair value of the option awards on the grant date (\$7.67 per option granted on April 1, 2019, \$7.12 per option granted on April 1, 2018, and \$7.68 per option granted on April 1, 2017). The Company determines the fair value of the option awards using the Black-Scholes option pricing model, consistent with the valuation method used for accounting purposes and uses the weighted average assumptions indicated below.

	2020	2019	2018
Risk-free interest rate:	1.61%	1.95%	1.10%
Expected life of options:	5.8 years	5.6 years	5.4 years
Volatility:	18.41%	18.42%	18.89%
Dividend rate:	1.45%	1.54%	1.26%

(3) See section "Annual Incentive (Bonus)". Bonuses are paid quarterly by the Company in cash, based on the annual and interim financial statements of the Company approved by the Board.

(4) The Pension Value includes the current service cost and the impact of changes in the earnings during the year on the defined benefit obligation. In fiscal 2018, the amount for Mr. Therrien's Pension Value also includes the employer contribution under a registered and supplemental non-contributory defined contribution plan. See section "Defined Benefit Pension Plan" for additional information.

- (5) The amounts shown represent the aggregate value of perquisites and other personal benefits where they exceed the lesser of \$50,000 or 10% of the total annual salary of the NEO for the fiscal year.
- (6) Mr. Therrien was appointed Chief Financial Officer and Secretary on August 1, 2017. Prior to that date, Mr. Therrien was Executive Vice President, Finance and Administration.
- (7) Mr. Brockman's and Mr. Corney's compensation is paid in US dollars and was converted in Canadian dollars at a rate of \$1.3429 for fiscal 2020, 1.2894 for fiscal 2019 and 1.3304 for fiscal 2018, which corresponds to the daily average exchange rate of the Bank of Canada for US\$1 on March 28, 2019, March 29, 2018, and March 30, 2017, respectively.
- (8) Mr. Bockmann received for fiscal 2018, fiscal 2019 and fiscal 2020 a transition allowance comprised of a foreign exchange adjustment and a tax gross up in connection with his relocation from the United States to Canada. For fiscal 2018, these amounts were \$392,498 and \$388,730, respectively, for fiscal 2019, \$399,000 and \$419,665, respectively, and for fiscal 2020, \$330,000 and \$314,000, respectively.
- (9) Mr. Corney's tenure as President and Chief Operating Officer of the Dairy Foods Division (USA) ended on April 1, 2020. Mr. Corney will ensure the transition with the Division's new leadership until his retirement in July 2020.
- (10) Mr. Corney received for fiscal 2018, 2019 and 2020 a rent allowance totaling US\$33,033, US\$33,204 and US\$33,564 respectively, to assist in his relocation from Canada to the United States.

Incentive Plan Awards

The following table presents, for each NEO, all of the option-based and share-based grants outstanding at the end of fiscal 2020.

Outstanding Share-Based Awards and Option-Based Awards								
Name	Award Date	Option-Based Awards				Share-Based Awards		
		Number of Common Shares Underlying Unexercised Options (#)	Option Exercise Price (\$/Share)	Option Expiry Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Common Shares or Units that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested ⁽²⁾ (\$)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$)
Lino Saputo, Jr.	-	-	-	-	-	-	-	-
Maxime Therrien	04/01/2011	13,384	21.61	04/01/2021	-	-	-	-
	04/01/2012	30,260	21.48	04/01/2022	-	-	-	-
	04/01/2013	28,376	25.55	04/01/2023	-	-	-	-
	04/01/2014	31,290	27.74	04/01/2024	-	-	-	-
	04/01/2015	31,927	35.08	04/01/2025	-	-	-	-
	04/01/2016	45,290	41.40	04/01/2026	-	-	-	-
	04/01/2017	45,906	46.29	04/01/2027	-	3,673	-	-
	04/01/2018	91,114	41.02	04/01/2028	-	21,026	-	-
	04/01/2019	54,746	45.30	04/01/2029	963,806	27,373	1,762,116	-
Kai Bockmann	04/01/2012	4,644	21.48	04/01/2022	-	-	-	-
	04/01/2013	58,708	25.55	04/01/2023	-	-	-	-
	04/01/2014	61,284	27.74	04/01/2024	-	-	-	-
	04/01/2015	57,013	35.08	04/01/2025	-	-	-	-
	04/01/2016	80,857	41.40	04/01/2026	-	-	-	-
	04/01/2017	91,272	46.29	04/01/2027	-	21,063	-	-
	04/01/2018	118,844	41.02	04/01/2028	-	27,426	-	-
	04/01/2019	72,848	45.30	04/01/2029	917,922	36,424	2,873,456	-

Outstanding Share-Based Awards and Option-Based Awards

Name	Award Date	Option-Based Awards				Share-Based Awards		
		Number of Common Shares Underlying Unexercised Options (#)	Option Exercise Price (\$/Share)	Option Expiry Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Common Shares or Units that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested ⁽²⁾ (\$)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$)
Terry Brockman	04/01/2010	6,878	14.66	04/01/2020	3,535,336	-	2,710,449	-
	04/01/2011	65,942	21.61	04/01/2021		-		
	04/01/2012	98,580	21.48	04/01/2022		-		
	04/01/2013	97,848	25.55	04/01/2023		-		
	04/01/2014	93,006	27.74	04/01/2024		-		
	04/01/2015	77,537	35.08	04/01/2025		-		
	04/01/2016	109,903	41.40	04/01/2026		-		
	04/01/2017	101,804	46.29	04/01/2027		23,493		
	04/01/2018	118,052	41.02	04/01/2028		27,243		
	04/01/2019	62,914	45.30	04/01/2029		29,360		
Paul Corney	04/01/2014	18,256	27.74	04/01/2024	111,362	-	2,287,313	-
	04/01/2015	45,208	35.08	04/01/2025		-		
	04/01/2016	90,278	41.40	04/01/2026		-		
	04/01/2017	84,251	46.29	04/01/2027		19,443		
	04/01/2018	99,829	41.02	04/01/2028		23,038		
	04/01/2019	53,808	45.30	04/01/2029		25,111		

(1) This value corresponds to the difference between the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84), and the exercise price. This value has not been, and may never be, realized. The actual gain, if any, will depend on the value of the Common Shares on the dates the options are exercised relative to the exercise price (see "Long-Term Incentive Plans").

(2) This value corresponds to a 100% payout, being 100% of the aggregate number of PSUs and RSUs granted on the award date multiplied by the closing price of the Common Shares on the TSX on March 31, 2020 (\$33.84). A portion of this value has not been, and may never be, realized. The actual gain, if any, will depend on the attainment of the PSU Vesting Criteria or RSU Vesting Criteria, as the case may be, and the value of the Common Shares on the date on which the vested PSUs and RSUs are paid out (see "Long-Term Incentive Plans").

The following table presents, for each NEO, the value of incentive plan awards that have become vested during fiscal 2020 and the amount of annual incentive (bonus) earned with respect to the performance achieved during fiscal 2020:

Incentive Plan Awards – Value Vested or Earned During the Year			
Name	Option-Based Awards – Value Vested During the Year⁽¹⁾ (\$)	Share-Based Awards – Value Vested During the Year⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year⁽³⁾ (\$)
Lino Saputo, Jr.	–	–	2,704,000
Maxime Therrien	305,245	143,543	602,640
Kai Bockmann	523,253	492,873	891,000
Terry Brockman	705,394	669,895	492,294
Paul Corney	513,522	550,282	1,158,755

- (1) The options automatically vest at a rate of 20% per year, on each of the first five anniversaries of their date of grant. This value corresponds to the difference between the closing price of the Common Shares on the TSX on April 2, 2019 (\$45.72), which is the first business day following the vesting date of April 1, 2019, and the exercise price of in-the-money options. This value has not been, and may never be, realized. The actual gain, if any, will depend on the value of the Common Shares on the dates the options are exercised (see “Long-Term Incentive Plans”).
- (2) Pursuant to the PSU Plan, PSUs vest at the end of a Performance Cycle. The grant under the PSU Plan made on April 1, 2016, vested and was fully paid out in June 2019, as the PSU Vesting Criteria was fully achieved. See “Payout of Fiscal 2016 PSU Grant”. The grant under the PSU Plan made on April 1, 2017, will vest on June 4, 2020, subject to achieving the PSU Vesting Criteria. The grants under the PSU Plan made on April 1, 2018, and 2019, will vest after the end of the Performance Cycle ending March 31, 2021 and 2022, respectively, subject to achieving the PSU Vesting Criteria. See “Changes to the PSU Vesting Design”. The grants under the RSU Plan made on April 1, 2019, will vest after the end of the Restriction Period ending March 31, 2022, subject to achieving the RSU Vesting Criteria. See “Long-Term Incentive Plans – PSU Plan and RSU Plan”.
- (3) Corresponds to the amount disclosed in the “NEO Summary Compensation Table”.

The following table presents, for each NEO, the aggregate number of options exercised, the average exercise price and the gains realized on exercise during fiscal 2020:

Name	Number of Common Shares Acquired on Exercise (#)	Average Exercise Price per Common Share (\$)	Gain Realized (\$)⁽¹⁾
Lino Saputo, Jr.	–	–	–
Maxime Therrien	–	–	–
Kai Bockmann	29,736	21.48	542,682
Terry Brockman	82,652	14.66	2,104,771
Paul Corney	–	–	–

- (1) This value corresponds to the difference between the price of the Common Shares on the TSX at the time of exercise and the exercise price.

Defined Benefit Pension Plan

All NEOs, except the Chief Executive Officer, participate in the Company’s registered and supplementary retirement plans (together the “Pension Plans”). The registered retirement plan in which Mr. Therrien, Mr. Bockmann and Mr. Corney participate is a Non-Contributory Canadian

Registered Defined Benefit Pension Plan and the registered retirement plan in which Mr. Brockman participates is a Contributory 401(K) pension plan registered in the USA. The supplementary retirement plan for each eligible NEO is either a Canadian or a US non-registered Executive Supplementary Retirement Pension Plan providing pension benefits in excess of the benefits provided under the applicable registered retirement plan.

Under the Pension Plans, the participants are entitled to pension benefits as of their respective normal retirement age ("NRA") equal to 2% of their respective final average earnings multiplied by their respective years of credited service. Final average earnings are defined as the average of the base salary and the annual incentive (bonus) for the 36 consecutive months within the 10-year period preceding the retirement date during which the base salary and annual incentive (bonus) are together at their highest.

The Pension Plans' NRA is 65 or can be 60 if the sum of the participant's age and their credited years of service in the relevant supplementary retirement plan is at least 70. However, members retiring from age 55 will have their pension benefits calculation reduced by 0.25% for each month the actual retirement date precedes the NRA date.

The maximum annual pension benefits payable is capped at 60% of the participant's final average base salary, which is the average base salary for the 36 consecutive months within the 10-year period preceding the retirement date during which the base salary is at its highest.

The following table illustrates, for each NEO, the eligible years of service and estimated annual pension benefits payable at age 65 accrued as of March 31, 2020, under the registered retirement plan and supplementary retirement plan combined. The annual pension benefits will accrue if the participant remains employed by the Company until age 65. The table also presents the changes in the accrued obligation from March 31, 2019, to March 31, 2020, including the annual cost attributable to compensatory items for fiscal 2020. These amounts were calculated using the same actuarial assumptions used for determining the accrued pension obligation at year-end presented in the Company's financial statements for fiscal 2020, in accordance with accounting principles used by the Company. For more information, see the note on employee pension and other benefit plans in the Company's financial statements for fiscal 2020. See "Additional Information".

Defined Benefit Plans Table

Name	Number of Years Credited Service (#)	Annual Benefits Payable (\$)		Opening Present Value of Defined Benefit Obligation (\$)	Compensatory Change (\$)	Non-Compensatory Change ⁽¹⁾ (\$)	Closing Present Value of Defined Benefit Obligation (\$)
		At Year End	At Age 65				
Lino Saputo, Jr.	-	-	-	-	-	-	-
Maxime Therrien	2.67 ⁽²⁾	53,600	372,000	647,100	517,000	(126,400)	1,037,700
Kai Bockmann	3.25	128,200	502,600	1,957,600	783,900	(275,600)	2,465,900
	3.75 ⁽³⁾	157,600	180,600	2,704,000	(226,000)	661,900	3,139,900
Terry Brockman	14.00	528,400	641,200	5,339,300	248,000	1,728,400	7,315,700
Paul Corney	6.00	177,700	182,700	2,675,500	488,800	(165,700)	2,998,600
	12.25 ⁽⁴⁾	37,900	37,900	653,100	0	(42,100)	611,000

- (1) The values shown under Non-Compensatory Change take into account changes in actuarial assumptions used, the impact of amounts attributable to interest accruing on the accrued obligation since the beginning of the fiscal year, and changes in the interest rate used.
- (2) Mr. Therrien participates in the supplementary retirement plan as of August 1, 2017, and in the Non-Contributory Canadian Registered Defined Benefit Pension Plan as of January 1, 2018. Prior to August 1, 2017, Mr. Therrien participated in and received an employer contribution in connection with a registered and supplemental non-contributory defined contribution plan. The value accumulated by Mr. Therrien under this plan was \$554,866 as at April 1, 2019, and \$545,210 as at March 31, 2020.
- (3) This number corresponds to the years of credited service for Mr. Bockmann under the US non-registered Executive Supplementary Retirement Pension Plan, in which Mr. Bockmann participated in his previous role.
- (4) This number corresponds to the years of credited service for Mr. Corney under the Saputo Dairy Canada Defined Benefit Pension Plan, in which Mr. Corney participated in his previous role as an employee of a business acquired by the Company in 2001. Under this defined benefit pension plan, participants are entitled to pension benefits as of their respective age of retirement equal to 2% of their final average base salary multiplied by their years of service. Furthermore, the total annual pension payable from the plan at retirement is limited by the provisions of the *Income Tax Act*. Based on 2020 limits, the maximum annual pension benefit is equal to \$3,093 multiplied by Mr. Corney's years of credited service. The limit is indexed annually.

Pension benefits earned under the Pension Plans are first payable from the Non-Contributory Canadian Registered Defined Benefit Pension Plans or the Contributory 401(K) pension plan, as per their respective terms and conditions, as applicable. Any incremental benefits are payable from the Executive Supplementary Retirement Pension Plan. The obligations accumulated in the Non-Contributory Canadian Registered Defined Benefit Pension Plans and the Contributory 401(K) pension plan are being funded. However, the Company's obligations under the Executive Supplementary Retirement Pension Plan will be paid as they become due. The Company's total obligations under the Pension Plans are expensed annually for accounting purposes in accordance with accounting principles used by the Company.

TERMINATION OF EMPLOYMENT AND CHANGE OF CONTROL

There is no contract, arrangement or any other understanding with respect to employment, termination of employment, a change of control or a change in responsibilities following a change of control, between the Company and any of the Company’s NEOs, except as discussed under the sections entitled “Elements of Executive Compensation – Long–Term Incentive Plan – PSU Plan and RSU Plan” “Elements of Executive Compensation – Defined Benefit Pension Plan” and “Securities Authorized For Issuance Under Equity Compensation Plans”. As mentioned, the Chief Executive Officer does not receive any long–term incentive as his interest in the principal shareholder constitutes a sufficient long–term incentive.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out the securities authorized for issuance under the Equity Compensation Plan as of March 31, 2020, which is the only compensation plan of the Company under which equity securities of the Company are authorized for issuance:

Equity Compensation Plan Information			
Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted–Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under the Equity Compensation Plan (Excluding Securities Reflected in Column (a))
Equity Compensation Plan approved by security holders	20,946,092	\$38.05	18,335,893

The following text presents a summary of the main characteristics of the Equity Compensation Plan established to attract and retain experienced and competent employees and officers, and to encourage share ownership by such persons.

The Company has an Equity Compensation Plan for full–time employees and officers of the Company and its subsidiaries. Directors do not participate in the Equity Compensation Plan. The terms, the exercise price, the number of underlying Common Shares and the vesting periods of the options are determined by the Corporate Governance and HR Committee at the time of grant. Under the Equity Compensation Plan, the exercise price may not be less than the volume weighted average trading price for the five trading days immediately preceding the date of grant. Options granted under the Equity Compensation Plan may not be assigned or transferred, and expire ten years from the date of grant. If the expiration date for an option falls within a blackout period or within nine business days following the expiration of a blackout period, the expiration date is automatically extended to the tenth business day after the end of the blackout period. Options granted under the Equity Compensation Plan vest over a five–year period at a rate of 20% per year. The exercise price can be paid in cash or through a “broker cashless exercise” procedure. Upon exercise, the reserve of Common Shares is deducted in full accordingly. The maximum number of Common Shares issuable at any time

to insiders of the Company shall not exceed 10% of the total number of outstanding Common Shares at such time. Moreover, the maximum number of Common Shares issued to insiders of the Company within any one-year period shall not exceed 10% of the total number of outstanding Common Shares at such time.

The following table summarizes the provisions of the Equity Compensation Plan related to termination of employment or death.

Nature of Termination	Applicable Termination Provisions of the Equity Compensation Plan
For cause or for a serious reason	Vested and unvested options are cancelled at the date of termination
Death, injury or disability	Vested options may be exercised within 180 days from the date of termination of employment or before the expiration of the original term of the option, whichever occurs first
Retirement if the optionee's age and years of service total 70 years or more, taking into account only whole years	Vested options and options scheduled to vest in the two years following the date of termination of employment may be exercised within 90 days from the expiration of this two-year period or before the expiration of the original term of the option, whichever occurs first.
All other circumstances	Vested options may be exercised within 90 days from the date of termination of employment or before the expiration of the original term of the option, whichever occurs first

The Equity Compensation Plan authorizes the Board to make certain amendments without shareholder approval, including, without limitation, the following types of amendments:

- (i) any limitations of conditions on participation in the Equity Compensation Plan (other than to the eligibility for participation);
- (ii) any amendment to any terms upon which options may be granted and exercised, including but not limited to, the terms relating to the amount and payment of the option price, vesting, expiry and adjustment of options, or the addition or amendment of any cashless exercise features;
- (iii) any amendment to the Equity Compensation Plan to permit the granting of deferred or restricted share units under the Equity Compensation Plan or to add or to amend any other provisions which would result in participants receiving securities of the Company while no cash consideration is received by the Company;
- (iv) any change that is necessary or desirable to comply with applicable laws, rules or regulations of any stock exchange on which the shares of the Company are listed;
- (v) any correction or rectification of any ambiguity, defective provision, error or omission in the Equity Compensation Plan or in any option;
- (vi) any amendment to the definitions contained in the Equity Compensation Plan and any other amendments of a clerical nature; and
- (vii) any amendment to the terms relating to the administration of the Equity Compensation Plan.

The approval of the Company's shareholders is required if the amendment to the Equity Compensation Plan relates to the following:

- (i) increasing the maximum number of Common Shares issuable under the Equity Compensation Plan, except for the purpose of maintaining option value in connection with a conversion, change, reclassification, redivision, redesignation, subdivision or consolidation of Common Shares or a reorganization, amalgamation, consolidation, merger, takeover bid or similar transaction involving the Company;
- (ii) reducing the exercise price or purchase price of any option;
- (iii) extending the term of any option;
- (iv) removing or exceeding the insider participation limit;
- (v) changing the class of persons eligible to participate under the Equity Compensation Plan;
- (vi) permitting any option granted under the Equity Compensation Plan to be transferable or assignable, other than by will or under succession laws (estate settlement); and
- (vii) amending the amendment provision of the Equity Compensation Plan;

provided that Common Shares held directly or indirectly by insiders benefiting from the amendment in (ii) and (iii) shall be excluded when obtaining such shareholder approval.

The Equity Compensation Plan provides that in the event of (i) a proposed amalgamation, merger or consolidation of the Company; (ii) a proposed liquidation, dissolution or winding-up of the Company; (iii) an offer to purchase the Common Shares or any part thereof made to all holders of Common Shares; or (iv) a change of control, the Board may (i) provide for the substitution, replacement or assumption of options granted by the acquiring or surviving entity; (ii) terminate the options outstanding, other than the options already vested; (iii) make options exercisable in full; or (iv) change the vesting conditions and the expiration date of the options. A change of control under the Equity Compensation Plan consists of (i) a sale of all or substantially all of the assets of the Company and its subsidiaries; or (ii) a sale, directly or indirectly, resulting in more than 50% of the Common Shares being held, directly or indirectly, by another person (other than a wholly-owned subsidiary of the Company).

The following table provides information regarding the Equity Compensation Plan as at March 31, 2020.

	Number of Common Shares/options (#)	As a % of Common Shares outstanding
Common Shares authorized for issuance under the Equity Compensation Plan	45,698,394	11.18%
Options granted in fiscal 2020 ⁽¹⁾	3,319,450	0.81%
Options outstanding	20,946,092 ⁽²⁾	5.13%
Options remaining available for future grants	18,335,893	4.49%

(1) Options granted on April 1, 2019, at an exercise price of \$45.30 per share.

(2) 10,779,636 options were exercisable and 10,166,456 will vest at a rate of 20% per year, on each of the first five anniversaries of their date of grant.

The following table sets out the annual burn rate for the Equity Compensation Plan for the last three fiscal years:

	March 31, 2020	March 31, 2019	March 31, 2018
Burn rate ⁽¹⁾	0.83%	1.17%	1.01%

(1) This number corresponds to the number of options granted under the Equity Compensation Plan during the applicable fiscal year divided by the weighted average number of Common Shares outstanding for the applicable fiscal year, expressed as a percentage.

On April 1, 2020, the Corporate Governance and HR Committee granted an aggregate of 4,637,830 options to participants under the Equity Compensation Plan at an exercise price of \$33.35 per share, which represents 1.13% of the outstanding Common Shares on March 30, 2020, the business day immediately prior to the grant.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors and other executive officers of the Company, nor any of their associates, are indebted towards the Company in respect of loans, advances or guarantees of indebtedness.

APPOINTMENT OF AUDITORS

Deloitte LLP, chartered accountants, have been the auditors of the Company since 1992.

Except where the authority to vote in favour of the appointment of Deloitte LLP is withheld, the persons whose names are printed on the enclosed form of proxy intend to vote FOR the appointment of Deloitte LLP, chartered accountants, as auditors of the Company and to vote FOR authorizing the Board to determine their remuneration. The auditors will hold office until the next annual meeting of the shareholders of the Company or until their successors are appointed.

During fiscal 2020, the Company retained Deloitte LLP to provide services. Details of the services and amounts paid to Deloitte LLP are presented in the section “External Auditors’ Fees (By Category)” of the Annual Information Form of the Company for the year ended March 31, 2020.

INTEREST OF MANAGEMENT AND OTHERS IN TRANSACTIONS

In the normal course of business, the Company receives services from and provides goods to companies subject to control or significant influence through ownership by its principal shareholder. These goods and services are of an immaterial amount and compensated by a consideration equal to their fair value, comparable to similar arms’ length transactions. Reference is made to the note of the Consolidated Financial Statements of the Company that describes the related-party transactions. See “Additional Information”.

SHAREHOLDER PROPOSAL

The shareholder proposal submitted for consideration of the Company’s shareholders is attached as Schedule A. For the reasons set forth in Schedule A, the Board recommends that shareholders vote AGAINST the proposal in Schedule A. Unless instructed to vote for in the accompanying form of proxy,

the persons whose names are printed on the enclosed form of proxy intend to vote AGAINST the shareholder proposal.

Subject to the *Canada Business Corporations Act*, certain shareholders of the Company may submit to the Company proposals to be considered at the next annual meeting of the shareholders of the Company. All shareholder proposals must be received by the Company no later than March 6, 2021.

ADDITIONAL INFORMATION

The Company's financial information is included in the Consolidated Financial Statements of the Company and notes thereto, as well as in the accompanying Management's Discussion and Analysis for fiscal 2020. Additional information relating to the Company, including financial information and the Company's Annual Information Form, can be found on the Company's website at www.saputo.com or on SEDAR at www.sedar.com. Copies of these documents may also be obtained by written request to the Secretary of the Company by mail at 6869 Métropolitain Boulevard East, Montréal, Québec H1P 1X8, or via the Company's corporate communications' department at investors@saputo.com.

The Board encourages shareholder attendance and participation at the Company's Meeting as it provides a valuable opportunity to discuss the Company's activities and general business, financial situation, corporate governance and other important matters. Outside of the Company's annual meetings, shareholders may contact the Board through the Secretary of the Company by postal mail at the address noted above.

GENERAL

Except as otherwise specifically indicated, the information contained herein is given as of May 26, 2020. Management of the Company presently knows of no matters to come before the Meeting other than matters identified in the Notice. If any matter should properly come before the Meeting, the persons named in the form of proxy will vote on such matters according to their best judgment.

APPROVAL OF THE DIRECTORS

The directors of the Company have approved the content and the sending of this Circular.

Montréal, Québec, June 4, 2020.

(signed) Lino Saputo, Jr.

Lino Saputo, Jr.
Chair of the Board and Chief Executive Officer

SCHEDULE A – SHAREHOLDER PROPOSAL

The following proposal was submitted by *Mouvement d'éducation et de défense des actionnaires* (MÉDAC) of 82 Sherbrooke Street West, Montréal, Québec, H2X 1X3, a holder of Common Shares, for consideration at the Meeting. The proposal was submitted in French and translated into English by the Company.

It is proposed that the compensation committee present in its annual report a review of the advisability of incorporating environmental, social and governance factors in evaluating executive performance and determining executive compensation.

MÉDAC arguments:

The United Nations Principles for Responsible Investment (PRI) and the United Nations Global Compact published in 2012 state that the use of ESG factors can significantly impact the creation and protection of shareholder value.

These objectives can be summarized as follows: the proportion of women on decision-making bodies, greater integration of members of different socio-cultural backgrounds, initiatives to reduce the consumption of paper, energy and water, actions taken to ensure the sustainable employability of the workforce in terms of task automation, programs set up to promote employee health and well-being, etc.

In this regard, companies with clear ESG guidelines generally have a better reputation with their customers, are more adaptable to change, are better at risk management and are more innovative. They therefore have better tools to develop long-term value for shareholders and all stakeholders.

The inclusion of financial goals in evaluating performance and determining executive compensation unquestionably plays an essential role in achieving those objectives. The same approach should be followed regarding ESG factors.

Company arguments:

The Board and Management are committed to advancing the Company's ESG practices. This commitment is outlined in the Saputo Promise.

In fiscal 2020, the Company began executing the Saputo Promise three-year plan with efforts deployed across all seven Pillars of the Promise. As such, the Company recently took an important step towards safeguarding the environment by pledging to accelerate its global climate, water and waste performance with clear targets and a formal commitment to make significant and sustainable progress by 2025.

As further detailed in the Circular, the governance structure around the Saputo Promise is robust. The tone at the top is clear regarding the Company's focus on pursuing environmentally and socially responsible business practices as a strategic priority.

The Board believes that the strategic priority given to ESG factors including through the execution of the Saputo Promise, along with the information that the Company discloses on ESG-related matters represent a significant commitment to advancing the Company's ESG priorities.

With a strong foundation in place and clear strategic direction, the Company will continue looking for opportunities to improve performance across each Pillar comprising the Saputo Promise and developing key performance indicators for its ESG goals. At this point in the Company's ESG journey, the Board believes that specifically incorporating ESG factors into executive performance evaluation and compensation would be premature. Further, as Management's efforts are currently focused on mitigating the impacts of the COVID-19 pandemic on the Company's business and considering the above, the Board believes the further review of executive performance evaluation and compensation as requested by MÉDAC is not advisable at this time.

In light of the foregoing, the Board of Directors therefore recommends that shareholders vote "AGAINST" this proposal.

SCHEDULE B – BOARD MANDATE

The Board of Directors (the “**Board**”) is responsible for the stewardship of the business and affairs of Saputo Inc. (the “**Company**”). As such, the Board establishes all Company policies, oversees and assesses management’s strategic decisions, and has full power for duties that are not specifically delegated to its committees or to management. The Board is also responsible for overseeing the management of the Company’s business so as to enhance the creation of long-term shareholder value while considering the interests of the Company’s various stakeholders, including shareholders, employees, customers, suppliers, business partners and the communities where the Company operates. Management’s role is to conduct the Company’s day-to-day operations so as to ensure that this objective is met.

BOARD ORGANIZATION

- The directors are elected annually by the Company’s shareholders. These directors, together with those appointed between annual meetings to fill vacancies or as additional directors, make up the Board of the Company.
- The composition and organization of the Board, including the number and qualifications of directors, the number of Board meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings, shall comply with applicable requirements of the *Canada Business Corporations Act*, laws and regulations and the articles and by-laws of the Company.
- The Board must be composed of a majority of independent directors as defined by applicable laws and regulations.
- The Chair of the Board must be appointed by a resolution of the Board, and a Lead Director must be appointed if the Chair of the Board is not an independent director. The Lead Director must be appointed by a resolution of the independent members of the Board.
- The Board meets at least five times per year and may call special meetings as required. The Chair of the Board, the Lead Director, any member of the Board, the Chief Executive Officer or the Chief Financial Officer and Secretary may call special meetings as needed. The Board determines the place, date and time of its meetings. The meetings may be held by telephone or by any other means allowing the members of the Board to communicate with each other. Unless waived by the independent members of the Board, the independent directors meet, *in camera*, without management and non-independent directors in attendance, following each meeting of the Board. The Chair of the Board, or Lead Director if the Chair is not an independent director, chairs the *in camera* meetings.
- The Chair of the Board and the Lead Director approve meeting agendas and ensure that documents referred to in the agenda are forwarded to directors sufficiently in advance for their perusal. Any member of the Board may propose the inclusion of additional items on the agenda, or at any Board meeting raise subjects that are not on the agenda for that meeting.
- Minutes of Board meetings must accurately reflect the significant discussions and the decisions of the Board and must be circulated to the members of the Board for their approval. The secretary of the

Company, their designate or any other person the Board requests, shall act as secretary of the Board meetings. Minutes of the Board meetings shall be recorded and maintained by the secretary of the Company, or any other person acting in such capacity.

- The Board may invite any person deemed appropriate to a Board meeting. However, such person may not at any time vote at the Board's meeting.
- The Board has full access to members of senior management and other personnel, as well as to documents of the Company and its subsidiaries. The Board has the authority to retain, at the cost of the Company, independent legal counsel, consultants or other advisors it considers necessary to carry out its mandate and fulfill its responsibilities, and to fix the compensation of such advisors.

COMMITTEES OF THE BOARD

- The Board has established the Audit Committee and the Corporate Governance and Human Resources Committee. Subject to applicable laws and regulations, the Board may establish other Board committees or merge or dispose of any Board committees.
- The Board has approved mandates for each existing Board committee and shall approve mandates for each new Board committee.
- The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. The Board may request the assistance of Board committees in performing its duties and delegate additional responsibilities to them if it deems appropriate.
- To facilitate communication between the Board and each of the Board committees, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting following the committee's meeting.

RESPONSIBILITIES

The Board takes on the following responsibilities outlined below:

A. Strategic Planning

- 1) reviewing and approving the Company's strategic orientation: identification of short, medium and long-term qualitative and quantitative objectives, annual approval of the strategies for achieving them, which strategies take into account opportunities and risks, and monitor the achievements of management;
- 2) reviewing and approving the Company's annual budget;
- 3) periodically reviewing and approving the results obtained by the Company in comparison with objectives pursued; determining the causes of any discrepancies and approving the appropriate corrective actions, if any;
- 4) reviewing and approving the dividend policy and approving the declaration of dividends for payment, when required;

- 5) approving significant acquisitions and dispositions of businesses, any major contract or project, including financing agreements and agreements under which guarantees are given or substantial assets are given as security, as well as any other important matter concerning the Company;

B. Management Oversight

- 6) monitoring, where possible, the integrity of the Chief Executive Officer and other senior executives, as well as ensuring that each of them promotes a culture of integrity within the Company;
- 7) reviewing and approving the appointment, indemnification, succession and education plans, and overseeing compensation for the executive officers;
- 8) developing and approving written position descriptions for the Chief Executive Officer;
- 9) reviewing the performance of the Chief Executive Officer in light of his position description and objectives to be met;

C. Risk Management

- 10) identifying the main risks associated with the Company's business and ensuring the deployment of appropriate risk management measures;
- 11) overseeing the integrity of the Company's internal control over financial reporting and disclosure controls and procedures;
- 12) monitoring compliance of the Company with laws, regulations and norms applicable to it and its activities;

D. Communications and Shareholder Engagement

- 13) establishing and overseeing the implementation of the corporate disclosure policy, and reviewing and approving the continuous disclosure documents, such as the financial statements, management's discussion and analysis, management information circular, annual information form and annual report;
- 14) establishing and overseeing the implementation of a shareholder communication and engagement policy, meeting with the Company's shareholders and stakeholders, in conjunction with management, at the annual meeting of shareholders and be available to respond to questions at that time or in accordance with the Company's shareholder communication and engagement policy;

E. Environmental, Social and Governance (ESG) Matters

- 15) overseeing the ESG factors material to the Company's business and the deployment of appropriate measures to manage them;
- 16) overseeing the Company's practices, guidelines and policies related to the Saputo Promise, including:
 - the environmental policy;
 - the food quality and safety policy;
 - health and safety;
 - the Code of Ethics with the purpose of encouraging and promoting integrity and a culture of ethical business conduct; and
- 17) approving the Company's approach to corporate governance, in particular, adopting corporate governance principles and guidelines that apply specifically to the Company;

F. Board Matters

- 18) developing and approving written position descriptions for the Chair of the Board, the Lead Director and the chair of each Board committee;
- 19) implementing and supervising a process for assessing the performance of the Board, its committees and the directors, as well as periodically evaluating their performance;
- 20) implementing and supervising the process to select and recruit candidates for the Board;
- 21) determining the independence, or lack thereof, of each director;
- 22) implementing and supervising the orientation and continuing professional development programs of directors;
- 23) implementing and supervising a policy with regards to the diversity of its board of directors;
- 24) reviewing and approving the compensation and indemnification of directors;
- 25) ensuring, as feasible, that each director acts with integrity and good faith in the best interest of the Company, with the diligence and the skills that would present, in such circumstances, a prudent and diligent person;
- 26) annually reviewing the Board's mandate; and
- 27) reviewing any other matter or issue that may be referred to the Board by one of the Board committees or that it deems appropriate to be mandated to act on.

In general, the Board has the responsibility to approve all matters that lie within the powers of directors under the *Canada Business Corporations Act* and any other applicable law.