



## How to read your personal summary of total compensation

Your total compensation summary is designed to help you gain a better understanding of the value of the plans provided by Metro Ontario Inc. It also provides you with an overview of your benefits coverage and can be a useful financial planning tool. The plan changes announced in the Fall of 2013 which will apply effective January 1, 2015 and January 1, 2017—or immediately for employees hired after November 18, 2013—are taken into account in this personal summary.

The following is a handy guide to the information you will find in your summary. Please keep in mind that your personal summary may be slightly different from the example provided here, depending on your own situation.

## Personal summary 2013 of total compensation

Prepared for  
**Last name, First name**  
Street  
City, Province Postal Code

This document is a summary of your total compensation as a corporate employee of Metro Inc. and its subsidiaries. Your total compensation reflects the key role that you play in the success of the organization. This summary is designed to help you understand the value of the various components of your total compensation and the financial security it provides for you.

For more information, please refer to your pension and benefits booklets, or contact the Human Resources department for your division.

**1 Value of your total compensation**

This table presents the relative value of the various components of your total compensation as a percentage of your basic salary.

Component	Value	Description
Basic salary	100.0%	Basic salary, including statutory holidays and annual vacation.
Short-term incentive	16.0%	Maximum bonus under the short-term incentive plan.
Pension plan	11.3%	Average cost assumed by Metro for membership in the corporate plan.
Group insurance and government plans	15.6%	Average cost assumed by Metro for group insurance, and Average contributions paid by Metro to the following government plans: Employment Insurance, Provincial Health Insurance Plan, Workers' Compensation, Québec/Canada Pension Plan.
Automobile allocation	6.0%	Cost assumed by Metro for the automobile policy and related expenses.
<b>Estimated total compensation</b>	<b>148.9%</b>	

You pay the full cost of the long term disability insurance, dependent life insurance, optional life insurance and optional accidental death and dismemberment insurance for you, your spouse, and your children, as applicable. Metro pays the full cost of the basic life insurance, basic accidental death & dismemberment insurance, health and dental coverage. Under the pension plan, Metro pays the full contribution.

**2 Personal information**

This summary is based on the following basic information, as contained in your personnel file.

Date of birth	November 20, 1960	Date of enrolment in the plan	October 1, 1992
Date of hire	September 14, 1990	Normal retirement date	January 1, 2025
Basic salary as of January 2014	\$85,000		
Province of employment	Ontario		

The management of your compensation and benefits is confidential. If you have any questions, or if any of this information appears to be inaccurate, please contact the Benefits department at Head Office.

Every effort has been made to ensure that the information in this statement is accurate. In any case of discrepancy, the official documents will prevail.

- 1. Value of your total compensation** — Provides a breakdown of your total compensation, expressed as a percentage of your basic salary.

The paragraph below the table describes the cost sharing between you and Metro for your insurance and pension plans.

*This section will not appear if you are not covered under the insurance plan or if your participation in the corporate pension plan is suspended.*

- 2. Personal information** — Displays the information in our files, including your basic salary, the date on which you joined the plan (*date of enrolment in the plan*), as well as your normal retirement date, i.e. at age 65.

**! If you notice an error**, please contact the Pension department at Head Office at 416-234-6231 as soon as possible.

## Financial security for today

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### Income protection in case of disability

During the first 4 weeks of disability	You are eligible to receive 100% of your salary or \$1,699 per week.
From the 5 <sup>th</sup> to the 26 <sup>th</sup> week of disability	You are eligible to receive 80% of your salary, or \$1,299 per week.
From the 27 <sup>th</sup> week until your recovery or until you reach age 65, whichever occurs first	You are eligible to receive 66 2/3% of your salary up to \$3,500 plus 45% of your salary in excess of \$3,500, or \$3,900 per month. This amount is reduced by any disability benefit you receive from government plans.

If you become disabled and receive benefits under the Metro insurance plan, your pension will continue to accumulate up to 12 months from the last day worked.

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### Survivor Benefits

Amount	Plan
\$80,000	from the basic life insurance plan
\$80,000	from the optional life insurance plan
\$160,000	from the accidental death and dismemberment insurance plan <sup>(1)</sup>
\$100,000	from the optional accidental death and dismemberment insurance plan <sup>(1)</sup>
\$250,000	from the business travel insurance plan <sup>(2)</sup>
\$230,699	from the pension plan (December 31, 2013)

<sup>(1)</sup> If you had died as the result of an accident

<sup>(2)</sup> If you had died as the result of an accident during a business trip on behalf of Metro

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### Spouse and beneficiaries

#### Life and accident insurance and business travel insurance (basic and optional, if applicable)

Beneficiary(ies):

John Smith

#### Pension plan pre-retirement death benefits

The law provides that these benefits are payable to your spouse, **John Smith**. According to our records, your spouse's date of birth is October 15, 1960. If you have no spouse at the time of your death, the benefits will be paid to your beneficiary(ies). Names. By law, a spouse has priority over a designated beneficiary unless the spouse waives his/her rights.

Since your record indicates that you have a spouse and have not yet reached age 55, had you died on the statement date, your spouse would have received the value of your pension.

The actual beneficiaries of the survivor benefits payable will be determined upon your death, based on information available to the Pension Plan administrator and in accordance with the applicable legislation as well as the Plan provisions.

Benefits may also be payable from the Canada Pension Plan, Workers' Compensation or from other government plans, as applicable.

### Dependent Life insurance

Your dependents also benefit from life insurance coverage. You are the beneficiary of this insurance.

Spouse	\$7,500 from the basic life insurance plan. \$50,000 from the optional accidental death and dismemberment insurance plan.
Dependent children	\$5,000 for each dependent child. \$30,000 from the optional accidental death and dismemberment insurance plan for each dependent child.

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**3. Income protection in case of disability** — Summarizes your short- and long-term disability coverage.

**4. Survivor benefits** — Shows the amounts your survivor(s) (spouse, or beneficiaries if there is no spouse) would be entitled to receive from the various plans in the event of your death.

**5. Spouse and beneficiaries** — Displays the information in our files regarding your spouse and designated beneficiaries.

**⚠ Please review this section carefully.** If the information needs to be updated, please contact the Benefits department at Head Office at 416-234-6565.

**6. Dependent life insurance** — Shows the amount of life insurance coverage for your spouse and dependent children, if any, for which you are the beneficiary.

**7. Health care coverage and dental expenses insurance** — Shows reimbursement levels for your hospital, medical and dental expenses.

The paragraph below the table indicates whether your plans cover you and/or your dependents.

### Health care coverage

#### Hospital and medical expenses insurance

Type of care	Reimbursement
Prescription drugs (Direct payment at Brunet and Clinipius, and deferred payment at other pharmacies)	100% for generic drugs, 90% for other drugs, \$5 deductible per prescription
Hospitalization (Semi-private room)	100% No deductible
Eligible medical expenses, including paramedical services and vision care	90% (100% for vision care) Subject to certain limits, no deductible

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#### Dental expenses insurance

Type of care	Reimbursement	Deductible	Maximum
Basic and preventive care	100%		
Restorative care	90%	\$39 for you and \$39 for all of your dependents combined	\$2,500 per person per calendar year
Major care	80%		
Orthodontics	50%		\$2,000 per person during his/her lifetime

These plans cover you, your spouse and your children. Consult the information booklet for more details. We suggest that you always refer to the provisions of the group insurance plans before incurring charges or undertaking treatments that may be expensive.

Amounts shown in this section are based on the information in your file at the time the statement was prepared. These amounts are for illustrative purposes only and can vary over time.



## Financial security for tomorrow

As a Metro Ontario Inc. corporate employee, you are a member of The Great Atlantic & Pacific Company of Canada, Limited Corporate Retirement Plan (registered with the Financial Services Commission of Ontario under number 0264382) (the Plan).

### 8 Your estimated pension income

Assuming that you remain employed by Metro as a member of the corporate plan until your retirement, the monthly income you would receive at various retirement ages is estimated as follows:

	Age 55	Age 60	Age 63	Age 65
Total Pension from Metro	\$1,500	\$2,400	\$3,000	\$3,200

Your total pension from Metro is composed of your accrued pension, based on 22.25 years of credited service under the corporate plan and a five-year average salary of \$79,607 as at December 31, 2013, and of a projected pension to your retirement date. The annual pension is defined as 1.6% of average earnings minus 1.5% of Canada Pension Plan Benefits multiplied by credited service to a maximum of 33.3333 years. As of January 1, 2015, the maximum number of years of credited service will increase to 35 years.

The estimated pension payable from the Plan is calculated according to the normal form of pension. For your pension accrued before January 1, 2017, the normal form is a life annuity. If you have a spouse on your retirement date, the normal form will include a provision that 50% of your monthly pension will continue after your death to your spouse for the balance of his or her lifetime. As announced in November 2013, for your pension accrued from January 1, 2017, the normal form will change to a life annuity with a guarantee of 10 years for all members.

Other forms of pension are available. However, if you have a spouse and you wish to choose an optional form of payment that provides your spouse with no benefits at all or with a pension equal to less than 60% of your pension, legislation requires that you both waive the 60% pension in writing.

These estimates are intended to give you an idea of how your retirement income will compare to your current salary. They are therefore based on your current basic salary as of January 1, 2014 and the 2014 Canada Pension Plan Yearly Maximum Pensionable Earnings of \$52,500. We have taken into account the maximum pension per year of service prescribed by the Income Tax Act (\$2,697 in 2013 and \$2,770 in 2014). We have assumed that this maximum pension will remain at the 2014 level for future years.

Your actual benefits will vary depending on your salary and changes in your situation. Future statements will reflect these changes.

### 9 Early retirement

You will become eligible for early retirement on November 20, 2015, when you reach age 55.

The pension estimates for ages 55, 60 and 63 take into account the early retirement reduction provided by the plan. For the pension accrued prior to January 1, 2017, the reduction is 4% for each year between your age at retirement and age 63 if you have at least 10 years of plan membership. For the pension accrued on and after January 1, 2017, the reduction is 4% for each year between your age at retirement and age 65 if you have at least 10 years of plan membership. If you do not have at least 10 years of plan membership, the reduction is based on an actuarial equivalence.

### 10 Canada Pension Plan (CPP)

You could also be entitled to a pension from the Canada Pension Plan (CPP), providing that you contributed to that plan and fulfill eligibility requirements. As of January 1, 2014, the maximum monthly CPP pension payable at age 65 amounted to \$1,038. The CPP pension can be paid as early as age 60 and is reduced accordingly. The amount of your CPP pension will depend on your period of contribution and your pensionable earnings during that period. Therefore, the actual amount you will receive could be different from the maximum amount. For more information on the CPP, visit Service Canada's website at [www.servicecanada.gc.ca](http://www.servicecanada.gc.ca).

### 11 Old Age Security (OAS)

You could also be eligible to receive the Old Age Security (OAS) pension as of age 67, or as early as age 65 if you were born prior to 1961. As of January 1, 2014, the maximum monthly OAS pension amounted to \$551. Under income tax rules, if your net income in any year during retirement exceeds a certain amount (\$71,592 in 2014), the OAS pension will be reduced. For more information on the Old Age Security program, visit Service Canada's website at [www.servicecanada.gc.ca](http://www.servicecanada.gc.ca).

### 8. Your estimated pension income —

Shows, for the normal form of pension, the estimated monthly income you would receive from Metro at various retirement ages, based on your current credited service and five-year average salary, as well as your projected credited service and current basic salary.

### 9. Early retirement —

Shows the date on which you will become eligible for early retirement and explains how your pension would be reduced depending on your age at retirement.

### 10. Canada Pension Plan —

Describes the benefits you could be entitled to under this government plan.

### 11. Old Age Security (OAS) —

Shows the maximum monthly OAS pension you could receive based on the current year maximum.

## 12 Employment termination benefits

If you had left your employment on December 31, 2013, you would have been entitled to an accrued pension of \$2,005 beginning at age 65.

The value of your benefits was estimated at \$200,800 as of December 31, 2013. Please note that this amount can vary significantly depending on the calculation date, owing in particular to interest rate fluctuations.

If you are under age 55 upon termination of your employment, you can transfer the value of your benefits to a locked-in retirement account (LIRA), another employer's pension plan, if that plan allows it, or an insurance company to purchase a life annuity. This transfer can be made tax-free up to the maximum permitted by the *Income Tax Act*. Any portion exceeding this maximum will be reimbursed in cash, less applicable taxes.

However, if the value of your benefits is less than 20% or if your annual accrued pension is less than 4% of the Year's Maximum Pensionable Earnings (YMPE) for the year of your termination of employment, you are entitled to a refund of the amount or to transfer the value of your benefits to a Registered Retirement Savings Plan (RRSP). The YMPE for 2014 is \$52,500.

You can also choose to receive your pension before age 65, but not before age 55. Your pension will then be actuarially reduced, as applicable.

The value of any benefit payable at the time of your death or your termination of employment will not be less than the minimum benefit provided for by the applicable legal requirements.

### Death benefits during retirement

In the event of your death during retirement, the benefits will vary depending on whether or not you have a spouse when you retire and the chosen form of pension payment.

## Financial position of the plan

According to the last actuarial valuation of the Corporate Retirement Plan, as at July 1, 2011, the Plan is not fully funded. The transfer ratio of the Plan is 87% compared with 83% as at July 1, 2010, the date of the previous actuarial valuation. This means that if the Plan had been terminated as at July 1, 2011, the fund's assets would have been insufficient to provide all benefits accrued under the Plan to that date. In accordance with legislative requirements, the Company is making the necessary contributions to the pension fund to bring the solvency ratio up to 100%. If upon termination of the Plan the transfer ratio were less than 1 and if that shortfall were not funded, the amount of benefits would be reduced. The Company expects to continue the Plan indefinitely. On an ongoing basis, the Plan provides that any actuarial surplus may be used to reduce the Company's contributions or may be returned to the Company. If the Plan is ever terminated, the Plan provides that any assets of the funds remaining, after provisions have been made to pay all pension benefits, will be returned to the Company.

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## 12. Employment termination benefits

— Describes the benefits you would be entitled to if you left the Company, and how you could, if you are under 55, transfer the accumulated value of your pension to an authorized retirement savings vehicle.

If you are over age 55, a table shows the monthly early retirement pension for which you are currently eligible.

## 13. Financial position of the plan —

Provides information on the financial status of the pension plan based on the latest actuarial valuations.