



2015

Notice of Annual Meeting of Shareholders
and Management Proxy Circular

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Notice of Annual Meeting of Shareholders

To the Holders of Common Shares:

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders (the “**Meeting**”) of RONA inc. (the “**Corporation**”) will be held at the Corporation’s head office located at 220 chemin du Tremblay, Boucherville, Quebec, on Tuesday, May 12, 2015 at 11:00 a.m. (local time) for the purposes of:

- (a) receiving the financial statements of the Corporation for the year ended December 28, 2014, together with the auditors’ report thereon;
- (b) electing twelve (12) directors for the ensuing year;
- (c) appointing auditors for the ensuing year and authorizing the directors to fix their compensation;
- (d) considering and, if deemed advisable, adopting a resolution (the full text of which is reproduced on page 56 of this Management Proxy Circular), approving a new share option plan for designated employees of the Corporation and its subsidiaries, adopted by the Board of Directors of the Corporation on March 12, 2015, all as more particularly described in this Management Proxy Circular;
- (e) considering and, if deemed advisable, adopting a non-binding advisory resolution (the full text of which is reproduced on page 57 of this Management Proxy Circular) on the Corporation’s approach to executive compensation; and
- (f) transacting such other business as may properly come before the Meeting.

Boucherville, Quebec, March 13, 2015

By order of the Board of Directors,

(signed)

France Charlebois
Corporate Secretary and Chief Legal Officer

Shareholders may exercise their rights by attending the Meeting or by completing a form of proxy. If you are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy and return it in the envelope provided for that purpose.

Proxies must be received by Computershare Investor Services Inc. (8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1) no later than 5:00 p.m. (local time) on Friday, May 8, 2015. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice. Your shares will be voted in accordance with your instructions as indicated on the form of proxy or, if no instructions are given on the form of proxy, the proxy holder will vote “FOR” each of the matters indicated at items (b), (c), (d) and (e) of this Notice of Annual Meeting of Shareholders. If you are a non-registered shareholder, reference is made to the section entitled “How do non-registered shareholders vote?” on page 5 of the accompanying Management Proxy Circular.

Voting and Proxies

This Management Proxy Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies for use at the annual meeting of shareholders of RONA inc. (the “**Corporation**” or “**RONA**”) to be held on Tuesday, May 12, 2015 at the place and time and for the purposes set forth in the accompanying notice of meeting, and at any adjournments thereof (the “**Meeting**”). Except as otherwise indicated, the information contained herein is given as of March 13, 2015, and all dollar amounts set forth herein are expressed in Canadian dollars.

Questions and Answers

The following questions and answers provide guidance on how to vote shares.

Who is soliciting proxies?

The enclosed proxy is being solicited by the management of the Corporation. The solicitation is being made primarily by mail, but proxies may also be solicited by telephone, fax or other personal contact by directors, officers or other employees of the Corporation. The Corporation has appointed Kingsdale Shareholder Services (“**Kingsdale**”) as its soliciting agent, at an estimated cost of \$47,250 for this service. The entire cost of the solicitation will be borne by the Corporation.

How can the transfer agent be contacted?

Shareholders can contact the transfer agent either by mail at Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by telephone at 1-800-564-6253, by fax at 1-888-453-0330 or by email at service@computershare.com.

Who can vote?

Holders of common shares of RONA (the “**Common Shares**”) have voting rights at the Meeting. As at March 13, 2015, 108,031,370 Common Shares were issued and outstanding. Each Common Share entitles the holder thereof to one vote at any meeting of shareholders of the Corporation.

To the knowledge of the directors and officers of the Corporation, no person beneficially owns, or exercises control or direction over, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, except for Caisse de dépôt et placement du Québec (“**Caisse**”), which controls approximately 18,231,600 Common Shares, or approximately 17% of the issued and outstanding Common Shares.

Holders of Common Shares whose names are registered on the list of shareholders of the Corporation as at the close of business (local time) on March 13, 2015, being the date set by the Corporation for the determination of the registered holders of Common Shares who are entitled to receive the notice of Meeting (the “**Record Date**”), will be entitled to exercise the voting rights attaching 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 thereat.

How do shareholders vote?

Shareholders eligible to vote whose Common Shares are registered in their name can vote their Common Shares in person at the Meeting or by proxy, as explained below. Shareholders whose Common Shares are held in the name of a nominee should follow the instructions below under “How do non-registered shareholders vote?”

Who is RONA’s Proxy Solicitation Agent?

Kingsdale is acting as RONA’s proxy solicitation agent. Shareholders can contact Kingsdale either by mail at Kingsdale Shareholder Services, The Exchange Tower, 130 King Street West, Suite 2950, P.O. Box 361, Toronto, Ontario, M5X 1E2, by toll-free telephone in North America at 1-866-851-2743 or call collect outside North America at 416-867-2272 or by email at contactus@kingsdaleshareholder.com

What will shareholders be voting on?

Shareholders will be voting in respect of the matters identified as items (b), (c), (d) and (e) of the attached notice of Meeting. The Board of Directors and management of the Corporation are recommending that shareholders vote **FOR** these matters.

How will these matters be decided at the Meeting?

A simple majority of the votes cast, in person or by proxy, will constitute approval of these matters at the Meeting.

How do registered shareholders vote?

1. VOTING BY PROXY

Shareholders whose name appears on their share certificate are registered shareholders. Registered shareholders may appoint someone else to vote for them as their proxy holder by using the enclosed form of proxy.

How to appoint a proxy?

The persons named as proxy holders in the enclosed form of proxy are directors and/or officers of the Corporation. Each shareholder is entitled to appoint a person, who need not be a shareholder, other than the persons designated in the enclosed form of proxy, to represent him or her at the Meeting. In order to appoint such other person, the shareholder should insert such person's name in the blank space provided on the form of proxy and delete the names printed thereon or complete another proper form of proxy and, in either case, deliver the completed form of proxy to Computershare Investor Services Inc. (8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1) no later than 5:00 p.m. (local time) on Friday, May 8, 2015. A proxy need not be a shareholder.

What is the deadline for receiving forms of proxy?

The deadline for receiving duly completed forms of proxy is 5:00 p.m. (local time) on Friday, May 8, 2015, or if the Meeting is adjourned, by no later than 5:00 p.m. (local time) on the day that is two business days prior to the day fixed for the adjourned meeting. The time limit for the deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.

How to revoke a proxy?

A shareholder who executes and returns the accompanying form of proxy may revoke the same: (a) by instrument in writing executed by the shareholder, or by his or her attorney authorized in writing, and deposited either (i) at the offices of the Corporation, to the attention of the Corporate Secretary and Chief Legal Officer of the Corporation, at 220 chemin du Tremblay, Boucherville, Quebec, Canada J4B 8H7, at any time up to and including 5:00 p.m. (local time) on Friday, May 8, 2015, or (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law. If the shareholder is a legal person, any such instrument of revocation shall be executed by a duly authorized officer or attorney thereof.

How will Common Shares for which a proxy is given be voted?

The persons named as proxies will vote or withhold from voting the shares in respect of which they are appointed, or will vote for or against any particular matter in accordance with the instructions of the shareholders appointing them. In the absence of such instructions, such shares will be voted FOR the matters identified as items (b), (c), (d) and (e) of the attached notice of Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of Meeting, and with respect to other business which may properly come before the Meeting or any adjournment thereof. As of the date hereof, management of the Corporation knows of no such amendment, variation or other business to come before the Meeting. If any such amendment or other business properly comes before the Meeting or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in accordance with their best judgment.

2. VOTING IN PERSON

Shareholders who wish to vote in person may present themselves to a representative of Computershare Investor Services Inc. at the registration table at the Meeting. Their vote will be taken and counted at the Meeting. Shareholders who wish to vote in person at the Meeting should not complete or return the form of proxy.

How do non-registered shareholders vote?

The information set forth in this section should be reviewed carefully by non-registered shareholders of the Corporation. Shareholders who do not hold their shares in their own name (the “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, those shares are, in all likelihood, *not* registered in the shareholder’s name. Such shares are more likely registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

All references to shareholders in this Circular and the accompanying form of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

Beneficial Shareholders are either “objecting beneficial owners” or “OBOs”, who object to the disclosure by intermediaries of information about their ownership in the Corporation, or “non-objecting beneficial owners” or “NOBOs”, who do not object to such disclosure. The Corporation is sending proxy-related materials directly to NOBOs and intends to pay for proximate intermediaries to send the proxy-related materials to OBOs.

1. GIVING VOTING INSTRUCTIONS

National Instrument 54-101 of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

2. VOTING IN PERSON

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or an agent of such broker), a Beneficial Shareholder may attend the Meeting as proxy holder for the registered shareholder and vote the shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their shares as proxy holder for the registered shareholder should enter their own names in the blank space on the proxy form provided to them by their broker (or the broker’s agent) and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or the broker’s agent).

Election of Directors

The Articles and By-laws of the Corporation provide that the Board of Directors of the Corporation (the “**Board of Directors**” or the “**Board**”) shall be made up of a minimum of three (3) and a maximum of twenty (20) directors as determined from time to time by resolution of the Board of Directors.

The Board of Directors has fixed at twelve (12) the number of directors to be elected for the current year. The provisions of the By-laws provide that the tenure of directors will be of one year and will end on the date of the annual meeting following their election or when their successors are elected.

MAJORITY VOTING POLICY - The Board of Directors has adopted a policy providing that a nominee for election as a director who receives a greater number of votes “withheld” than votes “for”, with respect to the election of directors by shareholders, shall promptly tender his resignation to the Chairman of the Board following the meeting of shareholders at which the director is elected. The Nominating and Corporate Governance Committee of the Corporation will consider such resignation and make a recommendation to the Board whether to accept it or not. The Nominating and Corporate Governance Committee shall be expected to accept and recommend acceptance of the resignation by the Board unless the circumstances direct otherwise. The Board will make its decision within 90 days following the meeting of shareholders, and promptly announce such decision in a press release. If the Board determines not to accept a resignation, the press release must fully state the reasons for that decision. The director who tendered his resignation shall not be permitted to participate in any part of a meeting of the Board of Directors or the Nominating and Corporate Governance Committee at which his resignation is to be considered. The resignation will be effective when accepted by the Board. This policy only applies in circumstances involving an uncontested election of directors. An “uncontested election” of directors means an election where the number of nominees for directors is equal to the number of directors to be elected. Subject to any restriction imposed by law, the Corporation’s articles or by-laws, in the case where the Board accepts the resignation of a director, the Board may leave the resulting vacancy unfilled until the next annual meeting of shareholders. It may also choose to fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders. It may further decide to call a meeting of shareholders during which a new candidate will be presented to fill the vacant position.

Since the last annual meeting of the shareholders of the Corporation held on May 13, 2014, Mr. Jean-Guy Hébert resigned as a director of the Corporation as of December 31, 2014. The Board is therefore currently comprised of thirteen (13) directors, two (2) of whom, being Barry Gilbertson and Wesley Voorheis, will not be standing for re-election at the Meeting. The Board proposes that, in addition to the eleven (11) members of the current Board who are standing for re-election, Jean-René Halde be elected as a director effective on July 1, 2015 and consequently, the Board proposes the twelve (12) persons named hereinafter as nominees for election as directors.

The following table sets forth the name, age, province and country of residence, position with the Corporation or principal occupation of each of the nominees for election as directors at the Meeting. The table also indicates the date at which a person became a director of the Corporation, as well as the number of Common Shares and Deferred Share Units of the Corporation (“**DSUs**”) beneficially owned, directly or indirectly, or over which control or direction is exercised by each such person. It further describes the level of attendance of directors to Board and standing committee meetings and the value of total compensation received by each individual to act as director of the Corporation. Finally, the table indicates the 2014 voting results for each of the nominees that are currently directors of the Corporation. Information relating to Messrs. Hébert, Gilbertson and Voorheis does not appear below along with the information regarding the twelve (12) proposed nominees for election as directors of the Corporation. Nevertheless, because Mr. Hébert acted as a director up to December 31, 2014, and Messrs. Gilbertson and Voorheis acted as directors up to the Meeting, information concerning them appears in the other sections of this Circular that pertain to the members of the Board.

Except where authority to vote with respect to the election of directors is withheld, the persons named in the enclosed form of proxy or voting instruction form intend to vote **FOR** the election of each of the nominees whose names are hereinafter set forth. If prior to the Meeting, any nominee is unable or, for any reason, becomes unwilling to serve as a director, it is intended that the discretionary power granted by the form of proxy or voting instruction form shall be used to vote for any other person or persons as directors. The Board of Directors and the management of the Corporation have no reason to believe that any of the said nominees will be unable or unwilling to serve, for any reason, if elected to office.

As you will note from the enclosed form of proxy or voting instruction form, shareholders may vote for each director individually.

Description of Nominees

Suzanne Blanchet

Mrs. Blanchet started with Cascades Inc. (produces, converts and markets packaging and tissue products composed mainly of recycled fibres) in 1977 and currently serves as Senior Vice-President, Corporate Development since 2014. From 1997 to 2014, she was President and Chief Executive Officer of Cascades Tissue Group (tissue manufacturing and conversion).

She is also a member of the executive committee of Cascades Inc., a member of the board of directors of McInnis Cement inc. (cement plant) since June 2014, a member of the board of directors and chair of the audit committee of Éco Entreprises Québec (private non-profit organization) since June 2006, a member of the board of directors of the FCPC (Food & Consumer Products of Canada) (food and consumer products industry association) since September 2004, a member of the board of directors of Innovassur, Assurances générales Inc. (insurance company) since February 2000, a member of the board of directors of CTAC (Conseil de la transformation agroalimentaire et des produits de consommation) since June 2008, and a member of the board of directors of Best Diamond Packaging, LLC (supplier of napkin dispensers) since 2006.



Suzanne Blanchet

Age 57⁽¹⁾
Quebec, Canada
Director Since: May 10, 2011
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		8/9	89%	2014	87,203	
• Human Resources and Compensation Committee		5/5	100%	2013	78,530	
Securities Held⁽³⁾:						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾
2014	1,000	26,256	27,256	377,768	6.30	240,000
2013	1,000	19,311	20,311	268,105		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,095,581		98.78		1,078,393		1.22

Réal Brunet

Mr. Brunet is a member of the board of directors and audit committee of Ivanhoe Cambridge Inc. (real estate company) since 2013 and was a guest member of the board of directors, audit committee and information technology committee of Agropur cooperative (dairy company) from 2012 to 2015.

He was an audit partner and senior advisor partner at Ernst & Young (professional services organization) from 1983 to 2010, a professor at the Collège des administrateurs de sociétés from 2005 to 2010, and was a member of the Americas Executive Board, the body responsible for managing Ernst & Young's Americas practice, from 2005 to 2008. Mr. Brunet was also a member of the board of directors of the Montreal section of The Institute of Internal Auditors from 2007 to 2010, and member of the Agriculture and Agri Food Canada audit committee from 2011 to 2012.



Réal Brunet

Age 65⁽¹⁾
Quebec, Canada
Director Since: December 6, 2010
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	112,926	
• Audit Committee (Chair)		9/9	100%	2013	98,251	
Securities Held ⁽³⁾ :						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾
2014	10,700	32,684	43,384	601,302	10.02	240,000
2013	10,700	25,734	36,434	480,929		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,989,426		99.79		185,456		0.21

Robert Chevrier

Mr. Chevrier is Executive Chairman of our Board of Directors. Furthermore, Mr. Chevrier currently serves as chairman and director of Uni-Sélect Inc., a network of independently owned auto parts dealers in North America, since 2012, and is President of Société de Gestion Roche Inc. (personal holding and investment company) since April 2001. Mr. Chevrier is also director and chair of the human resources committee of CGI Group Inc. (information technology and business process services firm) since 2003. Mr. Chevrier was the lead director and chair of the audit committee of Cascades Inc. (produces, converts and markets packaging and tissue products composed mainly of recycled fibres) from 2003 to 2013. He was also chairman and director of Richelieu Hardware Ltd., a North American distributor, importer and manufacturer of specialty hardware and complementary products, from March 2004 until January 2013, and previously served as the Chief Executive Officer and chairman of Rexel Canada Inc. (formerly Westburne Inc.) from November 1993 to January 2001.



Robert Chevrier

Age 71⁽¹⁾
Quebec, Canada
Director Since: January 20, 2013
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (5) Mr. Chevrier has until January 20, 2018 to meet the Directors' Shareholding Guidelines.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors (Executive Chairman)		9/9	100%	2014	507,362	
• Nominating and Corporate Governance Committee (Chair)		8/8	100%	2013	474,005	
Securities Held⁽³⁾:						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾⁽⁵⁾
2014	50,000	82,088	132,088	1,830,740	3.66	2,000,000
2013	50,000	41,365	91,365	1,206,018		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
86,005,588		97.54		2,169,294		2.46

Eric Claus

Mr. Claus is President and Chief Executive Officer of Red Apple Stores Inc. (value retail stores). From 2009 to 2013, he represented various private equity firms as executive chairman overseeing the restructuring of under-performing assets. Prior to that, he served as President and Chief Executive Officer of The Great Atlantic and Pacific Tea Company (“A&P”) (supermarket chain) from 2005 to 2009. Mr. Claus joined A&P in 2002 where he served as President and Chief Executive Officer of its Canadian division until he moved to the U.S. in 2005 to become President and Chief Executive Officer of a parent company of A&P. Prior to joining A&P, Mr. Claus served as Chief Executive Officer of Co-op Atlantic (Eastern Canadian retailer, processor and holding group).



Eric Claus

Age 58⁽¹⁾
Nova Scotia, Canada
Director Since: May 14, 2013
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see “Compensation of Directors”, on pages 21 to 23 of this Circular.
- (3) This amount includes an amount of \$11,860, paid in cash to Mr. Claus as a guest member of the Board; he attended two (2) Board meetings as a guest prior to his election as director on May 14, 2013.
- (4) As at December 28, 2014 or December 29, 2013, as the case may be.
- (5) Under the Directors’ Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see “Compensation of Directors-Director Shareholding Guidelines”, on page 23 of this Circular.
- (6) Mr. Claus has until May 14, 2018 to meet the Directors’ Shareholding Guidelines.
- (7) Please see “Additional Disclosure Relating to Directors”, on page 19 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	94,135	
• Audit Committee		9/9	100%	2013	63,720 ⁽³⁾	
Securities Held ⁽⁴⁾ :						
Year	Common Shares (#) ⁽⁴⁾	DSUs (#) ⁽⁴⁾	Total Common Shares and DSUs (#) ⁽⁴⁾	Total Market Value of Common Shares and DSUs (\$) ⁽⁴⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁵⁾	Minimum Required (within 5 years) (\$) ⁽⁵⁾⁽⁶⁾
2014	–	11,905	11,905	165,003	2.75	240,000
2013	–	4,413	4,413	58,252		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
82,724,427		93.82		5,449,547		6.18

Bernard Dorval

Mr. Dorval is a corporate director and business advisor. He is a member of the board of directors of Positron Access Solutions Corporation (provider of Ethernet and TDM services delivery solutions for access, metro and core transport networks) and chair of its human resources committee since 2014 and member of the independent review committee of R.E.G.A.R. Investment Management Funds (wealth management firm) since 2014. He was acting chairman of the board of directors of Verlyx Pharma Inc. (previously known as Oncozyme Pharma Inc.) (medical research and pharmaceutical corporation) in 2014, of which he had been a member and chair of its audit committee since 2013.

He was chairman of the board of TD Insurance (Canada) (insurance services) from 2005 to 2013 (he acted as non-executive chairman from 2012 to 2013). At TD Bank Financial Group, Mr. Dorval served as Group Head of Insurance and Global Development from 2008 to 2010 and Group Head or Executive Vice President of Business Banking and Insurance between 2003 and 2008 while also acting as the Deputy Chair of TD Canada Trust and Head of Strategic Development for Quebec from 2003 until his retirement in 2012. Before that, he was the Executive Vice President of Retail Products for TD Canada Trust between 2000 and 2002 and the executive in charge of Insurance and, at different points in time, of various other divisions of Canada Trust including Small Business, Personal Lending, Investments and Trusts between 1995 and 2000. Prior to joining Canada Trust in 1995, Mr. Dorval held a variety of progressively senior roles during his 21 years at the Laurentian Group, including acting successively as the Chief Operating Officer and the Chief Executive Officer of Laurentian Financial (life and health insurance, pensions, investments and mutual funds) between 1992 and 1994.



Bernard Dorval

Age 62⁽¹⁾
Ontario, Canada
Director Since: January 20, 2013
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	94,582	
• Audit Committee		9/9	100%	2013	86,551	
Securities Held ⁽³⁾ :						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾
2014	8,000	15,124	23,124	320,499	5.34	240,000
2013	4,500	7,597	12,097	159,680		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,994,011		99.79		180,871		0.21

Guy G. Dufresne

Mr. Dufresne is a corporate director. He currently serves as a member of the board of directors, audit and finance committee and environmental, health and safety committee of Iamgold Corporation (gold producer) since 2006, a member of the board of directors, member of the audit committee and chairman of the investment and pension committee of Royal & Sun Alliance Canada (insurance company) since 2004 and chairman of the board of directors and member of the audit committee and human resources and governance committee of Barlow Mine Inc. (mining exploration) since 2011.

From 2012 to 2014, he was chairman of the board of directors and member of the audit committee of The Canadian Union Insurance Company (insurance company), an affiliate of Royal & Sun Alliance Insurance Company of Canada. Furthermore, from 1992 to 2006, he was President and Chief Executive Officer of ArcelorMittal Mines Canada Inc. (formerly Québec Cartier Mining Company), and for 25 years prior to 1992, he held progressive senior positions within the forest product industry, including President and Chief Operating Officer of Kruger Inc.



Guy G. Dufresne

Age 73⁽¹⁾
Quebec, Canada
Director Since: January 20, 2013
Independent

- (1) Age as of the date of the Meeting.
- (2) Mr. Dufresne is a member of the Human Resources and Compensation Committee since May 13, 2014.
- (3) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (4) As at December 28, 2014 or December 29, 2013, as the case may be.
- (5) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (6) Mr. Dufresne has until January 20, 2018 to meet the Directors' Shareholding Guidelines.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾⁽³⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	93,548	
• Human Resources and Compensation Committee ⁽²⁾		3/3 ⁽²⁾	100%	2013	72,261	
• Nominating and Corporate Governance Committee		7/8	88%			
Securities Held ⁽⁴⁾ :						
Year	Common Shares (#) ⁽⁴⁾	DSUs (#) ⁽⁴⁾	Total Common Shares and DSUs (#) ⁽⁴⁾	Total Market Value of Common Shares and DSUs (\$) ⁽⁴⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁵⁾	Minimum Required (within 5 years) (\$) ⁽⁵⁾⁽⁶⁾
2014	–	13,736	13,736	190,381	3.17	240,000
2013	–	6,303	6,303	83,200		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
86,489,499		98.09		1,685,383		1.91

Jean-René Halde

Jean-René Halde is President and Chief Executive Officer of the Business Development Bank of Canada since 2005. Prior to that, he has held Chief Executive Officer positions at several leading companies, including Metro-Richelieu Inc. (1979 – 1984) (retailer owned food wholesaler), Culinar Inc. (1987 to 1994) (food manufacturer) and Livingston Group Inc. (1995 to 2001) (logistics provider).

He currently serves as Past Chairman as well as Chair of the Governance Committee of the Conference Board of Canada, and is a director of the Montreal General Hospital Foundation. He is also a member of the World Presidents' Organization (WPO), a global organization of more than 8,000 business leaders.

Mr. Halde has served as a director of a number of for-profit companies, including CCL Industries Inc. (specialty packaging), Gaz Métropolitain Inc. (largest natural gas distribution company in Québec), Groupe Vidéotron Ltée (telecommunications) and Provigo Inc. (food retailer); he has also served with numerous non-profit organizations and acted as Chairman of the Montreal Heart Institute, the Grocery Products Manufacturers of Canada and the Association des MBA du Québec.

If elected, Mr. Halde will become director of the Corporation on July 1, 2015, shortly after retiring as President and Chief Executive Officer of the Business Development Bank of Canada.



Jean-René Halde

Age 67⁽¹⁾
Quebec, Canada
Director Since: -
Independent

- (1) Age as of the date of the Meeting.
- (2) Mr. Halde is a new candidate proposed as a director of the Corporation.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (5) If elected at the Meeting, Mr. Halde will have until July 1st, 2020 to meet the Directors' Shareholding Guidelines.

Board/Committee Membership ⁽²⁾ :		Attendance ⁽²⁾ :		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
-		-		2014	-	
-		-		2013	-	
Securities Held ⁽³⁾ :						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾⁽⁵⁾
2014	-	-	-	-	-	240,000
2013	-	-	-	-	-	-
2014 Voting Results ⁽²⁾						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
-		-		-		-

Denise Martin

Mrs. Martin is a corporate director. She is a member of the board of directors, governance and ethics committee and chair of the technology committee of *Revenu Québec*. From 1982 to 2009, Mrs. Martin acted in various roles at Metro Inc. (Canadian food company), including Vice President and General Manager of McMahon Distributeur pharmaceutique inc. (a subsidiary of Metro Inc. and distribution company of pharmaceutical products) from 1989 to 2009 and Vice President, Information Systems from 1986 to 1991. Prior to joining Metro Inc., Mrs. Martin acted in various roles within the provincial Government of Quebec, including deputy head of cabinet of the *Ministère des Affaires municipales*, head of cabinet of the *Ministère des Consommateurs, Coopératives et Institutions financières* and head of cabinet of the *Ministère du Travail et de la Main-d'oeuvre*.

Mrs. Martin was vice chairman of the board of directors, chairman of the asset management committee and member of the executive committee, investment committee (traditional sector), sectorial adjustment committee, audit committee and evaluation committee of the *Fonds de solidarité des travailleurs du Québec (FTQ)* (development capital fund) between 1994 and 2013. She was also a member of the board of directors of Investissement Trévi Inc. (holding company) from 2004 to 2007, a member of the board of directors and human resources and compensation committee (chair) of *Société Innovatech du Grand Montréal* from 1995 to 2005 and a member of the board of directors, audit committee and information systems committee (chair) of the *Société des alcools du Québec* (government corporation whose mandate is to sell alcoholic beverages) from 2001 to 2003.



Denise Martin

Age 66⁽¹⁾
Quebec, Canada
Director Since: May 13, 2014
Independent

- (1) Age as of the date of the Meeting.
- (2) Mrs. Martin was elected as director of the Corporation and is a member of the Audit Committee since May 13, 2014. Prior to that, she attended one (1) Board meeting as a guest; such attendance to the meeting not being included in this table as part of the six (6) Board meetings Mrs. Martin attended in 2014 as a director.
- (3) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (4) This amount includes an amount of \$1,750, paid in cash to Mrs. Martin as a guest member of the Board; she attended one (1) Board meeting as a guest prior to her election as director (see note 2 above).
- (5) As at December 28, 2014 or December 29, 2013, as the case may be.
- (6) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (7) Mrs. Martin has until May 13, 2019 to meet the Directors' Shareholding Guidelines.

Board/Committee Membership ⁽²⁾ :		Attendance ⁽²⁾ :		Value of Total Compensation Received as Director ⁽²⁾⁽³⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		6/6	100%	2014	60,918 ⁽⁴⁾	
• Audit Committee		5/6	83%	2013	-	
Securities Held ⁽⁵⁾ :						
Year	Common Shares (#) ⁽⁵⁾	DSUs (#) ⁽⁵⁾	Total Common Shares and DSUs (#) ⁽⁵⁾	Total Market Value of Common Shares and DSUs (\$) ⁽⁵⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁶⁾	Minimum Required (within 5 years) (\$) ⁽⁶⁾⁽⁷⁾
2014	8,000	4,391	12,391	171,739	2.86	240,000
2013	-	-	-	-	-	-
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,988,294		99.79		186,588		0.21

James Pantelidis

Mr. Pantelidis is chairman of the board of directors of EnerCare Inc. (energy heating) since 2002, chairman of the board of directors and a member of the audit committee of Parkland Fuel Corporation (energy downstream) since 1999, a member of the board of directors, human resources and compensation committee and investment committee (chair) of Industrial Alliance Insurance and Financial Services Inc. (financial services) since 2002, and a member of the board of directors and audit committee of Intertape Polymer Group Inc. (development and manufacture of polyolefin plastic and paper packaging products) since 2012.

Mr. Pantelidis was a member of the board of directors of Equinox Minerals Limited (mining) from 2008 to 2011. From 2002 to 2006, Mr. Pantelidis was a member of the Board of Directors of Fishercast Global Corporation (die casting) after having served as chairman and Chief Executive Officer of that company from 2004 to 2006. From 2002 to 2003, he was President and Chief Executive Officer of J.P. Associates (private equity and strategic consulting). Between 1999 and 2001, he was chairman and Chief Executive Officer of Bata Ltd. (retail and shoes manufacturing) and from 1996 to 1998 he was Executive Vice President at Petro-Canada (energy).



James Pantelidis

Age 69⁽¹⁾
Ontario, Canada
Director Since: May 2004
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) In addition, Mr. Pantelidis' daughter and son each hold an additional number of 100 Common Shares.
- (5) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	103,657	
• Human Resources and Compensation Committee (Chair)		5/5	100%	2013	185,259	
Securities Held ⁽³⁾ :						
Year	Common Shares (#) ⁽³⁾⁽⁴⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾⁽⁴⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾⁽⁴⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁵⁾	Minimum Required (within 5 years) (\$) ⁽⁵⁾
2014	8,000	56,202	64,202	889,840	14.83	240,000
2013	8,000	53,464	61,464	811,325		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,225,824		98.92		948,150		1.08

Robert Paré

Mr. Paré is a corporate lawyer and partner at Fasken Martineau DuMoulin LLP (law firm), a member of the board of directors of Québec inc. (telecommunications, entertainment, news media and culture), a member of the board of directors and investment committee (chair) of Groupe BMTC inc. (furniture and appliances) since 1989, a member of the board of directors and of the compensation, nominating and corporate governance committee of Group ADF inc. (design, engineering, fabrication and installation of complex steel superstructures) since 2009 and a member of the board of directors of Essilor Canada Ltd. (ophthalmic optical products) since 1995. Mr. Paré is also a member of the board of directors of the Institute of Corporate Directors – Quebec Chapter.



Robert Paré

Age 60⁽¹⁾
 Québec, Canada
 Director Since: April 2009
 Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) As at December 28, 2014 or December 29, 2013, as the case may be.
- (4) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors - Director Shareholding Guidelines", on page 23 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors	9/9	100%	2014	109,066		
• Human Resources and Compensation Committee	5/5	100%	2013	107,591		
• Nominating and Corporate Governance Committee	8/8	100%				
Securities Held ⁽³⁾ :						
Year	Common Shares (#) ⁽³⁾	DSUs (#) ⁽³⁾	Total Common Shares and DSUs (#) ⁽³⁾	Total Market Value of Common Shares and DSUs (\$) ⁽³⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁴⁾	Minimum Required (within 5 years) (\$) ⁽⁴⁾
2014	30,000	64,093	94,093	1,304,129	21.74	240,000
2013	30,000	55,421	85,421	1,127,557		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
87,654,572		99.41		520,310		0.59

Steven P. Richardson

Mr. Richardson is a corporate director. Mr. Richardson was a member of the board of directors, chair of the corporate governance and compensation committee and member of the audit committee of Sterling Shoes Inc. (footwear stores) from 2010 to 2013, and a director of easyhome Ltd. from June 2011 to December 2011 (and co-chair of its compensation committee; chair of its special committee and member of its audit committee). Between 2003 and 2009, Mr. Richardson acted in various senior executive roles at Hudson's Bay Company (department stores) (including Chief Financial Officer between 2006 and 2009). Prior to joining Hudson's Bay Company in 2003, he was the Chief Financial Officer of Wells Fargo Financial Corporation Canada and Chief Financial Officer and a director of Associates Financial Services of Canada and Beneficial Canada Inc. He began his career at Imperial Oil Limited, with various positions in the corporate finance and controller's departments.



Steven P. Richardson

Age 55⁽¹⁾
Ontario, Canada
Director Since: May 14, 2013
Independent

- (1) Age as of the date of the Meeting.
- (2) For further details, please see "Compensation of Directors", on pages 21 to 23 of this Circular.
- (3) This amount includes an amount of \$29,012, paid in cash to Mr. Richardson as a guest member of the Board and Audit Committee; he attended five (5) Board meetings and four (4) Audit Committee meetings as a guest prior to his election as director on May 14, 2013.
- (4) As at December 28, 2014 or December 29, 2013, as the case may be.
- (5) Under the Directors' Shareholding Guidelines, each non-employee director is required to acquire Common Shares and/or DSUs having a combined value of at least four (4) times his or her director annual cash retainer, being \$60,000 for 2014 (except for the Executive Chairman of the Board who was entitled to an annual retainer of \$500,000 for 2014). For further details, please see "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (6) Mr. Richardson has until May 14, 2018 to meet the Directors' Shareholding Guidelines.
- (7) Please see "Additional Disclosure Relating to Directors", on page 19 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :		
Member of:				Year	Value (\$)	
• Board of Directors		9/9	100%	2014	93,446	
• Audit Committee		9/9	100%	2013	86,214 ⁽³⁾	
Securities Held ⁽⁴⁾ :						
Year	Common Shares (#) ⁽⁴⁾	DSUs (#) ⁽⁴⁾	Total Common Shares and DSUs (#) ⁽⁴⁾	Total Market Value of Common Shares and DSUs (\$) ⁽⁴⁾	Total Market Value of Common Shares and DSUs as a Multiple of Annual Retainer ⁽⁵⁾	Minimum Required (within 5 years) (\$) ⁽⁵⁾⁽⁶⁾
2014	–	12,306	12,306	170,561	2.84	240,000
2013	–	4,876	4,876	64,363		
2014 Voting Results						
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld
86,967,408		98.75		1,097,474		1.25

Robert Sawyer

On March 19, 2013, RONA announced the appointment of Mr. Sawyer as President and Chief Executive Officer of RONA, effective on April 8, 2013. Before joining RONA, Mr. Sawyer was Executive Vice President and Chief Operating Officer of Metro Inc. (Canadian food company) since 2009. Mr. Sawyer joined Metro Inc. in 1979, where he held various executive positions in retail operations and distribution over the past 30 years, including Senior Vice-President, Ontario Division from 2007 to 2009, Senior Vice-President, Quebec Division from 2005 to 2007, and Senior Vice-President – Retail for the Metro and Marché Richelieu banners from 1997 to 2005. He received the Man of the Year recognition in the produce industry in 1993, the 2007 Lifetime Achievement Award from the Canadian Produce Marketing Association (CPMA), and is the 2010 recipient of the Quebec Produce Marketing Association (QPMA)'s *Pilier de l'industrie* award.



Robert Sawyer

Age 61⁽¹⁾
Quebec, Canada
Director Since: May 14, 2013
Not Independent

- (1) Age as of the date of the Meeting.
(2) As President and Chief Executive Officer of the Corporation, Mr. Sawyer does not receive any compensation for acting as a director of the Corporation. For details on his compensation, please see "Compensation of the Named Executive Officers" on page 44 of this Circular.
(3) As at December 28, 2014 or December 29, 2013, as the case may be.
(4) Under Management Share Ownership Guidelines, the President and Chief Executive Officer of the Corporation is required to hold Common Shares, exercisable options, RSUs (as defined below) or PSUs (as defined below) having a combined value of at least three (3) times his salary. For further details, please see "Share Ownership Requirements", on page 33 of this Circular.

Board/Committee Membership:		Attendance:		Value of Total Compensation Received as Director ⁽²⁾ :			
Member of:				Year	Value (\$)		
• Board of Directors		9/9	100%	2014	–		
				2013	–		
Securities Held ⁽³⁾ :							
Year	Common Shares (#) ⁽³⁾	Options Exercisable (#) ⁽³⁾	RSUs and PSUs (#) ⁽³⁾	Total Market Value of Common Shares (\$) ⁽³⁾	Total Market Value of Common Shares, Options Exercisable, RSUs and 50% PSUs (\$) ⁽³⁾	Total Market Value of Common Shares, Options Exercisable, RSUs and 50% PSUs as a Multiple of salary ⁽⁴⁾	Minimum Required (\$) ⁽⁴⁾
2014	100,000	50,000	518,676	1,523,500	7,491,397	8.81	2,550,000
2013	100,000	–	407,041	1,320,000	5,969,305		
2014 Voting Results							
N° Votes For		% of Votes For		N° Votes Withheld		% of Votes Withheld	
87,995,691		99.80		178,283		0.20	

Additional Disclosure Relating to Directors

To the knowledge of RONA, except as set out below, none of the nominees for election to the Board of Directors:

- (a) is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days:
 - (i) that was issued while the nominee was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) that was issued after the nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Circular or within ten years before the date of this Circular has been, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within 10 years prior to the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the nominee; or
- (d) has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

From February 2012 to July 2013, Mr. Claus was the executive chairman of TBS Acquireco Inc., overseeing the restructuring of under-performing assets. On February 26, 2013, TBS Acquireco Inc., The Bargain! Shop Holdings Inc. and TBS Stores Inc. (collectively “**The Bargain Shop**”) obtained an initial order from the Ontario Superior Court of Justice (the “OC”) under the CCAA, granting The Bargain Shop protection under the CCAA for an initial period expired on March 28, 2013. Pursuant to the court order of the OC dated July 9, 2013, the assets and continuing operations of The Bargain Shop including 165 Red Apple and The Bargain! Shop branded stores were sold to Red Apple Stores Inc. Red Apples Stores Inc. was not a party to the CCAA proceeding or any other insolvency proceedings. On September 13, 2013, 627803 N.B. Inc. (formerly known as The Bargain! Shop Holdings Inc.), 639910 N.B. Inc. (formerly known as TBS Stores Inc.) and 627551 N.B. Inc. (formerly known as TBS Acquireco Inc.) each made a voluntary assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*.

Mr. Richardson was a member of the board of directors of Sterling Shoes Inc. from June 2010 to January 2013. Pursuant to orders of the Supreme Court of British Columbia, including an initial order dated October 21, 2011, Sterling Shoes Inc. and each of its subsidiaries obtained creditor protection under the CCAA. On November 28, 2014, the Court granted an order authorizing, among other things, a final distribution to the creditors of Sterling Shoes GP Inc. and Sterling Shoes Limited Partnership holding individual claims in excess of \$4,600; such distribution is still ongoing. Furthermore, on September 9, 2013, the British Columbia Securities Commission issued a cease trade order relating to any trading in securities of Sterling Shoes Inc. as a result of Sterling Shoes Inc. not having filed its (i) annual audited financial statements, annual management's discussion and analysis and certification of annual filings for the years ended December 31, 2011 and December 31, 2012 and (ii) interim unaudited financial statements, interim management's discussion and analysis and certification of interim filings for the interim periods ended March 31, 2012, June 30, 2012, September 30, 2012, March 31, 2013, June 30, 2013 and September 30, 2013, by the required deadlines. Related cease trade orders were also issued by securities regulatory authorities in Alberta on December 9, 2013, Ontario on September 16, 2013 (replaced by a permanent cease trade order as of September 27, 2013) and Quebec on September 12, 2013 (replaced by a permanent cease trade order as of September 27, 2013). The cease trade orders remain in effect.

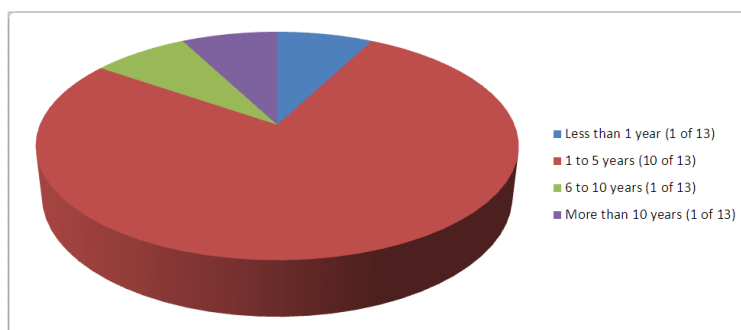
Policy regarding Continuous Improvement and Exchange in Matters of Governance and Compensation

In 2010, the Board of Directors adopted a policy regarding continuous improvement and exchange in matters of governance and compensation, with the goal of continuously improving its governance and compensation practices and meeting the expectations of the Corporation's shareholders. The policy was last amended in March 2014. Principles set forth in the policy include the following:

- In accordance with RONA's mandates and governance policies, the Nominating and Corporate Governance Committee recommends to the Board of Directors each year a slate of nominees for election as directors. These recommendations take into account the needs of the Corporation, the qualities, experience and performance of the proposed nominees, and the importance of ensuring continuity and implementation of the long-term business strategy. Shareholders can vote for each of the nominees individually.
- The Human Resources and Compensation Committee periodically makes recommendations to the Board of Directors with respect to executive compensation policies and plans. These recommendations take into account the Corporation's strategic objectives, executives' qualities and experience and the potential risks associated with the various compensation methods. In the course of developing such recommendations, the Human Resources and Compensation Committee may avail itself of the services of compensation consultants and takes into consideration proposals by groups representing shareholders and other stakeholders.
- The Board of Directors of the Corporation has adopted a policy on the Corporation's approach to executive compensation (*say-on-pay*). Pursuant to that policy, the Board of Directors has full discretion, to the extent that it considers it in the Corporation's best interests to do so, to provide for a non-binding advisory vote on the approach to executive compensation disclosed in the Corporation's management proxy circular, to be held at the Corporation's annual meeting. As this is an advisory vote, the results will not be binding on the Board of Directors. However, the Board of Directors will take the results of the vote into account, along with any further comments it receives from the shareholders in the course of engaging with them, when determining its approach to compensation for subsequent financial years. Board members will also take the results into account when considering the principles, policies, program or arrangements relating to executive compensation to be adopted by the Corporation in the future.
- The Board of Directors, through the Corporate Secretary's office, ensures that it is promptly informed of proposals, recommendations and best practices in matters of governance and compensation that originate from the Canadian Securities Administrators or from groups representing shareholders or other stakeholders. After reviewing these proposals, the Nominating and Corporate Governance Committee and the Human Resources and Compensation Committee will, where appropriate, make recommendations to the Board of Directors with a view to improving RONA's governance policies and practices and compensation plans on an ongoing basis.
- RONA publishes its governance and compensation policies, plans and practices on its website. This approach allows the Board of Directors to proactively communicate to stakeholders any significant changes that are made to such policies, plans and practices.
- Shareholders are invited, on RONA's website, to submit to the Board of Directors any recommendations or suggestions for improvements to RONA's governance and compensation practices.

Director Tenure

The following chart indicates the number of years the current directors have dedicated to the Corporation's Board as of March 13, 2015:



The Corporation's average Board tenure is 3.4 years.

Skills Matrix

The following table identifies some of the current skills and other factors considered as part of the skills matrix used by the Nominating and Corporate Governance Committee, along with identification of each nominee for election to the Board of Directors possessing each skill:

NOMINEES	SKILL REQUIREMENTS (EXPERIENCE/EXPERTISE)														REPRESENTATIVENESS			
	Finance				Accounting	Legal	Strategy	Human Resources	Environment	Knowledge of Certain Industries				Experience on Boards other than RONA's	Other	Geographic	Age as of May 12, 2015	Gender (M/F)
	Risk Management	Transactions	Financial Products and Derivatives	Financial Audit						Hardware/Retail	Advertising	Real Estate	Information Technology					
Suzanne Blanchet	X	X			X		X	X	X		X			X	Independent	QC	57	F
Réal Brunet	X	X	X	X	X		X	X				X		X	Independent	QC	65	M
Robert Chevrier	X	X	X	X	X		X	X		X			X	X	Independent	QC	71	M
Eric Claus		X					X	X		X	X	X		X	Independent	NS	58	M
Bernard Dorval	X	X	X	X	X		X	X		X				X	Independent	ON	62	M
Guy G. Dufresne	X			X			X	X	X				X	X	Independent	QC	73	M
Jean-René Halde	X	X	X	X			X	X		X			X	X	Independent	QC	67	M
Denise Martin	X	X		X			X	X		X	X		X	X	Independent	QC	66	F
James Pantelidis	X	X			X		X	X		X		X	X	X	Independent	ON	69	M
Robert Paré	X	X				X	X	X		X				X	Independent	QC	60	M
Steven P. Richardson	X	X	X	X	X		X	X		X				X	Independent	ON	55	M
Robert Sawyer	X	X					X	X		X	X	X	X	Non-Independent	QC	61	M	

Compensation of Directors

Compensation Policy

The Directors Compensation Program is designed to attract and retain the most qualified people to serve on the Corporation's Board and committees, taking into account the risks and responsibilities of being an effective director. The Executive Chairman of the Board (the "Executive Chairman") is entitled to an annual compensation of \$500,000, plus the reimbursement of travel costs and any other expenses reasonably incurred in connection with his mandate, and he is not entitled to receive any other fees. For the financial year ended December 28, 2014, the Corporation's policy was to pay each director who was not an employee of the Corporation (except the Executive Chairman or the Chairman, as applicable) an annual retainer of \$60,000 and attendance fees of \$1,750 per meeting of the Board of Directors and standing Board committees (\$1,000 in the case of participation by telephone), paid in cash or DSUs, as applicable. Each chair of a standing committee of the Board of Directors is also entitled to an additional annual retainer of \$10,000, except for the Chair of the Audit Committee, who is entitled to an additional annual retainer of \$15,000, in each case paid in cash or DSUs, as applicable. Furthermore, each Human Resources and Compensation Committee member is entitled to an additional annual retainer of \$3,000 per year, each Nominating and Corporate Governance

Committee member is entitled to an additional annual retainer of \$2,500 per year and each Audit Committee member is entitled to an additional annual retainer of \$4,000 per year, in each case paid in cash or DSUs, as applicable.

The following table discloses the total dollar value of all cash and non-cash compensation provided to each director during the last fiscal year (since Mr. Jean-René Halde did not act as director for any part of the most recently completed fiscal year, he is not included in the table below):

Name of Director	Fees earned			Dividends	Total				
	Director and Board Chair Retainer ⁽¹⁾	Committee Chair Retainer	Director Meeting Fees		Received in DSUs		Paid in cash	Total (DSUs & cash)	
	(\$)	(\$)	(\$)		(#) ⁽²⁾	(\$)	(%)	(\$)	(\$)
Suzanne Blanchet	63,000	-	21,250	2,953	6,945	87,203	100	-	87,203
Réal Brunet	64,000	15,000	30,000	3,926	6,950	84,426	74.76	28,500 ⁽³⁾	112,926
Robert Chevrier ⁽⁴⁾	500,000	-	-	7,362	40,723	507,362	100	-	507,362
Eric Claus	64,000	-	29,250	885	7,492	94,135	100	-	94,135
Bernard Dorval	64,000	-	29,250 ⁽⁵⁾	1,332	7,527	94,582	100	-	94,582
Guy Dufresne	64,404	- ⁽⁶⁾	28,000 ⁽⁵⁾	1,144	7,433	93,548	100	-	93,548
Barry Gilbertson ⁽⁷⁾	63,000	-	19,500	1,144	6,676	83,644	100	-	83,644
Jean-Guy Hébert ⁽⁸⁾	60,000	-	14,250	4,608	6,284	78,858	100	-	78,858
Denise Martin ⁽⁹⁾	40,615	-	20,250	53	4,391	59,168	97.13	1,750 ⁽¹⁰⁾	60,918
James Pantelidis	63,000	10,000	23,000	7,657	2,738	31,407	30.29	72,250 ⁽¹¹⁾	103,657
Robert Paré	65,500	-	35,500 ⁽⁵⁾	8,066	8,672	109,066	100	-	109,066
Steven Richardson	64,000	-	28,500	946	7,430	93,446	100	-	93,446
Robert Sawyer ⁽¹²⁾	-	-	-	-	-	-	-	-	0 ⁽¹²⁾
Wesley Voorheis ⁽¹³⁾	62,500	-	20,250 ⁽⁵⁾	1,219	6,709	83,969	100	-	83,969
TOTAL	1,238,019	25,000	299,000	41,295	119,970	1,500,816	-	102,500	1,603,316

- (1) All of these amounts were paid in DSUs, with the exception of the amounts paid in cash to Mr. Brunet and Mr. Pantelidis (please refer to notes 3 and 11 below for more details). This column also includes committee member annual retainers.
- (2) Number of DSUs is determined quarterly by dividing total fees earned in the quarter by the average closing price of the Common Shares traded on the Toronto Stock Exchange ("TSX") during the five (5) trading days immediately preceding the last day of each quarter.
- (3) Mr. Brunet has achieved the Minimum Share Ownership (as defined below) required by the Directors' Shareholding Guidelines and has elected, in accordance with such Directors' Shareholding Guidelines, that all of his fees received as a director (including his annual compensation) be paid in cash as of September 29, 2014. For further details, please refer to "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (4) Mr. Chevrier is entitled to an annual compensation of \$500,000 in his capacity as Executive Chairman of the Board of Directors, and is not entitled to receive any other fees.
- (5) In addition to the attendance fees to be paid in 2015 for participation in the three (3) meetings (two (2) meetings in the case of Mr. Voorheis) of the Corporation's ad hoc committee (the "Ad Hoc Committee") held in 2014 (\$1,750 for the meeting held in person and \$1,000 for each of the two (2) meetings held by telephone), which was established in November 2014, and is charged with the selection process for a new Chairman of the Board of Directors..
- (6) A lump sum amount of \$5,250 will be paid to Mr. Dufresne in 2015 for acting as Chair of the Ad Hoc Committee in 2014.
- (7) Mr. Gilbertson is not standing for re-election at the Meeting.
- (8) Mr. Hébert resigned from the Board effective December 31, 2014.
- (9) Mrs. Martin was elected as director of the Corporation and is a member of the Audit Committee since May 13, 2014.
- (10) Represents the amount paid to Mrs. Martin as a guest member of the Board; she attended one (1) Board meeting as a guest, prior to her election as director of the Corporation on May 13, 2014.
- (11) Mr. Pantelidis has achieved the Minimum Share Ownership (as defined below) required by the Directors' Shareholding Guidelines and has elected, in accordance with such Directors' Shareholding Guidelines, that all of his fees received as a director (including his annual compensation) be paid in cash as of March 31, 2014. For further details, please refer to "Compensation of Directors-Director Shareholding Guidelines", on page 23 of this Circular.
- (12) Mr. Robert Sawyer, President and CEO of the Corporation, did not receive any compensation to act as director of the Corporation. The disclosure of his compensation as President and CEO is included in the Summary Compensation Table on page 51 of this Circular.
- (13) Mr. Voorheis is not standing for re-election at the Meeting.

Director Shareholding Guidelines

The Board believes it is important that directors demonstrate their commitment to the Corporation's growth through equity ownership. In 2006, the Board adopted shareholding guidelines pursuant to which each non-employee director of the Corporation, including the Executive Chairman, is required, within the latest of five (5) years of his or her election to the Board, to acquire Common Shares of the Corporation and/or DSUs having a combined value of at least four (4) times his or her director annual retainer (excluding committee chair retainers and director meeting fees) (the "**Minimum Share Ownership**"). Each non-employee director is required to continue to hold such value in Common Shares and/or DSUs throughout the remainder of his or her tenure as a director. Until a director achieves the Minimum Share Ownership, he or she will receive 100% of any fees received as a director (including his or her annual compensation) in the form of DSUs. Once a director has achieved the Minimum Share Ownership, he or she may elect to receive all or a part of such fees in the form of cash.

Shares or units held by directors cannot be the object of monetization procedures or other hedging procedures to reduce the exposure related to such holdings. Details on the Common Shares and DSUs held by each director are provided in the biographies starting on p. 7 of this Circular.

Details on the deferred share unit plan of the Corporation (the "**DSU Plan**"), pursuant to which DSUs are issued to directors, are provided in the Schedule "D" of this Circular.

Outstanding Share-Based Awards

The following table shows the numbers and value of DSUs held by each director as at December 28, 2014 (since Mr. Jean-René Halde did not act as director for any part of the most recently completed fiscal year, he is not included in the table below):

Name of Director	Number of DSUs ⁽¹⁾ (#)	Value of DSUs ⁽¹⁾ (\$)
Suzanne Blanchet	26,256	363,908
Réal Brunet	32,684	453,000
Robert Chevrier	82,088	1,137,740
Eric Claus	11,905	165,003
Bernard Dorval	15,124	209,619
Guy Dufresne	13,736	190,381
Barry Gilbertson ⁽²⁾	13,108	181,677
Jean-Guy Hébert ⁽³⁾	37,568	520,692
Denise Martin ⁽⁴⁾	4,391	60,859
James Pantelidis	56,202	778,960
Robert Paré	64,093	888,329
Steven Richardson	12,306	170,561
Robert Sawyer ⁽⁵⁾	0	0
Wesley Voorheis ⁽⁶⁾	13,645	189,120

(1) Shows information regarding units held by directors under the DSU Plan as of December 28, 2014. Please see "Election of Directors" for more information on their equity holdings. Number of DSUs is determined quarterly by dividing total fees earned in the quarter by the average closing price of the Common Shares traded on the TSX during the five (5) trading days immediately preceding the last day of each quarter. Value of DSUs at financial year-end is calculated based on the closing price of the Common Shares on the TSX on December 28, 2014 (\$13.86) multiplied by the number of DSUs.

(2) Mr. Gilbertson is not standing for re-election at the Meeting.

(3) Mr. Hébert resigned from the Board effective December 31, 2014.

(4) Mrs. Martin was elected to the Board on May 13, 2014.

(5) Mr. Robert Sawyer, President and CEO of the Corporation, did not receive any compensation to act as director of the Corporation. The disclosure of his compensation as President and CEO is included in the Summary Compensation Table on page 51 of this Circular.

(6) Mr. Voorheis is not standing for re-election at the Meeting.

Mandate of the Board of Directors

The Board of Directors is responsible for the supervision of the management of the Corporation's business and affairs, with the objective of maximizing long-term corporate value. The Board approves all matters required by the *Business Corporations Act* (Quebec) and other applicable legislation and the Corporation's Articles and By-laws. The Board may *inter alia* assign to Board committees the prior review of any issues it is responsible for. In that case, Board committee recommendations are subject to Board approval. In addition, to the extent permitted by the *Business Corporations Act* (Quebec), the Board may delegate the exercise of its powers to any director, officer or Board committee. Board members are expected to attend all meetings of the Board and to review all meeting materials in advance. Board members are also expected to take an active role in Board decision-making. The responsibilities of the Board of Directors are more fully described in the charter of the Board of Directors, attached as Schedule "C" to this Circular.

Committees of the Board of Directors

The Board of Directors has three (3) standing committees: the Audit Committee, the Human Resources and Compensation Committee and the Nominating and Corporate Governance Committee. The responsibilities and composition of the standing committees of the Board of Directors can be summarized as follows:

The Audit Committee

The **Audit Committee** is responsible for assisting the Board of Directors in its oversight of (i) the production of reliable financial information, (ii) the identification of the principal risks associated with the Corporation's activities and the implementation of appropriate systems to manage these risks, (iii) the internal control and management information process of the Corporation, (iv) the Corporation's financial compliance with the various authorities and key legislation, (v) the competencies, independence and work of the external and internal auditors, and (vi) the performance of the other responsibilities set out in the committee's mandate as well as those delegated to the committee by the Board of Directors. The responsibilities of the Audit Committee are described in detail in the committee's charter attached as a schedule to the Corporation's Annual Information Form available on the SEDAR website at www.sedar.com.

The Audit Committee is currently chaired by Mr. Réal Brunet and consists of five (5) outside directors, all of whom are independent and financially literate. Other than Mr. Brunet, the other members of the committee are currently Eric Claus, Bernard Dorval, Denise Martin and Steven Richardson.

All the members of the Audit Committee have acquired relevant experience through their education, as members of other boards of directors and also as executive officers of various companies. Moreover, a number of them are or have been members of the audit committees of other public companies. More specifically, (i) **Réal Brunet**, FCPA, FCA, has a Bachelor's degree in Commerce, was an audit partner and senior advisor partner at Ernst & Young from 1983 to 2010, is a member of the board of directors and audit committee of Ivanhoe Cambridge Inc. since 2013, was a guest member of the board of directors and audit committee of Agropur cooperative from 2012 to 2015 and was a member of the board of directors of the Montreal section of The Institute of Internal Auditors from 2007 to 2010; (ii) **Eric Claus** is President and Chief Executive Officer of Red Apple Stores Inc. since 2013, he represented various private equity firms as executive chairman overseeing the restructuring of under-performing assets from 2009 to 2013, he served as President and Chief Executive Officer of the Canadian division of A&P from 2002 until he moved to the U.S. in 2005 to become President and Chief Executive Officer of a parent company of A&P until 2009; (iii) **Bernard Dorval** obtained a B.Sc. in 1973 and became a Fellow Actuary in 1979. He served successively as a Group Head of Business Banking and Insurance, and of Insurance and Global Development, for TD Bank Financial Group, between 2003 and 2010; as well as Deputy Chair of TD Canada Trust between 2003 and 2012 and chair of the retirement investment committee of the TD Bank Group between 2010 and 2013. He is a member of the board of directors of Positron Access Solutions Corporation and chair of its human resources committee since

2014, a member of the independent review committee of R.E.G.A.R. Investment Management Funds since 2014, was acting chairman of the board of directors of Verlyx Pharma Inc. (previously known as Oncozyme Pharma Inc.) in 2014, of which he had been a member and chair of its audit committee since 2013 and was a member and chair of the audit committee of TD Insurance Meloche-Monnex from 1997 to 2007; (iv) **Denise Martin** has a Master's degree in computer science and an MBA. She is a member of the board of directors, governance and ethics committee and chair of the technology committee of *Revenu Québec*. From 1982 to 2009, Mrs. Martin acted in various roles at Metro Inc., including Vice President and General Manager of McMahon Distributeur pharmaceutique inc. from 1989 to 2009 and Vice President, Information Systems from 1986 to 1991. Mrs. Martin was vice chairman of the board of directors, chairman of the asset management committee and member of the executive committee, investment committee (traditional sector), sectorial adjustment committee, audit committee and evaluation committee of the *Fonds de solidarité des travailleurs du Québec* (FTQ) between 1994 and 2013. She was also a member of the board of directors, audit committee and information systems committee (chair) of the *Société des alcools du Québec* from 2001 to 2003; and (v) **Steven Richardson** has a Bachelor's degree in Commerce and Economics and is a CPA, CMA. Mr. Richardson was a member of the board of directors, chair of the corporate governance and compensation committee and member of the audit committee of Sterling Shoes Inc. from 2010 to 2013, and a director of easyhome Ltd. from June 2011 to December 2011 (and co-chair of its compensation committee; chair of its special committee and member of its audit committee). Between 2003 and 2009, Mr. Richardson acted in various senior executive roles at Hudson's Bay Company, including Chief Financial Officer between 2006 and 2009. Prior to joining Hudson's Bay Company in 2003, he was the Chief Financial Officer of Wells Fargo Financial Corporation Canada and Chief Financial Officer and a director of Associates Financial Services of Canada and Beneficial Canada Inc.

The Human Resources and Compensation Committee

The **Human Resources and Compensation Committee** is responsible for assisting the Board of Directors in discharging its responsibilities regarding recruitment, evaluation, compensation and succession planning for the Corporation's executive officers and other employees. The responsibilities of the Human Resources and Compensation Committee include, among other things, (i) recommending to the Board of Directors the principles and rules regarding the recruitment, hiring and evaluation of the President and CEO and executive officers reporting to the latter, (ii) recommending to the Board of Directors all compensation plans or policies applicable to senior management executives and other key employees of the Corporation, (iii) recommending to the Board of Directors a development and succession plan for senior management and ensuring its implementation, (iv) recommending to the Board of Directors the hiring, position description and conditions of employment of the President and CEO and other senior management, (v) at the start of each year, assessing the objectives of the President and CEO for compensation purposes and proposing such objectives to the Board for approval and, at the end of each year or at the start of the following year, assessing the extent to which such objectives have been attained and recommending to the Board the President and CEO's compensation based on this assessment, (vi) recommending to the Board of Directors any material change to the Corporation's organizational structure, (vii) ensuring the implementation of all human resources policies and ensuring that the Corporation complies with applicable legislation and regulations, (viii) approving the annual report on executive compensation which appears in the Circular, (ix) overseeing risk identification and management in relation to compensation policies and practices and reviewing disclosure in this respect, (x) overseeing the selection of a benchmark group for the purposes of determining compensation or any element of compensation and reviewing disclosure in this respect, (xi) reviewing the structure of the Corporation's and its subsidiaries' incentive plans and pension plans, and (xii) together with management, assessing and, if needed, initiating the review of the Corporation's pension plans, in particular, with respect to their positioning as a benefit for purposes of compensation of employees assessed by the Human Resources and Compensation Committee, and examining the structure and governance of such plans.

The Human Resources and Compensation Committee is currently chaired by Mr. James Pantelidis and consists of five (5) outside directors, all of whom are independent. Other than Mr. Pantelidis, the members of the committee are currently Mrs. Suzanne Blanchet, Mr. Guy Dufresne, Mr. Robert Paré and Mr. Barry Gilbertson. Mr. Gilbertson will not seek re-election as director at the Meeting.

The Board of Directors believes that the members of the Human Resources and Compensation Committee collectively have the knowledge, experience and background required to fulfill their mandate:

Mr. James Pantelidis (Chair) - Mr. Pantelidis is chairman of the board of directors of EnerCare Ltd., a member of the board of directors, human resources and compensation committee and investment committee (chair) of Industrial Alliance Insurance and Financial Services Inc., chairman of the board of directors and a member of the audit committee (chair) of Parkland Fuel Corporation, and a member of the board of

directors and audit committee of Intertape Polymer Group Inc. From 2008 to 2011, he was a member of the board of directors and chair of the human resources and compensation committee of Equinox Minerals Limited. From 2002 to 2006, Mr. Pantelidis was a member of the board of directors of Fishercast Global Corporation and served as chairman and Chief Executive Officer from 2004 to 2006. From 2002 to 2003, he was President and Chief Executive Officer of J.P. Associates. Between 1999 and 2001, he was chairman and Chief Executive Officer of Bata Ltd. and from 1996 to 1998 he was Executive Vice President at Petro-Canada. Mr. Pantelidis acquired experience in numerous fields related to human resources and compensation matters through his vast experience as a board member sitting on various human resources/compensation committees. In addition, as part of his extensive senior management experience, Mr. Pantelidis actively supervised human resources departments and oversaw performance with respect to human resources and executive compensation policies and practices.

Mrs. Suzanne Blanchet - Mrs. Blanchet started with Cascades Inc. in 1977 and currently serves as Senior Vice-President, Corporate Development since 2014. From 1997 to 2014, she was President and Chief Executive Officer of Cascades Tissue Group. She is also a member of the executive committee of Cascades Inc., a member of the board of directors of McInnis Cement inc. since June 2014, a member of the board of directors and chair of the audit committee of Éco Entreprises Québec since June 2006, a member of the board of directors of the FCPC (Food & Consumer Products of Canada) since September 2004, a member of the board of directors of Innovassur, Assurances générales Inc. since February 2000, a member of the board of directors of CTAC since June 2008, and a member of the board of directors of Best Diamond Packaging, LLC since 2006. Mrs. Blanchet actively supervised human resources departments and oversaw performance with respect to human resources and executive compensation policies and practices through her executive responsibilities at Cascades Tissue Group and continues to do so through her responsibilities at Cascades Inc. She also acquired experience in several fields related to human resources and compensation matters through her experience as a board member.

Mr. Guy Dufresne – Mr. Dufresne currently serves as a member of the board of directors, audit and finance committee and environmental, health and safety committee of Iamgold Corporation since 2006, a member of the board of directors, member of the audit committee and chairman of the investment and pension committee of Royal & Sun Alliance Canada since 2004 and chairman of the board of directors and member of the audit committee and human resources and governance committee of Barlow Mine Inc. since 2011. From 2012 to 2014, he was chairman of the board of directors and member of the audit committee of The Canadian Union Insurance Company (insurance company), an affiliate of Royal & Sun Alliance Insurance Company of Canada. Furthermore, from 1992 to 2006, he was President and Chief Executive Officer of ArcelorMittal Mines Canada Inc. (formerly Québec Cartier Mining Company), and for 25 years prior to 1992, he held progressive senior positions within the forest product industry, including President and Chief Operating Officer of Kruger Inc. Through his executive responsibilities at Kruger Inc. and ArcelorMittal Mines Canada Inc. and as chairman or a director of various companies, Mr. Dufresne acquired experience in numerous fields related to human resources and compensation matters.

Mr. Barry Gilbertson - Mr. Gilbertson is a principal with Barry Gilbertson Consultancy. Mr. Gilbertson was previously a partner at PwC from 1996 until retirement in April 2011, where he acquired experience in several fields related to human resources and compensation matters through his executive responsibilities, together with the work-out and turnaround of an extensive list of publicly-quoted and privately owned businesses, corporations and organizations. As President, chairman or a director of various companies, not-for-profit organizations and professional bodies throughout his career, Mr. Gilbertson has also acquired further experience in human resources and compensation matters. Mr. Gilbertson is a member of the board of directors and of the compensation committee of Granite Real Estate Inc. and Granite REIT Inc. and a member of the board of directors (senior independent director) and audit committee and chair of the management engagement committee of Custodian REIT plc since January 2014.

Mr. Robert Paré - Mr. Paré is a corporate lawyer and partner at Fasken Martineau DuMoulin LLP, a member of the board of directors of Québecor inc. since 2014, a member of the board of directors and investment committee (chair) of Groupe BMTC Inc., a member of the board of directors and of the compensation, nominating and corporate governance committee of Group ADF inc. and a member of the board of directors of Essilor Canada Ltd. Mr. Paré has vast experience advising clients in all legal aspects of transactions in the field of mergers and acquisitions, which allowed him to acquire experience in numerous fields related to human resources and compensation matters. He also oversaw performance with respect to human resources and executive compensation policies and practices through his experience as a board member of various entities.

The Nominating and Corporate Governance Committee

The **Nominating and Corporate Governance Committee** is responsible for assisting the Board of Directors in the development of the Corporation's approach to matters of governance, selection of new director nominees, directors' compensation and for assessing the effectiveness of the Board of Directors and its committees, their respective chairs and each director. The responsibilities of the Nominating and Corporate Governance Committee include, among other things, (i) recommending and obtaining the Board of Directors' approval for governance policies and guidelines in compliance with laws and regulations and ensuring their implementation within the Corporation, (ii) recommending to the Board of Directors and periodically reviewing a code of conduct for directors, officers and employees, and ensuring its implementation within the Corporation, (iii) reviewing the size of the Board of Directors to ensure optimal decision-making and effectiveness and, as required, making appropriate recommendations to the Board of Directors, (iv) recommending a process for assessing the performance of the Board of Directors as a whole, the committees of the Board of Directors, the Chairman of the Board and the committee chairs and the contribution of individual directors, and seeing to its implementation, (v) assisting the Board in determining Board committee composition, as well as the appropriate mandate of each committee, (vi) recommending the competencies, skills and personal qualities required on the Board in order to create added value, taking into account the opportunities and risks faced by the Corporation and subsequently identifying and recommending to the Board new director nominees, (vii) implementing an orientation and continuing education policy for directors, (viii) recommending and obtaining the Board of Directors' approval for directors' compensation, (ix) ensuring that a statement of governance practices is disclosed and that such statement is in conformity with applicable laws and regulations and (x) advising the management of the Corporation on matters relating to the conduct of annual and special meetings of shareholders.

The Nominating and Corporate Governance Committee is currently chaired by Mr. Robert Chevrier and consists of four (4) outside directors, all of whom are independent. Other than Mr. Chevrier, the members of the committee are currently Mr. Guy Dufresne, Mr. Robert Paré and Mr. Wesley Voorheis. Mr. Voorheis will not seek re-election as director at the Meeting.

Compensation Discussion and Analysis

A Few Words from Jim Pantelidis Chair, Human Resources and Compensation Committee

Dear RONA shareholders:

Once again, it is my pleasure to present the Compensation Discussion and Analysis (CD&A) on behalf of the Board. The CD&A describes in detail our executive compensation program at RONA and shows how the Board reaches its decisions about executive pay plans and awards. Through the CD&A, we intend to engage shareholders, shareholder advisory groups, and industry analysts by disclosing in clear terms how our executive compensation aligns with RONA's strategic business plan, corporate and individual performance, and shareholder interests.

As always, we welcome shareholder input as we review and refine our executive compensation program. Of note in 2014, was the increased focus on earnings per share ("EPS") growth and return on capital ("ROC") improvement in our long-term incentive plan ("LTIP") design. We are now further aligned with shareholder interests and applying best pay and governance practices. Nevertheless, we continue to prepare for possible legislative developments and new disclosure requirements and we anticipate changes in shareholder perspectives.

Last year was a pivotal one for RONA as our leadership team worked together to develop and implement our new direction. For the first time since 2006, we experienced an increase in same-store sales. This increase in sales in combination with the savings achieved by the cost reduction plan initiatives started in 2013 and the optimization of store performance generated positive results. Net income per share increased by 71% and earnings before income tax, depreciation and amortization ("EBITDA") increased by 27% over 2013 figures.

Our 2014 results can be attributed in part to the repositioning of the Réno-Dépôt and TOTEM stores, strong advances in Western Canada, and improved merchandising strategies for contractors in Western Canada and Ontario and our dealer-owner network. We updated our 16 Quebec Réno-Dépôt stores by redesigning the shopping experience and adopting a procurement policy to ensure the right amount of merchandise is always in stock. We have had positive performance despite a slow economy, sustained pressure on housing starts in Quebec and the Atlantic Provinces, and strong competition.

It is a pleasure to report that RONA achieved its corporate financial performance goals for 2014. As our executive pay program is designed to reflect measurable performance, the impact on executive pay can be summarized as follows:

- Short-term incentive plan (“STIP”) total actual payouts for 2014 were generally at target.
- The stock price has trended upward since 2012 but has not returned to earlier levels. As a result, stock option grants made in 2012 and 2013 are currently in-the-money but most grants made prior to 2012 have no current value.

In recent years, we have made continual adjustments to our executive pay practices to enhance shareholder value and to ensure that rewards are commensurate with performance. Our fundamental executive compensation philosophy and practices are described in detail in the following pages of the CD&A. The key principles that we continue to apply at RONA can be summarized as follows:

We align executive pay with shareholders’ interests: We link executive pay to company performance by ensuring that compensation depends on the achievement of corporate and business sector objectives.

A significant proportion of executive pay is at risk: In 2014, 51% (62% for the CEO) of our Named Executive Officers’ (NEOs’) (as defined below) target compensation was at risk as STIP awards and performance-based equity grants are dependent on meeting corporate and sector performance goals.

We assess and manage compensation risk: Our compensation program offers a mix of cash, equity, and annual and long-term incentive compensation, which is designed to discourage executives from taking excessive risks.

We follow best pay practices: Severance arrangements and perquisites within the program are aligned with best practices; bonus amounts are capped and paid out only on meeting performance objectives set at the beginning of the year; share ownership guidelines require a minimum level of stock ownership by NEOs and their stock ownership may not be monetized or subject to hedging. STIP and LTIP payouts are subject to a clawback policy in the event of a financial restatement.

We align our executive pay to support our business strategy: Operational efficiency and increases in sales, EPS and ROC will be the key drivers of success for RONA in the coming years. As our business strategy evolves, we review and refine our executive pay framework. We continue to adjust our LTIP to further enhance shareholder value by aligning RONA’s business objectives and executive pay with shareholder interests. In 2015, the Board of Directors approved new stock option and share unit plans which provide for a double-trigger provision in the event of a change of control.

In 2014, we have achieved positive momentum in sales and profitability and gained a solid financial foundation. In 2015, RONA plans to open five new stores, including two Réno-Dépôt big-box concept stores outside Quebec. With a stable management team at the helm, expansion will be disciplined and will take place in environments where RONA can protect and reinforce market share or where investment is justified by strong growth potential and a good return on invested capital.

We hope you will continue to support our executive management team as they lead RONA to an exciting and profitable future.

Yours sincerely,

(signed)

Jim Pantelidis
Chair, Human Resources and Compensation Committee, RONA

Our Executive Pay Program

Our Named Executive Officers

The Compensation Discussion and Analysis section explains the pay program for the financial year ended December 28, 2014 for our “named executive officers” (“NEOs”), which include our President and CEO, our Executive Vice President and Chief Financial Officer, and our three other most highly compensated executive officers as of December 28, 2014, as follows:

Robert Sawyer
President and Chief Executive Officer

Dominique Boies
Executive Vice President and Chief Financial Officer

Alain Brisebois
Executive Vice President and Chief Commercial Officer

Luc Rodier
Executive Vice President, Retail

Christian Proulx
Senior Vice President, Human Resources and Communications



Robert Sawyer
President and Chief Executive Officer



Dominique Boies
Executive Vice President and Chief Financial Officer



Alain Brisebois
Executive Vice President and Chief Commercial Officer



Luc Rodier
Executive Vice President, Retail



Christian Proulx
Senior Vice President, Human Resources and Communications

Executive Compensation Philosophy and Policy

Executive compensation at RONA is aligned in several ways with our strategic business plan. Our key long-term objective is to motivate executives to achieve targets that are aligned with the Corporation’s strategic goals and that are expected to enhance shareholder value over the long term. Our shorter-term corporate goals and business unit objectives to contribute to business success are reflected in the annual incentive plan. A significant portion of the executive pay program consists of “at-risk” pay, meaning that compensation is dependent on achieving corporate and business sector objectives both in the short and long term.

RONA’s executive pay program is also designed to attract and retain experienced executives who have the skills required to help the Corporation achieve its strategic and organizational goals. RONA is committed to providing compensation plans that are consistent with best practices in corporate governance.

The Corporation’s executive compensation policy is to provide total compensation that is generally competitive with the median of its Compensation Peer Group (as defined below), taking into consideration additional Corporation-specific issues such as the achievement of financial and operational objectives, and the specific roles and responsibilities of different executive positions. Total compensation plans are structured to provide compensation that is above market median when results exceed the Corporation’s business objectives and below market median when results are below target.

Executive Compensation Components

General Description

The following table describes the different compensation components, which together provide compensation packages that meet the objectives of RONA's compensation philosophy. The table provides a description of each component's key features and objectives:

Compensation Elements, Key Features and Objectives

Compensation Element	Key Features	Objectives
Base Salary	Market-competitive fixed rate of pay	<ul style="list-style-type: none"> Attract and retain executives with experience and skills required to achieve strategic and organizational goals Recognize executives' experience, level of responsibility and individual performance
Annual Short-term Incentive Plan "STIP"	<p>Annual cash bonus with target awards established for each NEO as a percentage of base salary</p> <p>Payments can be higher or lower than target (down to zero), based on total Corporation annual results and/or business unit results</p>	<ul style="list-style-type: none"> Motivate executives to drive superior short-term performance through Corporation and business sector objectives Reward achievement of overall corporate performance goals defined as EBITDA excluding unusual and non-recurring items Reward achievement of business unit level performance goals defined as operational objectives (for example, strategic priorities, banner and/or sector optimisation, customer satisfaction or specific projects)
Long-term Incentive Plans "LTIP"	<p>Long-term incentives tied to growth in stock price through stock option and share unit grants. Grant levels vary to reflect individual contributions</p> <p>Restricted Share Units ("RSUs") RSUs vest at the end of 3 years based on the executive's continued employment with the Corporation</p> <p>Performance Share Units ("PSUs") PSUs vest at the end of 3 years based on Corporation annual targets; the two criteria being EPS and ROC with a respective weighting of 75% and 25%</p> <p>Stock Options Option grant levels are based on individual performance and options are time-vested rateably over 4 years with a 10-year term</p>	<ul style="list-style-type: none"> Promote retention and encourage executives to pursue opportunities that will increase shareholder value over the long term Motivate executives to pursue objectives that are aligned with RONA's long-term strategic and financial objectives Motivate executives to achieve strong financial performance aligned with shareholder interests.
Defined Contribution Pension Plan	Annual contribution based on salary up to the Canada Revenue Agency (CRA) limit Supplemental plan with annual contribution over the basic plan based on salary and paid annual short-term incentive	Attract and retain highly qualified executives by providing market competitive benefits for income security in retirement
Health and Other Benefits and Perquisites	<p>Health, dental, life and disability insurance plans</p> <p>Automobile allocation, medical exam, financial planning</p>	Attract and maintain healthy, engaged, high-performing executives by providing market competitive benefits and perquisites

Compensation Positioning

To achieve the objectives described in the table above, each element of pay is targeted at the market median of the Compensation Peer Group (as defined below) with adjustments based on meeting specific performance goals as follows:

- Base salary is generally aligned with the median but may be above or below median to reflect specific circumstances such as experience, individual performance and changes in responsibility;
- STIP payouts may exceed market median target levels when results exceed objectives and may be below median levels (down to zero) when results are below targets;
- LTIP grants of share units and stock options can be adjusted from 0% to 200% of target levels based on each individual's performance and contribution to the Corporation's overall results;
- PSU grants include performance vesting criteria to ensure that awards vest only when the Corporation's performance exceeds a pre-established minimum threshold. Based on RONA's performance at the end of the vesting period, from 0% to 200% of the PSUs may vest; and
- Pension and benefits are set at market competitive levels.

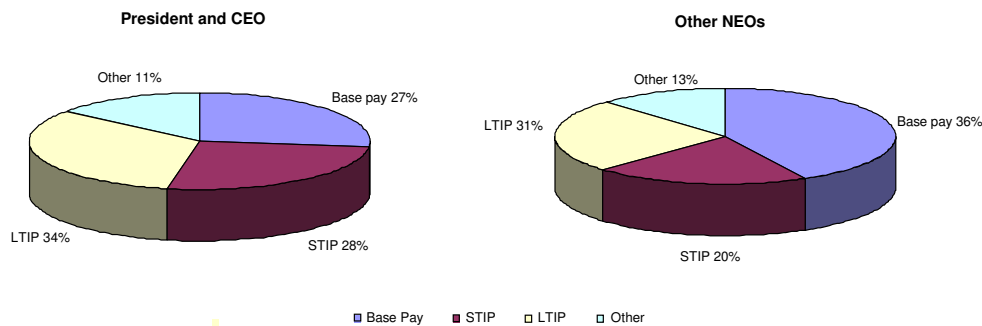
Pay Mix

The compensation program is comprised of a mix of base salary, short- and long-term incentive compensation and pension and other benefits. The relative emphasis of these elements in the compensation program indicates the amount of compensation that is “at-risk”, that is, based on meeting corporate and business sector goals.

As illustrated in the following charts, which show the mix of pay elements for the President and CEO and for the other NEOs, a significant portion of each NEO’s compensation is performance-based. In total, 62% of the target total compensation for the President and CEO and 51% of the other NEOs’ target total compensation was performance-based and aligned with the interests of shareholders for the year ended December 28, 2014.

Mix of Pay Elements

The figures in the charts are based on target pay mix for the year ended December 28, 2014.



Summary of Performance Measures

For 2014, the Human Resources and Compensation Committee has approved performance targets for the STIP that reflect the Corporation’s short-term business objectives. The STIP considers a balanced mix of performance measures:

- *Corporate earnings targets*, which reward achieving or exceeding EBITDA targets.
- *Business unit or sector objectives*, which reward achievement of various performance objectives such as strategic priorities, banner and/or sector optimisation, customer satisfaction, or specific projects.

The LTIP is also driven by corporate performance as follows:

- PSUs vest at the end of three years if the Corporation achieves annual absolute targets levels for EPS and ROC.
- Stock options vest evenly over four years and provide value to executives only if the Corporation’s stock price increases above the exercise price before the end of the 10-year term; in other words, the share option plan includes an implicit absolute share price improvement performance measure.

Our Executive Compensation Practices

Recent Changes to Executive Compensation

During 2014, the Human Resources and Compensation Committee recommended the following changes to executive compensation:

- Revision of market competitiveness of STIP and LTIP target and market adjustments for some executives;
- Modification to the LTIP mix for the President and CEO to be aligned with other executives; and
- Adoption of a new share option plan and a new share unit plan which provide for a double trigger provision in the event of a change of control.

Risk Assessment of Pay Program

The Board has overall responsibility for the oversight of our risk management plans, policies and practices. The Human Resources and Compensation Committee is responsible for overseeing our compensation policies and practices to ensure they do not encourage executives to take risks that would be reasonably likely to have a material adverse effect on RONA. The Committee's charter has been revised to reflect these risk oversight responsibilities. In addition, management undertook a formal compensation risk assessment in 2013, in consultation with Mercer, the outside compensation consultant retained by the Human Resources and Compensation Committee. As part of this process, Mercer evaluated the risk exposures related to compensation of the Board of Directors, executives, management, and the broader employee population, with a focus on the Corporation's incentive plans. Based on Mercer's 2013 assessment, the Board did not identify any risks arising from RONA's compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation. Management will report annually to the Human Resources and Compensation Committee on the steps taken to identify, monitor and control compensation risk exposures.

Our pay program is designed to motivate and reward executives who take appropriate business risks to help the Corporation achieve its goals without encouraging risk-taking behaviours that may have a material adverse effect on the Corporation. The following characteristics of our pay program are designed with this in mind:

- Pay mix is balanced to include sufficient fixed compensation as well as annual and long-term incentive compensation that together represent a mix of cash and equity.
- Bonus amounts are capped and paid out only on meeting performance objectives set at the beginning of the year.
- Base salary is fixed to provide steady income regardless of share price and therefore does not encourage excessive risk-taking.
- Performance compensation is provided as a mix of cash and equity, based on the achievement of short- and long-term financial measures.
- Target LTIP grants in 2014 were provided 25% in RSUs, 50% in PSUs and 25% in stock options. PSUs vest only if and when RONA's ambitious three-year performance criteria are achieved and stock options have value only if RONA's share price increases before the end of their ten-year term.
- Equity awards vest over an extended period: three years for share units and four years for stock options. This helps to ensure that performance aligns with shareholders' interests.
- Share ownership guidelines require a minimum level of ownership, which more closely aligns the interests of senior executives with those of shareholders. Shares cannot be monetized or subject to other hedging procedures.
- STIP and LTIP payouts are subject to a clawback policy in the event of any financial restatement.
- Pension benefit calculations for NEOs (including the President and CEO) use actual bonuses (capped at target).
- The Human Resources and Compensation Committee oversees the Corporation's pay program and policies in consultation with Mercer and periodically stress-tests the executive compensation plans under various performance scenarios.

Stress Testing

To ensure that the Corporation's total compensation is aligned with the Corporation's compensation objectives, the Human Resources and Compensation Committee periodically works with Mercer to stress-test the executive compensation plans under various performance scenarios. These scenarios illustrate the impact of various corporate performance outcomes relative to the incentive awards that would be earned by executives. Stress testing helps determine whether the incentive plans would pay out as anticipated and remain consistent with RONA's pay-for-performance philosophy, while avoiding the creation of excessive risks that could threaten the Corporation's value.

The various scenarios contemplate corporate performance ranging from 'weak' to 'extraordinary' and calculate incentive plan payouts based on these results to ensure an appropriate pay-for-performance linkage. In light of this analysis, the committee believes that the relationship between pay and performance is appropriate and that the objectives of the Corporation's performance-based compensation program are achieved.

Share Ownership Requirements

The interests of the management team are further aligned with shareholders' interests through share ownership requirements. The Board has adopted guidelines that require minimum levels of share ownership (or options or share units), based on each executive's position and salary. NEOs are required to achieve and maintain share ownership levels that meet or exceed the guidelines.

Shares acquired through the exercise of stock options, or through the vesting of share units awards under the LTIP, must be held until the guidelines are met. For the purposes of assessing ownership levels, RONA includes the value of shares and vested stock options, as well as one hundred percent (100%) of the value of unvested RSUs and fifty percent (50%) of the value of unvested PSUs. Shares are valued at the greater of the stock price on the date they were acquired, or the date that share ownership levels are assessed. Vested stock options are valued based on the in-the-money value, if any, on the date that share ownership levels are assessed. Share units are valued using the share price on the date that share ownership levels are assessed, assuming performance criteria, if any, are fully met.

Share units, stock options, or other RONA securities held by NEOs cannot be the object of monetization or other hedging procedures to reduce the exposure related to the holdings.

The following table provides information about the stock-based holdings of RONA's NEOs, as at December 28, 2014. For further details, please refer to pages 44 and following.

Share Ownership Guidelines

Executive Position	Share Ownership Guidelines: Multiple of Salary	Status as at December 28, 2014
Robert Sawyer President and Chief Executive Officer	3.0	Guideline is met
Dominique Boies Executive Vice President and Chief Financial Officer	1.0	Guideline is met
Alain Brisebois Executive Vice President and Chief Commercial Officer	1.0	Guideline is met
Luc Rodier Executive Vice President, Retail	1.0	Guideline is met
Christian Proulx Senior Vice President, Human Resources and Communications	1.0	Guideline is met

Executive Compensation Clawback

The Corporation has an executive compensation clawback policy relating to awards made under the Corporation's STIP and LTIP. Under the policy, the Board may, in certain circumstances and in its sole discretion, require reimbursement of all or a portion of annual and long-term incentive compensation received by an executive officer as well as any profit realized from the exercise of stock options granted following a restatement of all or a portion of the Corporation's financial statements.

Benchmarking

RONA uses two different peer groups: the first group (the “**Compensation Peer Group**”) is used to benchmark executive compensation and to ensure the Corporation’s ability to attract and retain executives with the experience and skills required to achieve strategic and organizational goals; the second group (the “**Performance Peer Group**”) is used only to benchmark corporate performance for the purposes of determining the portion of PSUs that will vest for 2012 and 2013 grants.

Benchmarking of Executive Compensation

The Human Resources and Compensation Committee retained Mercer to provide consultant services to assess the competitiveness of target compensation of the Corporation’s NEOs. Compensation data is validated against target positioning, including base salary, target short-term incentives, target long-term incentives, pension and other benefits and perquisites. Mercer performed the following market comparisons:

- In 2012, Mercer assessed the competitiveness of target compensation of all of the Corporation’s NEOs. Total compensation was generally positioned between the 25th percentile and the median of the Compensation Peer Group.
- In 2014, Mercer updated the market data for the Executive Vice President and CFO. Both base salary and total direct compensation remained between the 25th percentile and the median of the Compensation Peer Group.
- In 2015, Mercer updated the market data for the President and CEO. Base salary remained between the 25th percentile and the median of the Compensation Peer Group, while total compensation was at the market median.

The Committee usually undertakes a thorough market comparison, including review and revision of the Compensation Peer Group for all NEOs every three years. The next market comparison should therefore be in 2015.

Compensation Peer Group

The Compensation Peer Group is primarily composed of major Canadian retail companies, as well as other companies in the consumer discretionary and consumer staples industry sectors with which RONA competes for executive talent. When selecting peers, we included only companies with annual revenues and/or total assets within a range of one-third to three times RONA’s size. Relative to the Compensation Peer Group (shown below), RONA is positioned around the median in terms of annual revenues and total assets.

NEO Compensation Peer Group ¹	
<ul style="list-style-type: none"> • Alimentation Couche-Tard Inc. • Canadian Tire Corporation Limited • Dollarama Inc. • Empire Company Limited • The Jean Coutu Group (PJC) Inc. • Maple Leaf Foods Inc. • Metro Inc. • Molson Coors Brewing Company 	<ul style="list-style-type: none"> • North West Company Inc. • Saputo Inc. • Sears Canada Inc. • Tim Hortons Inc. • Transat AT Inc. • Uni-Select Inc.

(1) Shoppers Drug Mart Corp. was removed from the initial Compensation Peer Group since it was acquired.

Benchmarking of Corporate Performance

The Performance Peer Group consists of 15 Canadian and US companies selected from the consumer discretionary, consumer staples, home improvement retail and trading and distribution industry sectors that are similar in size to RONA. RONA is positioned between the median and the 75th percentile of the Performance Peer Group in terms of revenues and at the median in terms of total assets and market capitalization. This peer group is composed of business peers that analysts consider relevant for purposes of assessing RONA’s relative performance and is used to benchmark corporate performance to determine vesting of PSUs under the LTIP for 2012 and 2013 grants.

The Performance Peer Group, for 2012 and 2013 PSU awards, is shown in the following table:

Performance Peer Group⁽²⁾

Category	Performance Peer Company
Canadian Consumer Discretionary Companies	<ul style="list-style-type: none"> BMTC Group Inc. Canadian Tire Corporation Limited⁽¹⁾ Dorel Industries Inc. Indigo Books & Music Inc. Leons Furniture Ltd. Reitmans (Canada) Limited Sears Canada Inc.⁽¹⁾ Uni-Select Inc.⁽¹⁾
Canadian Consumer Staples Companies	<ul style="list-style-type: none"> The Jean Coutu Group (PJC) Inc.⁽¹⁾
Other Business Peers	<ul style="list-style-type: none"> Bed Bath & Beyond Inc. (US) Lowes's Companies Inc. (US)
Home Improvement Retail and Trading Companies & Distributors	<ul style="list-style-type: none"> CanWel Building Materials Group Ltd (Canada) Wesco International Inc. (US) Fastenal Company (US) Home Depot Inc. (US)

(1) Also part of the Compensation Peer Group used to benchmark all pay elements.

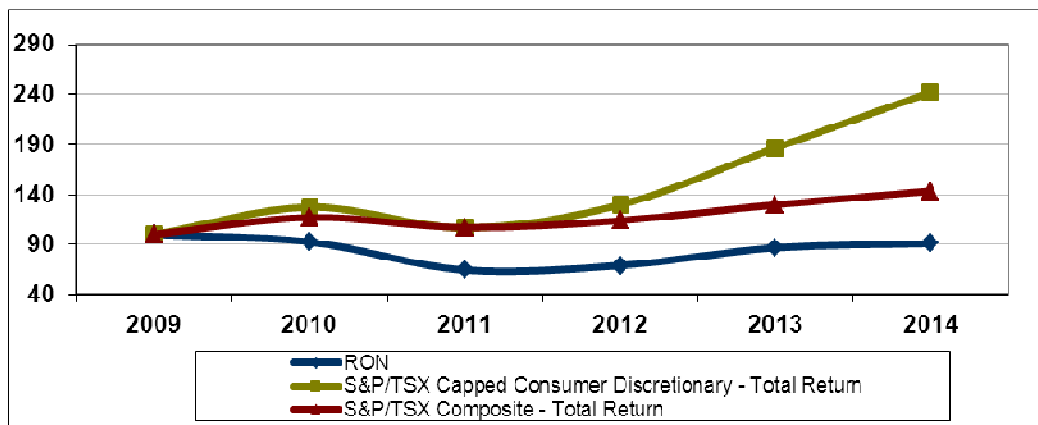
(2) Four peer companies were removed from the initial Performance Peer Group: Shoppers Drug Mart Corp. and Interline Brands (US), which were acquired, and Kingfisher PLC and Wolseley PLC, since their respective financial reporting period did not allow for relevant performance comparisons to be made. Only peers with data available for the full period will be included in determining RONA's percentile ranking.

How RONA Ties Executive Pay to Performance

Stock Performance: 2010 to 2014

The following graph compares the cumulative total shareholder return ("TSR") on \$100 invested in Common Shares of RONA from December 27, 2009 through December 28, 2014 with the cumulative TSR for the same period of the TSX Capped Consumer Discretionary Index and the TSX Composite Index.

Comparison of RONA Total Return with S&P Indices



Comparison of RONA Total Return with S&P Indices

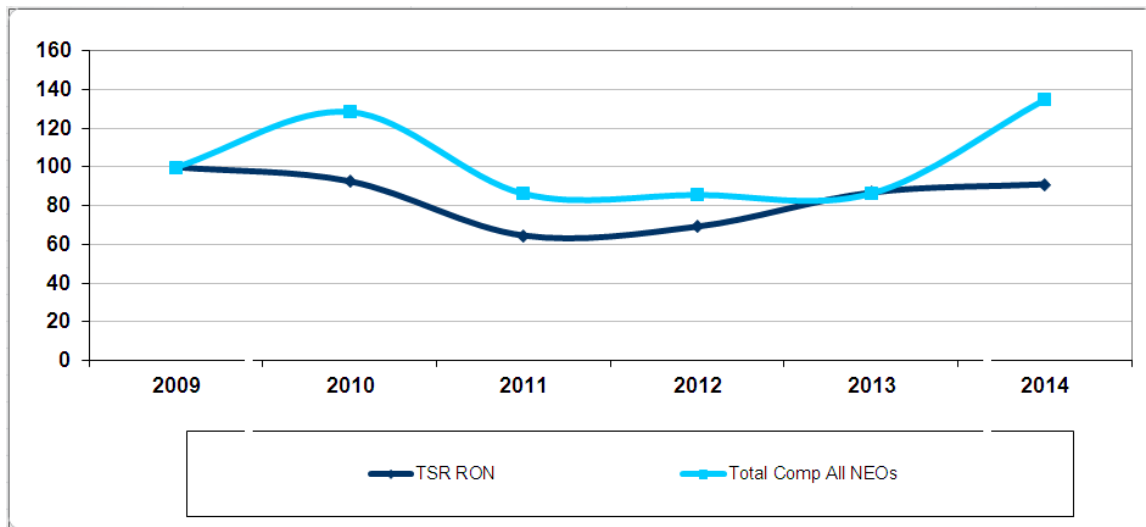
	Financial Year Ended					
	Dec. 27, 2009	Dec. 26, 2010	Dec. 25, 2011	Dec. 30, 2012	Dec. 29, 2013	Dec. 28, 2014
The Corporation	\$100.00	\$92.72	\$64.84	\$69.29	\$86.89	\$91.13
S&P/TSX Capped Consumer Discretionary - Total Return	\$100.00	\$127.37	\$106.73	\$129.73	\$186.57	\$242.21
S&P/TSX Composite - Total Return	\$100.00	\$117.01	\$107.01	\$114.05	\$129.78	\$143.47

Compensation, Corporate Performance and Stock Performance: 2010 to 2014

Each year, the Board considers RONA's overall performance in making executive pay decisions to ensure that our compensation program, compensation level, annual STIP payouts as well as LTIP award levels are aligned with shareholder interests.

The chart and table below illustrate variation and trends in TSR on \$100 invested in Common Shares of RONA from December 27, 2009 through December 28, 2014 and total compensation to NEOs (as reported in the Summary Compensation Table).

Trends in Compensation 2010 to 2014



Trends in Compensation 2010 to 2014

Year	2010	2011	2012	2013	2014
Corporation performance TSR					
Variation in TSR over previous year	-7.3%	-30.7%	7.3%	25.6%	4.9%
Compensation all NEOs⁽¹⁾⁽²⁾					
Cash compensation (base salary + STIP award)	\$3,568,538	\$2,364,291	\$2,150,478	\$2,244,833	\$4,155,054
Variation over previous year	52.8%	-33.7%	-9.0%	4.4%	85%
Total compensation ⁽¹⁾	\$7,796,503	\$5,231,318	\$5,194,707	\$5,235,344	\$8,183,127
Variation over previous year	28.6%	-32.9%	-0.7%	0.8%	56.3%

(1) As disclosed in the Summary Compensation Table of the applicable year's information circular.

(2) For purposes of this table, compensation values do not include any compensation related to interim position, hiring conditions or termination benefits paid upon termination of employment. In 2013, Messrs. Sawyer's and Brisebois' salaries are reflected for 8 and 7 months, respectively, and the bonus for Mr Brisebois was pro-rated and the bonus for Mr Sawyer was considered as a hiring condition, thus not reflected in this table. Values for 2014 account for full year salary for all NEOs and the bonus is based on 12 months employment for all.

During the five-year period, TSR variation over the previous year was positive three times out of five, with an overall 8.8% decrease. Cash compensation and total compensation fluctuated from year to year and it did not always follow the trend of TSR, such compensation having increased over the same five-year period.

The following observations can be drawn from the Corporation's STIP's and LTIP's respective designs as well as from the significant variations between actual (or realized) and grant date values of direct compensation:

- RONA's performance measures under the STIP and LTIP (for PSUs) are not directly linked to the Corporation's TSR. The STIP performance criteria is the EBITDA, which is an operational performance criteria. Also, the LTIP value reported in the Summary Compensation Table below is based on grant date fair value and not on actual value;

- Aggressive performance targets in combination with difficult market conditions resulted in significant variability in annual and long-term incentive awards in recent years, which had a significant impact on annual payouts;
- Most STIP payouts have been below target levels over the relevant five-year period. In 2014, it was the first time over the five-year period that the corporate performance goals was achieved resulting in a payout generally at target for the NEOs; and
- Most LTIP awards have been impacted since PSUs granted in 2010 and 2011 did not payout and most grants prior to 2012 have no current value.

Note that recent changes in the group of NEOs, in 2011, 2012 and 2013 as well as ongoing changes to the STIP and LTIP designs in order to remain market competitive should also be considered when looking at the pay-for-performance trends over the relevant five-year period. These changes explain the increase for 2014 since two of the NEOs were hired during 2013 and have a full year of compensation in 2014.

Nevertheless, based on the foregoing data, RONA is of the view that the actual value of compensation paid and granted to NEOs over the relevant five-year period demonstrates alignment between executive compensation and shareholder interests over the short and long term.

Description of Compensation Elements

Base Salary

Each year, the Human Resources and Compensation Committee reviews the individual salaries of the NEOs and makes adjustments when required to ensure that compensation remains market competitive and reflects individual performance, responsibility and experience. Individual performance includes, but is not limited to, each officer's contribution, business unit results, leadership, and quality of management.

The annual budget for salary increases is usually set at the average for the Canadian market based on general market surveys. However, increases in base salary over the last year were primarily driven by market adjustment to maintain compensation at the median of the Compensation Peer Group and/or to reflect increased responsibilities.

Base Salary Comparison: 2013/2014

	2013 ⁽¹⁾	2014 ⁽¹⁾	% Change
All NEOs	\$2,282,260	\$2,445,565	7%

(1) Salary for NEOs in place at the time of the salary increase.

Please refer to pages 44 and following for a detailed explanation of the NEOs individual base salary compensation.

Annual Short-Term Incentive Plan

RONA believes short-term incentive awards should be paid to senior executives for their contribution to the overall performance of RONA and for meeting objectives in their respective business units.

In 2014, the Corporation has chosen to reward achievement of overall corporate performance goals defined as EBITDA. The Corporation believes that the EBITDA is a key indicator of the operational and financial performance of the business.

The following table describes the performance measure weightings for NEOs.

2014 Performance Measure Weightings

Position	Corporate objective EBITDA	Sector objectives
President and CEO Mr. Sawyer	100%	-
Executive Vice President and CFO Mr. Boies	70%	30%
Executive Vice Presidents Mr. Brisebois and Mr. Rodier	70%	30%
Senior Vice President, Human Resources and Communications Mr. Proulx	70%	30%

The following table describes the range of annual payouts targets under the STIP:

**2014 Annual Incentive Targets
(% of base salary)**

Position	Minimum	Target	Maximum
President and CEO Mr. Sawyer	0%	100%	200%
Executive Vice President and CFO Mr. Boies	0%	60%	102%
Executive Vice President and Chief Commercial Officer Mr. Brisebois	0%	65%	110%
Executive Vice President, Retail Mr. Rodier	0%	60%	102%
Senior Vice President, Human Resources and Communications Mr. Proulx	0%	35%	60%

The following table describes the potential payouts at various performance level for each performance measure under the STIP:

Payout Matrix Assigned to Each Performance Measure

Performance Measure	Purpose	Below Threshold		At Threshold		At Target		At Maximum	
		Performance level	Payout	Performance level	Payout	Performance level	Payout	Performance level	Payout
EBITDA	To align with and reward achievement of corporate results.	Less than 80% of target	Zero	80% of target \$188,014,000	20%	Target ⁽¹⁾ \$235,018,000	100%	Target + 30% \$305,000,000	200%
Sector objectives	To reward achievement of specific business key performance indicators contributing to the overall corporate performance (profitability and returns)	Not achieved	Zero	Per objective ⁽²⁾	0-100% ⁽²⁾	Fully achieved	100%	Surpassed	100%

(1) The EBITDA target is recommended by the President and CEO and approved by the Board of Directors. Please refer to pages 44 and following for further details on targets set for the year ended December 28, 2014.

(2) Depending on the nature of the objective approved by the President and CEO, the achievement threshold may differ for each objective and may include qualitative or quantitative measures; methodology to assess the level of achievement is defined for each objective at the beginning of the year.

Each year, the Human Resources and Compensation Committee recommends to the Board the level of attainment and payouts of the performance indicators set at the beginning of the previous year for all NEOs as well as the performance indicators for the upcoming year. These recommendations are based on the performance achieved in the previous year and the corporate objectives for the coming year, as well as the difficulty of achieving them. Each year, objectives (corporate and sector) are set at an aggressive but attainable level as illustrated by the level of achievement of these objectives over the past years.

For 2014, the performance indicator in respect of EBITDA was achieved.

The sector performance portion of the bonus as set at the beginning of the year, is based on meeting key operational objectives (in terms of strategic priorities, banner and/or sector optimisation, customer satisfaction or specific projects). For 2014, sector objectives were partially reached; the level of achievement varies from 96% to 100%.

As measured against set and abovementioned corporate and sector indicators, payouts to NEOs would range between 99.2% and 100.5% of their target short-term incentive. Please refer to pages 44 and following for a specific enumeration of the objectives set in 2014 for each of the NEOs and their respective level of achievement.

Specific information on some of these business sector objectives can be deemed confidential and sensitive, as disclosure could allow competitors to gain access to strategic information about the Corporation or impact customer perception and buying decisions. For these reasons, detailed information on some of the business sector objectives, including their target and threshold performance levels, where applicable, is not fully disclosed. The portion of compensation linked to such undisclosed information represented 3.3% of the total compensation of all NEOs in 2014. As mentioned above, these objectives were set at an aggressive but attainable level.

Long-Term Incentive Plans

The Corporation administers a share option plan, which was adopted in 2002 (the “**2002 Option Plan**”), and a share unit plan, which was adopted in 2007 (the “**2007 Share Unit Plan**”). The details of these plans are provided in Schedule “D” to this Circular. Following the 2013 compensation risk assessment conducted in consultation with Mercer, a new share option plan (the “**2015 Option Plan**”) and a new share unit plan (the “**2015 Share Unit Plan**”) were adopted by the Board in 2015. The 2015 Option Plan will be submitted to the shareholders for their approval at the Meeting. One of the differences between the old and the new option and share unit plans is the introduction of the double trigger provision in case of a change of control. Details regarding the 2015 Share Unit Plan are provided in Schedule “D” to this Circular, while details regarding the 2015 Option Plan are provided at page 54 of this Management Proxy Circular.

Executive compensation is aligned with shareholders’ long-term interests through grants of stock options and share units with (PSUs) and without (RSUs) performance-based criteria. Performance-based share units only vest when RONA’s ambitious three-year performance-based criteria are achieved, while RSUs vest at the end of their three-year term based on the executive’s continued employment. Furthermore, the value of earned share units (RSUs and PSUs) as well as vested stock options fluctuates with the value of RONA’s stock.

The purpose and characteristics of each type of grant are summarized in the following table.

Types of Equity Awards

Type of grant	Purpose of grant	Vesting	Payment characteristics
RSUs	<ul style="list-style-type: none"> To encourage executives to pursue opportunities aligned with RONA’s strategic objectives To promote executive retention over the long term 	<ul style="list-style-type: none"> Time vesting: at the end of 3 years based on continued employment 	<ul style="list-style-type: none"> Vested awards can be settled in cash, or in shares purchased on the open market, at RONA’s discretion
PSUs	<ul style="list-style-type: none"> To encourage executives to pursue opportunities aligned with RONA’s strategic objectives To ensure that LTIP payouts to executives are directly linked to corporate performance 	<ul style="list-style-type: none"> Performance vesting: at the end of 3 years based on Corporation annual targets; the two criteria being EPS and ROC with a respective weighting of 75% and 25% 	<ul style="list-style-type: none"> Based on RONA’s performance at the end of the vesting period, anywhere from 0% to 200% of the PSUs may vest Vested awards can be settled in cash, or in shares purchased on the open market, at RONA’s discretion
Stock options	<ul style="list-style-type: none"> To encourage executives to pursue opportunities that will increase shareholder value over the long term To promote executive retention over the long term 	<ul style="list-style-type: none"> Time vesting: over 4 years from the date of grant at a rate of 25% per year Stock options will expire after a 10-year term 	<ul style="list-style-type: none"> Stock options are issued with an exercise price equal to or above the weighted average price of Common Shares traded on the TSX, calculated by aggregating the value of each transaction during the 5 trading days immediately preceding the date of grant, divided by the total number of Common Shares traded during such period Stock options provide value to executives only if the stock price increases above the exercise price before the end of the term

Each year, the Human Resources and Compensation Committee recommends, for approval by the Board, grants to the NEOs under the Corporation's LTIP. The number of stock options, RSUs and PSUs granted is based on long-term incentive target award levels for each position expressed as a percentage of base salary. These targets are set at the market median of the Compensation Peer Group consistent with the Corporation's compensation strategy.

In 2014, RONA's LTIP mix for eligible NEOs, was 25% stock options (issued under the 2002 Option Plan), 25% RSUs and 50% PSUs (issued under the 2007 Share Unit Plan). Actual awards can be adjusted from 0% to 200% of target levels and may vary based on each individual's performance and contribution to the Corporation's overall results. In addition, long-term incentive grants may be made in specific situations such as promotions or new executive hires.

2014 Long-Term Incentive Mix

Position	Target as % of Base Salary	2014 LTI Mix
President and CEO Mr. Sawyer	125%	25% options, 25% RSUs, 50% PSUs
Executive Vice President and CFO Mr. Boies	100%	
Executive Vice President and Chief Commercial Officer Mr. Brisebois	100%	
Executive Vice President, Retail Mr. Rodier	100%	
Senior Vice President, Human Resources and Communications Mr. Proulx	50%	

When making decisions regarding actual awards of share units and stock options, the Human Resources and Compensation Committee also considers additional factors such as the number of share units and stock options currently outstanding from previous awards, the retention value that those awards provide, individual contribution to performance, corporate performance relative to RONA's Performance Peer Group at that time, and the degree to which previous years' awards continue to motivate executives to achieve the Corporation's long-term objectives. Based on these factors, the actual LTIP awards for 2014 were granted at 160% of the target level for Mr. Sawyer.

In 2014, the NEOs received 253,500 stock options, with an expected value of \$790,540 (based on the Black-Scholes-Merton ("BSM") model value of the options), 68,600 RSUs with a value of \$792,330 based on the stock price on the date of grant and 137,000 PSUs with a value of \$1,582,350 based on the stock price on the date of grant. The fair market value on the grant date of RSUs, PSUs and stock options granted to each of RONA's NEOs in 2014 is described in the "Compensation of the Named Executive Officers-Summary Compensation Table" section on page 51.

The vesting of PSUs granted in 2014 will be based on Corporation annual targets; the two criteria being EPS and ROC with a respective weighting of 75% and 25%. The vesting matrix for 2014 PSU awards is similar from the previous years and is presented in the following table.

2014 PSU Vesting Matrix

EPS matrix (weighting of 75%)

Objective met at:	<60% or last year result	60-95%	95% -100%	100-150%	>150%
Acquisition:	0	0 to 100%	100%	100 to 150%	200%

ROC matrix (weighting of 25%)

Objective met at:	< last year result	last year result-95%	95% -100%	100-150%	>150%
Acquisition:	0	0 to 100%	100%	100 to 150%	200%

Pension and Other Benefits

Pension Plans

CEO and other NEOs Defined Contribution Plans

The pension plan for the CEO and the other NEOs is made up of a basic defined contribution registered plan and a supplemental plan which is also a defined contribution plan. Participation in these plans is determined by the level of the position held and must be approved by the Human Resources and Compensation Committee.

The purpose of the basic registered plan is to accumulate, on an annual basis beginning on January 1, 2000, the maximum amount allowed by the tax authorities (\$24,930 in 2014). The purpose of the supplemental plan, when combined with the basic registered plan, is to provide officers, upon retirement, with pension income from the accumulation, on an annual basis beginning on January 1, 2000, of 18% of the annual compensation paid to the officer during a given year, together with the annual return thereon. Annual compensation is defined as the sum of the salary and bonus paid, up to the target bonus, in a specific year.

The annual return credited on the registered pension plan contributions is equal to the rate of net return on the assets invested in the participant's account. The annual return credited on the supplemental plan notional contributions is equal to 7.5%. The supplemental plan includes vesting criteria over a 10-year period for the employer's contribution and restrictions relating to non-competition clauses which state that the retirement benefit will be suspended if the plan member transgresses the non-competition clauses. The vesting criteria have been waived for the CEO.

In 2011, a benchmarking study confirmed the competitiveness of the current design. It was determined that the Corporation's defined contribution plan, combined with a guaranteed rate of return, provides a level of pension income which is competitive with that of peer companies, most of which offer defined benefit plans.

The following table presents the entitlement under the defined contribution plans for the CEO and the other NEOs as of the beginning and end of the Corporation's financial year ending on December 28, 2014. All figures were calculated using the accounting methods and assumptions disclosed in the annual financial statements of RONA available on SEDAR at www.sedar.com:

Defined Contribution Plans

Name	Accumulated value at start of year (\$)	Compensatory ⁽¹⁾ (\$)	Accumulated value at year end (\$)
Robert Sawyer	112,500	306,000	438,900
Dominique Boies	209,100	109,700	340,600
Alain Brisebois	48,600	110,600	167,400
Luc Rodier	242,700	82,400	348,500
Christian Proulx	351,800	56,800	438,600

(1) Compensatory change includes service costs (employer contribution).

Other Benefits

The aggregate value of perquisites that were provided to each NEO (and that are not generally available to all employees) for the financial year ended on December 28, 2014 did not exceed the lesser of \$50,000 or 10% of the NEO's base salary annually. Perquisites consist of car allowance, medical exam and financial planning. From time to time, the value of these benefits is benchmarked against the Corporation's Compensation Peer Group. Benefits offered are designed to remain at (or below) market average.

Severance and Other Termination Benefits

The Corporation has employment agreements in place with each of the NEOs.

In the event of termination of employment, the employment agreements of Messrs. Boies, Brisebois, Rodier and Proulx provide for severance that varies with years of service, up to a maximum of 24 months (after 20 years of service) of base salary, health and dental insurance coverage, contributions to the applicable pension plans and car benefits, plus payment of the relevant year's bonus (prorated to the number of months worked and according to the level of achievement of the applicable performance measures). The employment agreement with Mr. Sawyer provides for severance of 24 months and also include annual target bonus.

Following a change of control of the Corporation and employment being terminated by the Corporation (including by way of constructive dismissal) within the first twelve (12) months following the change of control, Messrs. Sawyer, Brisebois and Boies' employment agreement provides for severance corresponding to 24 months of base salary, annual target bonus, health and dental insurance coverage, contributions to the applicable pension plans and car benefits, plus payment of the current year's annual target bonus (prorated to the number of months worked) as well as any outstanding deferred payments.

Following a change of control of the Corporation and employment being terminated by the Corporation (including by way of constructive dismissal) within the first twelve (12) months following the change of control, the employment agreements of Messrs. Rodier and Proulx provide for severance that varies with years of service, up to a maximum of 24 months (after 15 years of service) of base salary, annual target bonus, health and dental insurance coverage, contributions to the applicable pension plans and car benefits, plus payment of the current year's annual target bonus (prorated to the number of months worked).

No payments are to be expected in the case of termination by the Corporation for cause, or voluntary termination by the NEO.

Following the adoption of the 2015 Option Plan and the 2015 Share Unit Plan, any grants under such new plans will be subject to a double trigger provision in case of a change of control at the Corporation for the immediate vesting of any outstanding and unvested awards granted. However, should a change of control occur at the Corporation, the supplemental defined contribution pension plan of the Corporation allows for immediate vesting of the employer contributions under such plan.

All employment agreements also include non-compete and non-solicitation clauses that remain in force for the duration of the NEO's employment with the Corporation and for twelve (12) months thereafter, in addition to customary confidentiality clauses for all NEOs.

Conditions set under these employment agreements are, from time to time, compared to and aligned with practices in the Corporation's Compensation Peer Group and best practices in corporate governance. They are approved by the Human Resources and Compensation Committee.

The following table provides the total value of all severance, incremental payments, payables and any other termination benefits that would have been paid to each NEO, had employment been terminated at the end of the most recently completed financial year under various termination scenarios.

Termination and Change of Control Benefits

Name	Retirement ⁽¹⁾ (\$)	Change of Control ⁽¹⁾ (\$)	Voluntary Termination (\$)	Termination Not for Cause ⁽¹⁾ (\$)	Termination For Cause (\$)
Robert Sawyer					
Base		1,700,000		1,700,000	
Target bonus	—	1,700,000	—	1,700,000	—
Other ⁽²⁾		748,000		748,000	
Total		4,148,000		4,148,000	
Dominique Boies					
Base		900,000		450,000	
Target bonus	—	540,000	—	—	—
Other ⁽²⁾		302,400		102,600	
Total		1,742,400		552,600	
Alain Brisebois					
Base		950,000		316,667	
Target bonus	—	617,500	—	—	—
Other ⁽²⁾		325,350		71,400	
Total		1,892,850		388,067	
Luc Rodier					
Base		600,000		466,667	
Target bonus	—	360,000	—	—	—
Other ⁽²⁾		205,200		109,200	
Total		1,165,200		575,867	
Christian Proulx					
Base		405,848		315,659	
Target bonus	—	142,047	—	—	—
Other ⁽²⁾		122,021		75,019	
Total		669,915		390,678	

(1) In addition, the bonus earned during the reference year (prorated to the number of months worked) is payable.

(2) Represents estimated pension and car benefits.

Role of the Human Resources and Compensation Committee

Determining compensation for the executive team and setting performance targets to be achieved in the years ahead is one of the Board's most important responsibilities, exercised through the Human Resources and Compensation Committee. The Human Resources and Compensation Committee reviews and recommends to the Board the compensation of the President and CEO and of the members of senior management reporting directly to the President and CEO, including the other NEOs. The Human Resources and Compensation Committee also determines if the executive compensation program is aligned with shareholder interests and the Corporation's business objectives and ensures that risks are properly considered and mitigated.

The Human Resources and Compensation Committee is also responsible for assisting the Board in discharging its responsibilities regarding recruitment, evaluation and compensation for the Corporation's executive officers and other employees.

Finally, the Human Resources and Compensation Committee closely monitors the succession planning process for the CEO, other NEOs as well as other members of the senior management team. As part of this process, the Human Resources and Compensation Committee discusses each year the evolving skills and expertise required for the senior management team, and the competencies and development considerations for potential successor candidates in order to assess whether there is a readiness to fill potential vacancies with qualified executives. Annually, the Human Resources and Compensation Committee reviews the profile of future leaders of the Corporation and a broad range of strategies aimed at developing, nurturing and retaining talent at all levels of the organization (both corporate and affiliated stores network).

The Human Resources and Compensation Committee meets three to four times per year and may hold special meetings as needed.

The Human Resources and Compensation Committee works closely with RONA's Human Resources Department to ensure that executive compensation policies and decisions are appropriate relative to compensation policies and decisions applicable to all RONA employees.

Please refer to page 25 of this Circular for further information about the Human Resources and Compensation Committee and its members.

Compensation Consultant

The Human Resources and Compensation Committee retained Mercer, a wholly-owned subsidiary of Marsh & McLennan Companies, Inc. beginning in 2005 to assist the Human Resources and Compensation Committee in determining compensation for the Corporation's executive officers.

In 2014, the Human Resources and Compensation Committee engaged Mercer to provide executive compensation analysis and advice on an ongoing basis throughout the year to ensure that the executive compensation program aligns with shareholder interests and the Corporation's business objectives. The analysis and advice by Mercer includes (without being limited to) executive compensation policy, pay-for-performance analysis, incentive plan review and performance calibration. Mercer has also been mandated to assist the Corporation in continuously improving its disclosure strategy and communication to shareholders on compensation matters.

In reaching its decisions, the Human Resources and Compensation Committee has considered Mercer's analysis and advice as well as any other Corporation-specific factors the committee considers appropriate. However, decisions related to executive compensation are the responsibility of the Human Resources and Compensation Committee and the Board, and may reflect factors and considerations other than the information and recommendations provided by Mercer.

Executive Compensation – Related Fees

In fiscal 2014, Mercer billed the Corporation an amount totalling \$73,563 in executive compensation-related fees, compared with an amount of \$129,775 in fiscal 2013. The Corporation did not engage Mercer to provide any services other than, or in addition to, executive compensation services during fiscal 2014 or 2013. In any event, the pre-approval of the Human Resources and Compensation Committee would be required prior to engaging Mercer to provide any other services.

Compensation of the Named Executive Officers

Robert Sawyer President and Chief Executive Officer

In March 2013, Robert Sawyer was appointed President and Chief Executive Officer of RONA, effective on April 8, 2013. As such, he is responsible for the management of RONA and leads the realization of the transformational plan of the Corporation.

Before joining RONA, Mr. Sawyer was Executive Vice President and Chief Operating Officer of Metro Inc. since 2009. Mr. Sawyer joined Metro Inc. in 1979, where he held various executive positions in retail operations and distribution over the past 30 years, including Executive Vice-President, Ontario Division from 2007 to 2009, Senior Vice-President, Quebec Division from 2005 to 2007, and Senior Vice-President – Retail for the Metro and Marché Richelieu banners from 1997 to 2005.



Robert Sawyer
President and Chief Executive
Officer

Share Ownership Guideline

Guideline	Value of Equity at Risk ⁽¹⁾	Multiple of Salary	Met or Not
Three times annual salary	\$7,491,397	8.8	Met ⁽²⁾

(1) Includes shares and vested stock options, 100% of the value of unvested RSUs and 50% of the value of unvested PSUs, valued as described under "Share Ownership Requirements" on page 33 as assessed on December 28, 2014.

(2) Based on share ownership guideline applicable as President and Chief Executive Officer.

Base Salary Comparison: 2013/2014

2013	2014	% Change
\$850,000	\$850,000	0%

2014 Annual Short-term Incentive Plan Payout

Performance Measure	Bonus earned as a % of base salary when results meet the objectives	Performance Threshold	Results	Per plan Payout (\$)	Bonus earned as a % of base salary
Corporate objective EBITDA (Relative weight of 100%)	100% ⁽¹⁾	Target: \$235,018,000 Minimum: \$188,014,000	\$235,373,000 ⁽²⁾	854,255	100.5%
TOTAL	100%			854,255	100.5%

(1) Result of relative weight multiplied by the target bonus of 100%.

(2) Excluding adjusted items and discontinued operations.

Total compensation in 2014

	2014 (\$)
Base Salary	850,005
Annual Cash Incentive	854,255
Share-based Awards	1,275,120
Option-based Awards	425,052
Total Direct Compensation	3,404,432
All other Compensation	72,036
Pension Value	306,000
Total Compensation	3,782,468

Dominique Boies

Executive Vice President and Chief Financial Officer

Mr. Dominique Boies holds a master of science degree (specializing in finance) from the Université du Québec à Montréal, which in 2002 awarded him a Prix Performance, one of five awarded each year by the École des Sciences de la Gestion to alumni who have distinguished themselves in their field. After graduating, Mr. Boies worked for 11 years at the Royal Bank of Canada, where he held several high-ranking positions, including Vice President of Strategic Planning and Managing Director within the Capital Markets Group. After that, he filled various positions during a five-year period at the Caisse de dépôt et placement du Québec, including Senior Vice President Investments, Corporate Debt and Investment Funds groups within the Private Equity team. He was also accountable for the strategic management of the private equity portfolio.

Mr. Boies joined RONA in September 2011 as Executive Vice President and Chief Financial Officer. He is responsible for the Corporation's financial orientation and oversees investor relations, accounting, financing, treasury, corporate development, information technologies and legal affairs.

From November 9, 2012 and until Mr. Sawyer's appointment as President and Chief Executive Officer effective on April 8, 2013, Mr. Boies assumed the role of Chief Executive Officer of the Corporation on an interim basis.



Dominique Boies
Executive Vice President and
Chief Financial Officer

Share Ownership Guideline

Guideline	Value of Equity at Risk ⁽¹⁾	Multiple of Salary	Met or Not
One time annual salary	\$2,245,075	5.0	Met

(1) Includes shares and vested stock options, 100% of the value of unvested RSUs and 50% of the value of unvested PSUs, valued as described under "Share Ownership Requirements" on page 33 as assessed on December 28, 2014.

Base Salary Comparison: 2013/2014

2013	2014	% Change
\$417,000	\$450,000	7.9%

2014 Annual Short-term Incentive Plan Payout

Performance Measure	Bonus earned as a % of base salary when results meet the objectives	Performance Threshold	Results	Per plan Payout (\$)	Bonus earned as a % of base salary
Corporate objective EBITDA (Relative weight of 70%)	42% ⁽¹⁾	Target: \$235,018,000 Minimum: \$188,014,000	\$235,373,000 ⁽²⁾	186,196	42.2%
Sector objectives (Relative weight of 30%) • Re-structure real estate department • IT optimisation	18% ⁽¹⁾		Achieved 100%	79,401	18%
TOTAL	60%			265,597	60.2%

(1) Result of relative weight multiplied by the target bonus of 60%.

(2) Excluding adjusted items and discontinued operations.

Total compensation in 2014

	2014	
	(\$)	
Base Salary	441,118	
Annual Cash Incentive	265,597	
Share-based Awards	338,415	
Option-based Awards	112,578	
Total Direct Compensation	1,157,708	
All other Compensation	22,050	
Pension Value	109,700	
Total Compensation	1,289,458	

Alain Brisebois

Executive Vice President and Chief Commercial Officer

Alain Brisebois joined RONA as Executive Vice President and Chief Commercial Officer on May 27, 2013.

Mr. Brisebois is a retail veteran who has held numerous strategic positions at major retailers over the past 30 years. Prior to joining RONA, he worked at Alimentation Couche-Tard where he served as Vice President, Purchasing and Supply Chain, in 2008-2009, and then Senior Vice President of Operations until 2012. Until his latest appointment at RONA, Mr. Brisebois was Senior Vice President, Marketing and National Procurement. He has also held key positions at Metro Inc. between 1999 and 2008, including Senior Vice President for the Ontario division.

Mr. Brisebois holds a bachelor's degree in business administration from HEC Montréal.



Alain Brisebois
Executive Vice President and
Chief Commercial Officer

Share Ownership Guideline

Guideline	Value of Equity at Risk ⁽¹⁾	Multiple of Salary	Met or Not
One time annual salary	\$1,276,156	2.7	Met

(1) Includes shares and vested stock options, 100% of the value of unvested RSUs and 50% of the value of unvested PSUs, valued as described under "Share Ownership Requirements" on page 33 as assessed on December 28, 2014.

Base Salary Comparison: 2013/2014

2013	2014	% Change
\$450,000	\$475,000	5.6

2014 Annual Short-term Incentive Plan Payout

Performance Measure	Bonus earned as a % of base salary when results meet the objectives	Performance Threshold	Results	Per plan Payout (\$)	Bonus earned as a % of base salary
Corporate objective EBITDA (Relative weight of 70%)	45.5% ⁽¹⁾	Target: \$235,018,000 Minimum: \$188,014,000	\$235,373,000 ⁽²⁾	214,128	45.7%
Sector objectives (Relative weight of 30%) • Reno-Depot and Totem turn around • Improvement of affiliates buying loyalty	19.5% ⁽¹⁾		Achieved 100%	91,313	19.5%
TOTAL	65%			305,441	65.2%

(1) Result of relative weight multiplied by the target bonus of 65%.

(2) Excluding adjusted items and discontinued operations.

Total compensation in 2014

	2014
	(\$)
Base Salary	468,270
Annual Cash Incentive	305,441
Share-based Awards	356,895
Option-based Awards	118,815
Total Direct Compensation	1,249,421
All other Compensation	85,699
Pension Value	110,600
Total Compensation	1,445,720

Luc Rodier

Executive Vice President, Retail

Mr. Rodier was appointed Executive Vice President, Retail in December 2011. In this role he leads RONA's overall retail activities by region for RONA's affiliated dealers and corporate and franchise stores across Canada. His responsibilities include RONA's regional retail teams along with sales and support, customer satisfaction and market development for contractor and professional sales.

Luc Rodier joined RONA in 2005 as Quebec District Manager for RONA and Réno-Dépôt stores and, in 2008; he became Senior Director – Retail Operations. In 2010, Mr. Rodier was appointed Vice President Retail for the Ontario region and in 2011, he moved to Western Canada also in the capacity of Vice President Retail. Before joining RONA, he worked over eight years as Director of sales development – Canada, Europe and Asia for one of RONA's main suppliers.

Mr. Rodier has a bachelor's degree from the School of Management of Université du Québec à Montréal.



Luc Rodier
Executive Vice President, Retail

Share Ownership Guideline

Guideline	Value of Equity at Risk ⁽¹⁾	Multiple of Salary	Met or Not
One time annual salary	\$988,726	2.5	Met

(1) Includes shares and vested stock options, 100% of the value of unvested RSUs and 50% of the value of unvested PSUs, valued as described under "Share Ownership Requirements" on page 33 as assessed on December 28, 2014.

Base Salary Comparison: 2013/2014

2013	2014	% Change
\$300,000	\$400,000	33%

2014 Annual Short-term Incentive Plan Payout

Performance Measure	Bonus earned as a % of base salary when results meet the objectives	Performance Threshold	Results	Per plan Payout (\$)	Bonus earned as a % of base salary
Corporate objective EBITDA (Relative weight of 70%)	42% ⁽¹⁾	Target: \$235,018,000 Minimum: \$188,014,000	\$235,373,000 ⁽²⁾	160,562	42.2%
Sector objectives (Relative weight of 30%) • Reno-Depot and Totem turn around • Contractors business synergies and leverage • Customer satisfaction improvement	18% ⁽¹⁾		Achieved 96%	65,731	17.3%
TOTAL	60%			226,293	59.5%

(1) Result of relative weight multiplied by the target bonus of 60%.

(2) Excluding adjusted items and discontinued operations.

Total compensation in 2014

	2014
	(\$)
Base Salary	380,389
Annual Cash Incentive	226,293
Share-based Awards	301,455
Option-based Awards	100,104
Total Direct Compensation	1,008,241
All other Compensation	11,437
Pension Value	82,400
Total Compensation	1,102,078

Christian Proulx

Senior Vice President, Human Resources and Communications

Mr. Christian Proulx joined RONA in 2007 as Senior Vice President, Human Resources and is responsible for all activities related to this sector. Since 2012, corporate social responsibility also falls under his responsibility.

Before joining RONA, Mr. Proulx held key positions in human resources across Canada and abroad including Vice President, Human Resources, at TELUS Québec and TELUS Partner Solutions. Prior to that, he worked primarily as Vice President, Human Resources, for companies including BioChem Pharma, Shire Pharmaceuticals Group plc, ID Biomedical and GlaxoSmithkline. As a human resources generalist, he has successfully taken up the challenges involved in mergers and acquisitions, change management, organizational development, executive compensation, international recruiting and labour relations over the course of his career. Mr. Proulx started his career as a union advisor for the Union des employés de service at Télé-Métropole and then at Vidéotron as Director, Work Force Planning and Compensation.



Christian Proulx
Senior Vice President, Human Resources and Communications

Christian Proulx has a Bachelor's degree in industrial relations from Université de Montréal.

Share Ownership Guideline

Guideline	Value of Equity at Risk ⁽¹⁾	Multiple of Salary	Met or Not
One time annual salary	\$519,620	1.9	Met

(1) Includes shares and vested stock options, 100% of the value of unvested RSUs and 50% of the value of unvested PSUs, valued as described under "Share Ownership Requirements" on page 33 as assessed on December 28, 2014.

Base Salary Comparison: 2013/2014

2013	2014	% Change
\$265,260	\$270,565	2%

2014 Annual Short-term Incentive Plan Payout

Performance Measure	Bonus earned as a % of base salary when results meet the objectives	Performance Threshold	Results	Per plan Payout (\$)	Bonus earned as a % of base salary
Corporate objective EBITDA (Relative weight of 70%)	24.5% ⁽¹⁾	Target: \$235,018,000 Minimum: \$188,014,000	\$235,373,000 ⁽²⁾	66,272	24.6%
Sector objectives (Relative weight of 30%) <ul style="list-style-type: none"> • Succession planning • Customer experience • RONA culture transformation 	10.5% ⁽¹⁾		Achieved 100%	28,261	10.5%
TOTAL	35%			94,533	35.1%

(1) Result of relative weight multiplied by the target bonus of 35%.

(2) Excluding adjusted items and discontinued operations.

Total compensation in 2014

	2014
	(\$)
Base Salary	269,153
Annual Cash Incentive	94,533
Share-based Awards	102,795
Option-based Awards	33,992
Total Direct Compensation	500,473
All other Compensation	6,130
Pension Value	56,800
Total Compensation	563,403

Summary Compensation Table

The following table sets forth, for the financial years ended December 28, 2014, December 29, 2013 and December 30, 2012, the aggregate compensation earned by the Named Executive Officers during such financial years.

Name and Principal Position	Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽⁶⁾ (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Robert Sawyer President and Chief Executive Officer ⁽⁷⁾	2014	850,005	1,275,120	425,052 ⁽³⁾	854,255	--	306,000	72,036	3,782,468
	2013	604,811	4,444,000	571,054 ⁽⁴⁾	850,000	--	108,900	33,491	6,612,256
Dominique Boies Executive Vice President and CFO ⁽⁸⁾	2014	441,118	338,415	112,578 ⁽³⁾	265,597	--	109,700	22,050	1,289,458
	2013	417,007	626,422	208,720 ⁽⁴⁾	168,301	--	85,500	326,360	1,832,310
	2012	412,430	721,858	540,535 ⁽⁵⁾	57,740	--	77,400	99,612	1,909,575
Alain Brisebois Executive Vice President and Chief Commercial Officer ⁽⁹⁾	2014	468,270	356,895	118,815 ⁽³⁾	305,441	--	110,600	85,699	1,445,720
	2013	259,616	485,100	436,887 ⁽⁴⁾	146,250	--	46,700	78,768	1,453,321
Luc Rodier Executive Vice President, Retail	2014	380,389	301,455	100,104 ⁽³⁾	226,293	--	82,400	11,437	1,102,078
	2013	310,004	338,855	112,783 ⁽⁴⁾	77,501	--	60,900	15,490	915,533
	2012	300,000	225,120	146,765 ⁽⁵⁾	28,485	--	57,000	23,252	780,622
Christian Proulx Senior Vice President, Human Resources and Communications	2014	269,153	102,795	33,992 ⁽³⁾	94,533	--	56,800	6,130	563,403
	2013	265,278	199,980	66,528 ⁽⁴⁾	46,424	--	52,100	6,442	636,752
	2012	257,666	151,956	50,638 ⁽⁵⁾	24,349	--	50,100	5,841	540,550

(1) Share-based awards were issued pursuant to the 2007 Share Unit Plan and have been valued using a stock price of \$11.55 in 2014, \$11.11 in 2013 (except grants to Mr. Brisebois in August 2013 which was based on a stock price of \$10.78) and \$9.38 in 2012 (except grants to Mr. Boies in November 2012 which were based on a stock price of \$11.33). See Schedule "D" to this Circular for more details on PSUs and RSUs.

(2) Options were issued pursuant to the 2002 Option Plan. See Schedule "D" to this Circular for more details on the 2002 Option Plan.

(3) The fair value per option of the options granted in 2014, being \$3.12 per option, was estimated using the BSM model, an established options valuation methodology, according to the following assumptions: an expected dividend rate of 1.22%, a risk-free interest rate of 1.92%, an expected volatility of 27.77% and an expected duration of 6.5 years. Such fair value per option does not necessarily correspond to the BSM value disclosed in the consolidated financial statements of the Corporation for the year ended December 28, 2014, since assumptions for BSM were changed to be aligned with Mercer's assumptions to better compare NEOs compensation with peers.

- (4) The fair value per option of the options granted in 2013, being \$2.86 per option (except for grants to Mr. Brisebois in August 2013, which resulted in a fair value of \$2.97 per option), was estimated using the BSM model, an established options valuation methodology, according to the following assumptions: an expected dividend rate of 1.25%, a risk-free interest rate of 1.56%, an expected volatility of 27.07% and an expected duration of 6.5 years. Such fair value per option does not necessarily correspond to the BSM value disclosed in the consolidated financial statements of the Corporation for the year ended December 29, 2013, since assumptions for BSM were changed to be aligned with Mercer's assumptions to better compare NEOs compensation with peers.
- (5) The fair value per option of the options granted in 2012, being \$2.86 per option (except grants to Mr. Boies in November 2012, which resulted in a fair value of \$3.38 per option), was estimated using the BSM model according to the following assumptions: an expected dividend rate of 1.50%, a risk-free interest rate of 1.96%, an expected volatility of 27.70 % and an expected duration of 6.5 years. Such fair value per option does not necessarily correspond to the BSM value disclosed in the consolidated financial statements of the Corporation for the year ended December 30, 2012, since assumptions for BSM were changed to be aligned with Mercer's assumptions to better compare NEOs compensation with peers.
- (6) Perquisites are not in excess of \$50,000 or 10% of the total base salary paid to each of the NEOs for the years indicated and thus are not reported, this column includes the value of additional RSUs and PSUs in respect of notional dividends on the RSUs and PSUs, assuming payout at 100% and using year-end closing prices of the Common Shares on the TSX of, \$13.20 for 2013 and \$10.45 for 2012 and the actual grant price for 2014 i.e. \$11.18 in March and \$14.29 in September. For Mr. Boies, it also includes for 2013 an amount of \$306,375 as his interim premium as acting CEO and for Mr. Brisebois, an amount of \$75,000 as a portion of his signing bonus paid in 2013 and the remaining portion of his signing bonus of an amount of \$75,000 that was paid in early 2014.
- (7) Mr. Sawyer was appointed President and CEO in March 2013, effective on April 8, 2013.
- (8) From November 9, 2012 and until Mr. Sawyer's appointment as President and Chief Executive Officer effective on April 8, 2013, Mr. Dominique Boies, Executive Vice President and Chief Financial Officer, assumed the role of Chief Executive Officer of the Corporation on an interim basis.
- (9) Mr. Brisebois was appointed as Executive Vice President and Chief Commercial Officer on May 27, 2013.

Outstanding Awards

The following table shows all awards outstanding to each Named Executive Officer as at December 28, 2014.

Name	Date of Grant	Option-Based Awards			Share-Based Awards			
		Number of Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾	Number of Share 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
		(#)	(\$)		(\$)	(#)	(\$)	(\$)
Robert Sawyer President and Chief Executive Officer	Mar 03, 2014	136,300	11.55	Mar 2024	314,853	111,635	1,031,509	n/a
	Mar 28, 2013	200,000	11.11	Mar 2023	550,000 864,853	407,041	4,936,388 5,967,897	
Dominique Boies Executive Vice President and Chief Financial Officer	Mar 03, 2014	36,100	11.55	Mar 2024	83,391	29,628	273,995	n/a
	Mar 28, 2013	73,100	11.11	Mar 2023	201,025	57,393	530,309	
	Nov 20, 2012	128,435	11.33	Nov 2022	324,941	36,336	503,623	
	Mar 05, 2012	37,200	9.38	Mar 2022	166,656	35,412	327,444	
	Sep 21, 2011	60,000	9.97	Sep 2021	233,400 1,009,413	-	- 1,635,370	
Alain Brisebois Executive Vice President and Chief Commercial Officer	Mar 03, 2014	38,100	11.55	Mar 2024	88,011	31,246	288,710	n/a
	Aug 23, 2013	147,100	10.78	Aug 2023	453,068 541,079	45,792	458,379 747,089	
Luc Rodier Executive Vice President, Retail	Mar 03, 2014	32,100	11.55	Mar 2024	74,151	26,392	243,862	n/a
	Mar 28, 2013	39,500	11.11	Mar 2023	108,625	31,037	287,016	
	Mar 05, 2012	51,300	9.38	Mar 2022	229,824	24,923	230,290	
	Mar 07, 2011	7,200	14.33	Mar 2021	0	-	-	
	Mar 09, 2010	5,100	15.44	Mar 2020	0	-	-	
	Mar 11, 2009	5,500	10.62	Mar 2019	17,820 430,420	-	- 761,168	
Christian Proulx Senior Vice President, Human Resources and Communications	Mar 03, 2014	10,900	11.55	Mar 2024	25,179	9,000	83,390	n/a
	Mar 28, 2013	23,300	11.11	Mar 2023	64,075	18,317	169,248	
	Mar 05, 2012	17,700	9.38	Mar 2022	79,296	16,823	155,446	
	Mar 07, 2011	10,600	14.33	Mar 2021	0	-	-	
	Mar 09, 2010	10,600	15.44	Mar 2020	0	-	-	
	Mar 11, 2009	13,100	10.62	Mar 2019	42,444	-	-	
	Feb 29, 2008	6,300	14.18	Feb 2018	0 210,994	-	- 408,083	

- (1) "Value of the unexercised in-the-money options" at financial year-end is calculated based on the difference between the closing price of the Common Shares on the TSX on December 28, 2014 (\$13.86) and the exercise price of the options, multiplied by the number of unexercised options.
- (2) The value of share unit awards at financial year-end is determined by multiplying the number of units held as of December 28, 2014, by the closing price of the Common Shares on the TSX on December 28, 2014 (\$13.86) and assuming that performance measures will be met at 50% (please refer to page 40 for more details on the vesting matrix of PSUs).

The following table describes the value of awards vested or earned during the financial year ending on December 28, 2014.

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

Name	Option-Based Awards - Value Vested During the Year ⁽¹⁾	Option-Based Awards - Gains Realized Upon Exercise During the Year ⁽²⁾	Share-Based Awards - Value Vested During the Year ⁽³⁾	Non-Equity Incentive Plan Compensation - Value Earned During the Year ⁽⁴⁾
	(\$)	(\$)	(\$)	(\$)
Robert Sawyer President and Chief Executive Officer	4,000	-	-	854,255
Dominique Boies Executive Vice President and Chief Financial Officer	181,984	-	294,979	265,597
Alain Brisebois Executive Vice President and Chief Commercial Officer	26,846	-	-	305,441
Luc Rodier Executive Vice President, Retail	26,440	-	0	226,293
Christian Proulx Senior Vice President, Human Resources and Communications	9,316	-	0	94,533

(1) The amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the closing price of the Common Shares on the TSX and the exercise price on such vesting date.

(2) The amount represents the aggregate dollar value realized upon exercise, based on the difference between the closing price of the Common Shares on the TSX on the exercise date and the exercise price.

(3) The amount represents the aggregate dollar value realized upon vesting of the PSUs or RSUs granted in 2011.

(4) Annual incentive plan payouts.

Securities Authorized for Issuance Under Equity Compensation Plans

The table below provides, as at December 28, 2014, additional information with respect to the Corporation's LTIP.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	1,769,685	11.64	4,303,015
Equity compensation plans not approved by security holders	-	-	-
Total	1,769,685	11.64	4,303,015

Appointment of Auditors

Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants (“**Raymond Chabot**”), are the auditors of the Corporation.

The Corporation paid \$962,000 as audit fees⁽¹⁾ to Raymond Chabot, during the financial year ended December 28, 2014. During the same year, the Corporation also paid to Raymond Chabot, the amounts of \$86,000 in audit-related fees⁽²⁾, \$0 in tax fees⁽³⁾ and \$0 in other fees⁽⁴⁾.

For the year ended December 29, 2013, the Corporation paid to Raymond Chabot \$1,033,000 in audit fees⁽¹⁾, \$60,000 in audit-related fees⁽²⁾, \$0 in tax fees⁽³⁾ and \$64,000 in other fees⁽⁴⁾.

- (1) *Audit fees. These fees include the fees and disbursements for audit services and for the review of the interim financial statements.*
- (2) *Audit-related fees. These fees include the fees and disbursements for services reasonably related to the performance of the audit or review of the Corporation’s financial statements that are not reported under “Audit Fees”.*
- (3) *Tax fees. These fees include the fees and disbursements for services related to tax compliance, tax advice, and tax planning.*
- (4) *Other fees. These fees include fees and disbursements for services other than those described under “Audit Fees”, “Audit-related Fees and “Tax Fees”, and relate mainly to due diligence mandates.*

The Board of Directors recommends that shareholders of the Corporation reappoint Raymond Chabot as auditors of the Corporation. Except where authorization to vote with respect to the appointment of auditors is withheld, the persons named in the enclosed form of proxy or voting instruction form intend to vote FOR the reappointment of Raymond Chabot, as auditors of the Corporation, to hold office until the close of the next annual meeting of shareholders at such compensation as may be fixed by the directors.

Approval of the 2015 Option Plan

2015 Option Plan (Share Option Plan dated March 12, 2015)

On March 12, 2015, the Board of Directors approved RONA’s new share option plan (the “**2015 Option Plan**”) for designated employees of the Corporation and its subsidiaries (the “**participants**”). The 2015 Option Plan is subject to the approval of the Corporation’s shareholders at the Meeting. The purpose of the 2015 Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate employees whose skills, performance and loyalty to the Corporation are necessary to its success, image, reputation or activities, particularly by aligning the interests of employees with the interests of the Corporation’s shareholders.

The maximum total number of Common shares reserved for issuance under the 2015 Option Plan, subject to certain adjustments set out in the plan, is 3,922,940, being the 3,922,940 Common Shares reserved for issuance under the 2002 Option Plan, as of March 12, 2015, which are transferred to the 2015 Option Plan, as no options will be issued under the 2002 Option Plan following the approval by the shareholders of the 2015 Option Plan.

The 2015 Option Plan contains the following restrictions: (i) the maximum number of Common Shares which may be reserved for issuance to any one person under the 2015 Option Plan or under any other share compensation arrangements of the Corporation shall not exceed 5% of the outstanding Common Shares at the time of grant, (ii) the maximum number of Common Shares issuable to insiders at any time pursuant to the 2015 Option Plan or other share compensation arrangements of the Corporation shall not exceed, unless duly approved by the shareholders, 10% of the outstanding Common Shares, and (iii) the maximum number of Common Shares issued under the 2015 Option Plan or other share compensation arrangements of the Corporation during a period of one year shall not exceed (a) 10% of the outstanding Common Shares in the case of Common Shares to be issued to insiders, or (b) 5% of the outstanding Common Shares in the case of Common Shares to be issued to any one insider and his/her associates.

The exercise price of any option granted under the 2015 Option Plan must be equal or superior to the average closing price of the Common Shares traded on the TSX during the five (5) trading days immediately preceding the date of grant. Subject to the following paragraph, the terms and number of Common Shares covered by each option as well as the vesting periods of such options are determined by the Board of Directors upon the recommendation of its Human Resources and Compensation Committee at the time the options are granted to beneficiaries. Other than in the case of a blackout extension term, the expiry date of an option shall be the date so fixed by the Board or described in the 2015 Option Plan, provided that such date is not later than the tenth (10th) anniversary of the date of grant. Options shall

expire at the earlier of the date stipulated in a notice of termination received by a participant or the date at which the participant ceases to be an employee of the Corporation and any of its subsidiaries (the “**Option Cancellation Date**”).

Notwithstanding the foregoing, a participant shall have an additional ninety (90) business days after the Option Cancellation Date to exercise options that are vested on the Option Cancellation Date, unless: (i) the participant resigns or terminates his employment voluntarily, in which case the exercise period shall be reduced to thirty (30) business days following the Option Cancellation Date; (ii) the participant is terminated for cause, in which case all outstanding options, including those vested at the Option Cancellation Date, shall be cancelled; or (iii) the participant retires, in which case the exercise period shall be increased to thirty-six (36) months. Options that have not vested at that time shall expire unless the Board decides otherwise. If a participant dies in office or during the period of thirty (30) business days, ninety (90) business days or thirty-six (36) months referred to above, his/her assigns shall have a period of six (6) months from the date of his/her death to exercise all the options that are vested at the moment of his/her death. However, the said periods of thirty (30) business days, ninety (90) business days, thirty-six (36) months or six (6) months may not exceed the tenth (10th) anniversary of the grant date, except if any such period ends during a blackout period, or within ten (10) business days after the end of a blackout period, in which case it shall be extended by a period of ten (10) business days.

The 2015 Option Plan includes a double trigger provision in case of change of control. Hence, automatic vesting of grants will only occur in the absence of an Alternative Award (as defined below) or if the participant is terminated without cause or resigns for cause within one (1) year of a change of control. A change of control is defined as meaning (a) the event of a disposition of (i) retail stores of the Corporation and its subsidiaries representing more than 50% of the revenues derived from all retail stores of the Corporation and its subsidiaries, taken as a whole, for the 12 consecutive months preceding such event, or (ii) elements of the distribution business of the Corporation and its subsidiaries representing more than 50% of the revenues derived from the distribution business of the Corporation and its subsidiaries, taken as a whole, for the 12 consecutive months preceding such event (excluding, for greater certainty, revenues derived from sales by the Corporation or any of its subsidiaries to the Corporation or any of its subsidiaries); in each case, other than (x) a disposition to one or more subsidiaries, and (z) a disposition recommended by the Corporation’s President and Chief Executive Officer and approved by the Board; or (b) (i) any person or entity or group of persons or entities become the beneficial owner of more than 50% of the combined voting power of the Corporation’s outstanding securities entitled to vote in the election of directors of the Corporation, (ii) a majority of members of the Corporation’s Board is replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the members of the Corporation’s Board, (iii) any person or entity, or group of persons or entities acquires assets from the Corporation or its subsidiaries representing more than 50% of the total gross fair market value of all of the assets of the Corporation and its subsidiaries, taken as a whole, (iv) the Corporation is part to an amalgamation, merger or consolidation with or into another person or entity, except if a majority of the members of the board of directors of the surviving or resulting person or entity immediately after the transaction are individuals who were members of the Corporation’s Board prior to such transaction, or (v) the Board determines that a particular event constitutes or constituted a change of control; as a result of which the Common Shares cease to be traded on an established Canadian or US securities market.

In the case of a change of control, the Board of Directors may, at its discretion but subject to the approval of the TSX and the Corporation’s shareholders, authorize the conversion or substitution of options granted under the 2015 Option Plan into an alternative award of a successor entity, to the extent such alternative award (an “**Alternative Award**”) is, in the opinion of the Board of Directors: (a) based on shares that are traded on an established Canadian or US securities market, (b) provide the participant (or each participant in a class of participants) with rights and entitlements substantially equivalent to or better than those applicable to the options granted under the 2015 Option Plan, and (c) have substantially equivalent economic value to such options (determined at the time of the change of control). In the event an Alternative Award is authorized, there shall be no acceleration of vesting of the options granted under the 2015 Option Plan. Should no Alternative Award be available, then the options granted under the 2015 Option Plan shall become vested without regard to any performance condition or threshold, if any, and shall become exercisable immediately prior to the consummation of the change of control. In the event of a change of control as a result of which the Common Shares continue to be traded on an established Canadian or US securities market, the options granted under the 2015 Option Plan will continue to vest and continue to become exercisable without accelerated vesting or exercisability, as originally provided at the time of the relevant option award. In any event, should the participant’s employment with the Corporation or its subsidiaries be terminated without cause or if such participant submits a resignation for good reason within a one (1) year period following the change of control, such participant’s options granted under the 2015 Option Plan shall vest as of the date of such termination or submission and be exercisable for ninety (90) days following such termination or resignation.

The terms of the 2015 Option Plan also include an amendment procedure pursuant to which the Board of Directors may amend any of the provisions of the 2015 Option Plan or amend the terms of any then outstanding award of options under the 2015 Option Plan, provided, however, that the Corporation shall obtain shareholder approval for:

- any amendment to the maximum number of Common Shares issuable under the 2015 Option Plan, other than pursuant to any amendments to the share capital of the Corporation or to a special dividend;
- any amendment which would allow non-employee directors to participate under the 2015 Option Plan;
- any amendment which would permit any option granted under the 2015 Option Plan to be transferable or assignable other than by will or pursuant to succession laws;
- any amendment resulting in the addition of a cashless exercise feature, payable in cash or in Common Shares, which does not provide for a full deduction of the number of underlying securities from the 2015 Option Plan reserve;

- any reduction in the exercise price of an option after the option has been granted to a participant or any cancellation of an option and the substitution of that option by a new option with a reduced exercise price granted to the same participant, other than pursuant to any amendments to the share capital of the Corporation or to a special dividend;
- any extension to the term of an option beyond the original expiry date, subject to the provisions applicable to blackout periods;
- any amendment resulting in an increase to the maximum number of Common Shares that may be granted to (i) insiders under the 2015 Option Plan and other share compensation arrangements of the Corporation or (ii) to any one insider and such insider's associates in any one-year period, other than pursuant to any amendments to the share capital of the Corporation or to a special dividend;
- the addition in the 2015 Option Plan of any form of financial assistance and any amendment to a financial assistance provision which is more favourable to participants; and
- any amendment to the amendment provisions of the 2015 Option Plan.

The Board of Directors may, subject to receipt of requisite regulatory approval, where required, in its sole discretion, make all other amendments to the 2015 Option Plan or to any award of options under the 2015 Option Plan that are not contemplated in the foregoing paragraph, including, without limitation, the following:

- amendments of a "housekeeping" or clerical nature as well as any amendment clarifying any provision of the 2015 Option Plan;
- a change to the vesting provisions of an option granted under the 2015 Option Plan or of the 2015 Option Plan itself;
- a change to the termination provisions of an option granted under the 2015 Option Plan or the 2015 Option Plan itself which does not entail an extension beyond the original expiry date;
- any change that is required to the 2015 Option Plan as a result of a special dividend or of the conversion, exchange, reclassification, redesignation, restructuring, subdivision, reverse split, recapitalization or consolidation of the share capital of the Corporation into shares or securities of any other type or of any change in the number of such shares outstanding as a result of a stock split, recapitalization, merger, arrangement, consolidation of activities or of shares or exchange of shares or other similar change; and
- suspending or terminating the 2015 Option Plan.

The rights of a participant with respect to options granted under the 2015 Option Plan may not be assigned or transferred except by testamentary provision or pursuant to the applicable laws of succession.

The 2015 Option Plan provides that options granted thereunder are subject to any clawback policy maintained by the Corporation from time to time. The 2015 Option Plan also provides that the Board may authorize a cashless exercise of the options granted thereunder provided that the reserve of Common Shares maintained by the Corporation in connection with the 2015 Option Plan is reduced by the number of Common Shares related to such cashless exercise.

At the Meeting, shareholders will be asked to review and, if deemed appropriate, to adopt the resolution reproduced below. To be adopted, this resolution must be approved by the majority of the votes cast by the holders of Common Shares:

“BE IT RESOLVED:

THAT the 2015 Share Option Plan (the **“2015 Option Plan”**) of the Corporation in favour of designated employees of the Corporation and its subsidiaries, which plan is described in the Management Proxy Circular of the Corporation dated March 13, 2015 (the **“2015 Circular”**) be and is hereby approved; and

THAT any director or officer of the Corporation be, and each is hereby authorized and directed, for and on behalf of the Corporation, to sign and execute all documents, to conclude any agreements and to do and perform all acts and things deemed necessary or advisable in order to give effect to this resolution and the 2015 Option Plan.”

The Board of Directors recommends that the shareholders of the Corporation vote FOR the approval of the 2015 Option Plan. Except where authorization to vote with respect to the approval of the 2015 Option Plan is withheld, the persons named in the enclosed form of proxy or voting instruction form intend to vote FOR the approval of such resolution.

Nonbinding Advisory Vote on Executive Compensation

RONA values feedback from shareholders on matters including executive compensation. To solicit shareholder input on executive pay issues, the Board decided in view of its December 2014 meeting, to submit the Corporation's executive pay approach to a shareholder advisory vote (a so-called Say-on-Pay). The Board recommends shareholders vote to approve RONA's approach to executive compensation, which is to maximize the overall performance of the Corporation through the appropriate individual performance of its executives. The goals of the pay program are to attract, retain and motivate executives to increase business performance and enhance shareholder value which supports the pay-for-performance commitment of RONA.

As discussed in the Compensation Discussion and Analysis beginning on page 27 of this Circular, RONA's executive compensation program focuses on total compensation: base salary, short- and long-term incentives, pension and other benefits. The Corporation's executive compensation policy is to provide total compensation that is generally competitive with the median of its Compensation Peer Group, considering additional Corporation-specific goals such as the achievement of financial and operational objectives, and the specific roles and responsibilities of different executive positions. Total compensation plans are structured to provide pay that is above market median when results exceed the Corporation's business objectives and below market median when results are below target.

In light of the Board's decision to implement a nonbinding shareholder vote on executive compensation in respect of the year 2014, shareholders will be asked at the Meeting to consider the following resolution:

“BE IT RESOLVED:

THAT, on an advisory basis and not to diminish the role and responsibilities of the board of directors of the Corporation, the approach to executive compensation disclosed in the Management Proxy Circular of the Corporation dated March 13, 2015, be and is hereby accepted and approved.”

As this is an advisory resolution, the results of the vote on the resolution will not be binding on the Board of Directors. However, the Board of Directors will consider these results, along with any comments it receives through shareholder engagement, when determining its approach to compensation for subsequent financial years.

The results of the vote will be included as part of the report on voting results to be posted on SEDAR at www.sedar.com, following the Meeting.

The Board of Directors recommends that shareholders of the Corporation vote FOR the adoption of this non-binding advisory resolution on RONA's approach to executive compensation. Unless otherwise instructed, the persons named in the enclosed form of proxy or voting instruction form intend to vote FOR the non-binding advisory resolution on RONA's approach to executive compensation.

General Business Information

Indebtedness

As at March 13, 2015, there is no indebtedness outstanding to the Corporation or any of its subsidiaries of any executive officers, directors, employees and former executive officers, directors and employees of the Corporation or any of its subsidiaries.

Statement of Corporate Governance Practices

The Board of Directors is of the view that maintaining effective corporate governance practices is an important factor which contributes to the general success of the Corporation. The Corporation complies with the applicable Canadian legislation and regulations such as National Instrument 58-101 (the “**Corporate Governance Disclosure Instrument**”), National Instrument 52-110 (the “**CSA Audit Committee Rules**”) and National Policy 58-201 of the Canadian Securities Administrators (collectively the “**Canadian Corporate Governance Standards**”). The Corporation’s disclosure addressing each of the guidelines set forth in the Corporate Governance Disclosure Instrument is set out in Schedule “B” to this Circular.

Interest of Management and Others in Material Transactions

To the Corporation’s knowledge no material transactions involving the Corporation or any of its subsidiaries have been entered into since the beginning of the last financial year of the Corporation, or are proposed to be entered into, in which any director, proposed director or member of management of the Corporation, or any subsidiary, insider, nominee or person or company that beneficially owns, controls or directs, directly or indirectly, over 10% of the voting shares of the Corporation, or any of their associates or affiliates has had or expects to have a material interest.

Additional Information

The Corporation is a reporting issuer under the securities laws of all provinces of Canada and is required to file various documents, including an annual information form, financial statements and management’s discussion and analysis of results of operations and financial position (**MD&A**) with the securities commissions in such provinces. Financial information is provided in the Corporation’s comparative financial statements and MD&A for its most recently completed financial year. Copies of these documents and additional information relating to the Corporation are available to the public free of charge on SEDAR at www.sedar.com, or may be obtained on request by mail addressed to the Corporate Secretary and Chief Legal Officer of the Corporation at 220 chemin du Tremblay, Boucherville, Quebec, J4B 8H7, by phone at (514) 599-5900, or by e-mail at france.charlebois@rona.ca. The Corporation may require the payment of a reasonable charge when the request is made by a person other than a holder of securities of the Corporation.

Shareholder Proposals for 2016 Annual Meeting

Proposals for any matters that persons entitled to vote at the next annual shareholders’ meeting propose to raise at the said meeting must be received by the Corporation at the latest on December 14, 2015.

Caution Regarding Forward-Looking Statements

This Circular includes “forward-looking statements” that involve risks and uncertainties. All statements other than statements of historical facts included in this Circular, including, without limitation, statements regarding the prospects of the industry and prospects, plans, financial position and business strategy of the Corporation, may constitute forward-looking statements within the meaning of the Canadian securities legislation and regulations. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “plan,” “foresee,” “believe” or “continue” or the negatives of these terms or variations of them or similar terminology. Although the Corporation believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. Forward-looking statements do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made have on the Corporation’s business. For

example, they do not include the effect of dispositions, acquisitions, other business transactions, asset write-downs or other charges announced or occurring after forward-looking statements are made.

Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial position and results of operations as at and for, the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. Investors and others are cautioned that undue reliance should not be placed on any forward-looking statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements.

For more information on the risks and uncertainties that could cause the Corporation's actual results to differ materially from current expectations, and about material factors or assumptions applied in making forward-looking statements, please also refer to the Corporation's public filings available at www.sedar.com. In particular, further details and descriptions of these and other factors are disclosed in the "Risks and Uncertainties" section of our Management's Discussion and Analysis for the year ended December 28, 2014.

The forward-looking statements in this Circular reflect the Corporation's expectations as of March 13, 2015, and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by the applicable securities laws.

Approval of Circular

The contents and sending of this Circular have been approved by the Board of Directors of the Corporation.

Boucherville, Quebec, March 13, 2015.

By order of the Board of Directors,

(signed)

France Charlebois
Corporate Secretary and Chief Legal Officer

Schedule "A"

Record of Attendance by Directors For the 12-month period ended December 28, 2014

Director	Number and % of meetings attended						Overall Attendance
	Board	Audit Committee	Human Resources and Compensation Committee	Nominating and Corporate Governance Committee	Ad Hoc Committee ⁽¹⁾	Committees (total)	
Suzanne Blanchet	8/9 (89%)	-	5/5 (100%)	-	-	5/5 (100%)	13/14 (93%)
Réal Brunet	9/9 (100%)	9/9 (100%)	-	-	-	9/9 (100%)	18/18 (100%)
Robert Chevrier	9/9 (100%)	-	-	8/8 (100%)	-	8/8 (100%)	17/17 (100%)
Eric Claus	9/9 (100%)	9/9 (100%)	-	-	-	9/9 (100%)	18/18 (100%)
Bernard Dorval	9/9 (100%)	9/9 (100%)	-	-	3/3 (100%)	12/12 (100%)	21/21 (100%)
Guy Dufresne ⁽²⁾	9/9 (100%)	-	3/3 ⁽²⁾ (100%)	7/8 (88%)	3/3 (100%)	13/14 (93%)	22/23 (96%)
Barry Gilbertson ⁽³⁾	8/9 (89%)	-	4/5 (80%)	-	-	4/5 (80%)	12/14 (86%)
Jean-Guy Hébert ⁽⁴⁾	9/9 (100%)	-	-	-	-	-	9/9 (100%)
Denise Martin ⁽⁵⁾	6/6 (100%)	5/6 (83%)	-	-	-	5/6 (83%)	11/12 (92%)
James Pantelidis	9/9 (100%)	-	5/5 (100%)	-	-	5/5 (100%)	14/14 (100%)
Robert Paré	9/9 (100%)	-	5/5 (100%)	8/8 (100%)	3/3 (100%)	16/16 (100%)	25/25 (100%)
Steven Richardson	9/9 (100%)	9/9 (100%)	-	-	-	9/9 (100%)	18/18 (100%)
Robert Sawyer	9/9 (100%)	-	-	-	-	-	9/9 (100%)
Wesley Voorheis ⁽⁶⁾	8/9 (89%)	-	-	7/8 (86%)	2/3 (67%)	9/11 (82%)	17/20 (85%)

- (1) The Ad Hoc Committee was established in November 2014, and is charged with the selection process for a new Chairman of the Board of Directors.
- (2) Mr. Dufresne is a member of the Human Resources and Compensation Committee since May 13, 2014.
- (3) Mr. Gilbertson is not standing for re-election at the Meeting.
- (4) Mr. Hébert resigned from the Board effective December 31, 2014.
- (5) Ms. Martin was elected as a director of the Corporation and is as a member of the Audit Committee since May 13, 2014. Prior to that, she attended one (1) Board meeting as a guest; such attendance to the meeting not being included in this table as part of the six (6) Board meetings Ms. Martin attended in 2014 as a director.
- (6) Mr. Voorheis is not standing for re-election at the Meeting.

Board and Board Committee Meetings	Number of meetings held
Board (7 regular; 2 special) (each of which were followed by in camera meetings)	9
Audit Committee (6 regular, each of which were followed by in camera meetings; 3 special, 1 of which was followed by an in camera meeting)	9
Human Resources and Compensation Committee (4 regular; 1 special) (each of which were followed by in camera meetings)	5
Nominating and Corporate Governance Committee (5 regular; 3 special) (each of which were followed by in camera meetings)	8
Ad Hoc Committee (0 regular; 3 special) (no members of management of the Corporation were present at such meetings and consequently, no in camera sessions needed to be held)	3

Schedule "B"

Statement of Corporate Governance Practices

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION																																																												
1. BOARD OF DIRECTORS																																																													
(A) Disclose the identity of directors who are independent.	<p>Independence – of the current thirteen (13) members of the Board, twelve (12) directors are “independent” within the meaning of the Corporate Governance Disclosure Instrument. They are Messrs. Réal Brunet, Robert Chevrier, Eric Claus, Bernard Dorval, Guy G. Dufresne, Barry Gilbertson, James Pantelidis, Robert Paré, Steven Richardson, Wesley Voorheis and Mrs. Suzanne Blanchet and Denise Martin. Eleven (11) of the twelve (12) Board nominees proposed in the Circular are independent.</p>																																																												
(B) Disclose the identity of directors who are not independent, and describe the basis for that determination.	<p>One (1) director of the Corporation does not qualify as “independent” within the meaning of the Corporate Governance Disclosure Instrument. It is Mr. Robert Sawyer since he is President and Chief Executive Officer of the Corporation.</p>																																																												
	<table border="1"> <thead> <tr> <th colspan="3" data-bbox="987 1003 1360 1031">Independence Status of Current Directors</th> <th data-bbox="1365 1031 1503 1094">Reason for Non-Independent Status</th> </tr> <tr> <th data-bbox="1117 1073 1219 1094">Independent</th> <th data-bbox="1235 1052 1338 1094">Not Independent</th> <th colspan="2"></th> </tr> </thead> <tbody> <tr> <td data-bbox="846 1115 984 1136">Suzanne Blanchet</td> <td data-bbox="1159 1115 1175 1136">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1136 935 1157">Réal Brunet</td> <td data-bbox="1159 1136 1175 1157">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1157 967 1178">Robert Chevrier</td> <td data-bbox="1159 1157 1175 1178">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1178 927 1199">Eric Claus</td> <td data-bbox="1159 1178 1175 1199">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1199 967 1220">Bernard Dorval</td> <td data-bbox="1159 1199 1175 1220">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1220 976 1241">Guy G. Dufresne</td> <td data-bbox="1159 1220 1175 1241">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1241 976 1262">Barry Gilbertson</td> <td data-bbox="1159 1241 1175 1262">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1262 951 1283">Denise Martin</td> <td data-bbox="1159 1262 1175 1283">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1283 967 1304">James Pantelidis</td> <td data-bbox="1159 1283 1175 1304">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1304 935 1325">Robert Paré</td> <td data-bbox="1159 1304 1175 1325">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1325 984 1346">Steven Richardson</td> <td data-bbox="1159 1325 1175 1346">√</td> <td colspan="2"></td> </tr> <tr> <td data-bbox="846 1346 959 1367">Robert Sawyer</td> <td data-bbox="1159 1346 1175 1367"></td> <td data-bbox="1289 1346 1305 1367">√</td> <td data-bbox="1360 1346 1471 1409">Mr. Sawyer is President and CEO</td> </tr> <tr> <td data-bbox="846 1409 976 1430">Wesley Voorheis</td> <td data-bbox="1159 1409 1175 1430">√</td> <td colspan="2"></td> </tr> </tbody> </table>	Independence Status of Current Directors			Reason for Non-Independent Status	Independent	Not Independent			Suzanne Blanchet	√			Réal Brunet	√			Robert Chevrier	√			Eric Claus	√			Bernard Dorval	√			Guy G. Dufresne	√			Barry Gilbertson	√			Denise Martin	√			James Pantelidis	√			Robert Paré	√			Steven Richardson	√			Robert Sawyer		√	Mr. Sawyer is President and CEO	Wesley Voorheis	√		
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(C) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board of Directors does to facilitate its exercise of independent judgment in carrying out its responsibilities.	<p>Majority of independent directors – twelve (12) of our thirteen (13) current directors are independent. Eleven (11) of the twelve (12) Board nominees proposed in the Circular are independent.</p>																																																												
(D) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	<p>Outside directorships – the directorships of all director nominees are described starting on page 7 of this Circular.</p>																																																												

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>(E) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer’s most recently completed financial year. If the independent directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.</p>	<p>In camera sessions – meetings of directors without the presence of non-independent directors and management have taken place after each of the regular meetings and special meetings of the Board of Directors (including after each such meeting where compensation questions were discussed). More particularly, in 2014 the Board held seven (7) regular meetings and two (2) special meetings, each of which were followed by in camera meetings. Such meetings are chaired by Mr. Robert Chevrier, the independent Executive Chairman of the Board. See Schedule “A” for disclosure on such meetings.</p> <p>The respective independent members of the Audit Committee, Human Resources and Compensation Committee and Nominating and Corporate Governance Committee, also generally meet at each regularly-scheduled committee meeting without management present. See Schedule “A” for disclosure on such meetings.</p>
<p>(F) Disclose whether or not the Chair of the Board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.</p>	<p>Independent Executive Chairman of the Board – Mr. Robert Chevrier is the Executive Chairman of the Board of the Corporation. He is independent within the meaning of the Corporate Governance Disclosure Instrument. The mandate of the Executive Chairman of the Board states that, in addition to the responsibilities and expectations of a chairman according to applicable law, his responsibilities include, among others, to ensure that the members of the Board work as a team, efficiently and productively, ensure that the Board of Directors has the necessary administrative support to perform its work, ensure that the directors obtain appropriate information to perform their duties, oversee the Board of Directors’ performance of its mandate, and participate in the Corporation’s strategic development. The Executive Chairman of the Board chairs all Board meetings and regular meetings of the independent directors and can attend meetings of committees of the Board if he deems it appropriate (and make his comments and advice known to the members of such committees as required). He takes reasonable measures to ensure that the meetings of the Board are conducted efficiently and productively and that appropriate time is allowed for the review and consideration of every item on the agenda. The mandate of the Executive Chairman of the Board also states that he shall act as an advisor to the President and CEO and to the other executive officers of the Corporation on any matter relating to the management or interests of the Corporation, and shall foster good relations between the Board of Directors and the Corporation’s executive officers and, jointly with the President and CEO, between the Corporation and its key partners, including investors, shareholders, the industry as a whole and the community.</p>
<p>(G) Disclose the attendance record of each director for all Board meetings held since the beginning of the issuer’s most recently completed financial year.</p>	<p>Record of attendance – the record of attendance of directors to Board and Committee meetings is set forth as Schedule “A” of this Circular.</p> <p>More information about each director can be found starting on page 7 of this Circular.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>2. Board mandate – disclose the text of the Board’s written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.</p>	<p>The Board has adopted a formal Board charter, which is attached hereto as Schedule “C”.</p> <p>The mandate of the Board states that the Board is responsible for the supervision of the management of the Corporation’s business and affairs, with the objective of maximizing long-term corporate value.</p>
<p>3. POSITION DESCRIPTIONS</p>	
<p>(A) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each Board Committee. If the Board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.</p>	<p>Mandate of the Executive Chairman of the Board – the Board has adopted formal mandates for the Executive Chairman of the Board and Board Committee chairs. The mandate of the Executive Chairman of the Board is described above under “Independent Executive Chairman of the Board”.</p> <p>Mandate of Committee Chairs – the mandate of Committee Chairs provides that each Committee Chair takes reasonable measures to ensure that the Committee carries out its duties effectively and fully discharges its mandate. The responsibilities of the Committee Chairs include taking reasonable measures to ensure that the Committee’s work runs smoothly, providing essential leadership to that effect and ensuring that Committee members receive all the necessary information to perform their role fully.</p>
<p>(B) Disclose whether or not the Board and President and CEO have developed a written position description for the President and CEO. If the Board and President and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the President and CEO.</p>	<p>Mandate of the President and CEO – the Board has adopted a formal mandate for the President and CEO.</p> <p>The President and CEO is responsible for the management of the Corporation’s strategic and operational plan and for the execution of the resolutions and policies of the Board.</p> <p>The Human Resources and Compensation Committee, together with the President and CEO, develops each year objectives that the President and CEO is responsible for meeting. The Human Resources and Compensation Committee evaluates the President and CEO’s performance in light of such objectives and any other criterion deemed relevant and recommends the President and CEO’s compensation based on this evaluation.</p>
<p>4. ORIENTATION AND CONTINUING EDUCATION</p>	
<p>(A) Briefly describe what measures the Board takes to orient new directors regarding</p> <ul style="list-style-type: none"> i. The role of the Board, its Committees and its directors; and ii. The nature and operation of the issuer’s business. 	<p>Orientation program – the Nominating and Corporate Governance Committee is responsible for implementing an orientation and continuing education policy for directors.</p> <p>New directors are provided with an extensive information package on the Corporation’s business, its strategic and operational business plans, its operating performance, its governance system and its financial position. Also, new directors are invited to meet individually with the Executive Chairman of the Board, the President and CEO and other senior executives, if necessary, to discuss these matters.</p> <p>The Board ensures that prospective candidates fully understand the role of the Board and its Committees and the contribution that individual directors are expected to make, including, in particular, the personal commitment that the Corporation expects of its directors.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>(B) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>Continuing education – the Nominating and Corporate Governance Committee monitors and reviews the Corporation’s continuing education programs for directors. Senior management makes regular presentations to the Board on the main areas and specialized aspects of the Corporation’s business.</p> <p>During 2014, the Board and its committees participated in presentations and received educational information and materials on a variety of topics, including:</p> <ul style="list-style-type: none"> • the Board regularly received updates and reports by the Corporation’s internal counsel on regulatory matters of importance and emerging issues of significance to the Corporation; • the Audit Committee regularly received reports on the Corporation’s financial reporting status and received updates on emerging issues in its areas of responsibility; • the Human Resources and Compensation Committee regularly received updates by Mercer on emerging trends in executive compensation and received reports on emerging issues in its area of responsibility; and • the Nominating and Corporate Governance Committee received updates by the Corporation’s internal counsel on corporate governance trends and current governance issues. <p>Ongoing site visits by the directors of the Corporation’s facilities and operations is also used as an efficient educational tool for the directors.</p> <p>In addition, a monthly newsletter is sent to all directors in order to ensure that they are up to date at all times on the latest trends and developments in the industry in which the Corporation operates.</p>
<p>5. ETHICAL BUSINESS CONDUCT</p>	
<p>(A) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:</p>	<p>Code of ethics – the Corporation adopted a new code of conduct in November 2014 (the “Code of Conduct”).</p>
<p>i. Disclose how a person or company may obtain a copy of the Code;</p>	<p>The Code of Conduct is accessible on the Corporation’s web site at www.rona.ca and on the SEDAR web site at www.sedar.com. A paper copy is also available, on request, from the Corporate Secretary and Chief Legal Officer of the Corporation.</p>
<p>ii. Describe how the Board monitors compliance with its Code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its Code; and</p>	<p>The Nominating and Corporate Governance Committee is responsible for ensuring the implementation of the Code of Conduct within the Corporation. The Code of Conduct is distributed to and signed by each of the Corporation’s employees when he or she is hired. Under the Code, all employees of the Corporation must report any activity which appears to be in breach of the Code of Conduct or laws and regulations in force.</p>
<p>iii. Provide a cross-reference to any material change report filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.</p>	<p>No such material change report has ever been filed by the Corporation.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
(B) Describe any steps the Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.	Process for dealing with conflicts of interests – in accordance with applicable law, when a conflict of interest arises, a director is requested to disclose his or her interest and abstain from voting on the matter. If considered appropriate, the Executive Chairman of the Board shall invite the director to leave the room during any discussion concerning such matter.
(C) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.	Reporting process – the Board has adopted various corporate policies to encourage and promote a culture of ethical business conduct, including the policy on complaints regarding accounting, internal accounting controls or auditing matters available on the Corporation’s web site at www.rona.ca .
6. NOMINATION OF DIRECTORS	
(A) Describe the process by which the Board identifies new candidates for Board nomination.	General – the Nominating and Corporate Governance Committee is responsible for recommending and obtaining the approval of the Board on the competencies, skills and personal qualities required on the Board in order to create added value, taking into account opportunities and risks faced by the Corporation. In doing so, the Committee uses a skill matrix. The Committee identifies, with the Executive Chairman of the Board, candidates qualified to become Board members and recommends that the Board selects director nominees for the next annual meeting of shareholders. It also assesses the performance and effectiveness of the Board as a whole, the Board Committees, the Executive Chairman of the Board and the Board Committee Chairs. The skill matrix described on page 21 of this Circular identifies some of the current skills and other factors considered by the Nominating and Corporate Governance Committee, along with identification of each nominee for election to the Board of Directors possessing each skill.
(B) Disclose whether or not the Board has a Nominating Committee composed entirely of independent directors. If the Board does not have a Nominating Committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.	Composition of the Nominating and Corporate Governance Committee – the Nominating and Corporate Governance Committee is composed exclusively of outside directors, all of whom are “independent” within the meaning of the Corporate Governance Disclosure Instrument.
(C) If the Board has a Nominating Committee, describe the responsibilities, powers and operation of the Nominating Committee.	Responsibilities of the Nominating and Corporate Governance Committee – the Board has adopted a formal mandate for the Nominating and Corporate Governance Committee. The responsibilities of the Committee are described on page 27 of this Circular. The majority of its members constitute a quorum at meetings of the Committee. The Committee reports to the Board periodically on its meetings and its recommendations. In certain circumstances, the Committee may retain independent advisors to assist it in carrying out its duties.

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
7. COMPENSATION	
(A) Describe the process by which the Board determines the compensation for the issuer’s directors and officers.	<p>General – the compensation of the directors and senior managers is determined regularly by the Board based on the reviews and recommendations of its Nominating and Corporate Governance Committee and its Human Resources and Compensation Committee, respectively. The Board has determined that such compensation realistically reflects the responsibility and risks undertaken by the Corporation’s directors and senior managers and serves to align the interests of the directors and senior managers with the interests of the shareholders of the Corporation. Please refer to pages 21 to 23 of this Circular for information about the compensation received by directors and pages 27 to 52 for information about the compensation received by named executive officers.</p>
(B) Disclose whether or not the Board has a Compensation Committee composed entirely of independent directors. If the Board does not have a Compensation Committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.	<p>Composition of the Human Resources Committee – the Human Resources and Compensation Committee is composed exclusively of outside directors, all of whom are “independent” within the meaning of the Corporate Governance Disclosure Instrument.</p>
(C) If the Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.	<p>Responsibilities of the Human Resources and Compensation Committee – the Board has adopted a formal mandate for the Human Resources and Compensation Committee.</p> <p>The responsibilities of the Committee are described starting on page 25 of this Circular. The majority of its members constitute a quorum at meetings of the Committee. The Committee reports to the Board periodically on its meetings and its recommendations. As the need arises, the Committee may engage independent advisors to assist it in carrying out its duties, set the fees and other conditions of their engagement and obtain the necessary funds from the Corporation to pay such fees. The Committee or its Chair shall pre-approve all compensation and non-compensation services provided by such independent advisors.</p>
8. Other Board Committees – if the Board has standing committees other than the Audit, Compensation and Nominating Committees identify the committees and describe their function.	<p>The Board of Directors has no standing committee other than the Audit Committee, Human Resources and Compensation Committee and Nominating and Corporate Governance Committee.</p>
9. Assessments – disclose whether or not the Board, its Committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its Committees, and its individual directors are performing effectively.	<p>Assessment process – annually, the Nominating and Corporate Governance Committee of the Board assesses the performance and effectiveness of the Board as a whole, the Board Committees, the Executive Chairman of the Board and the Board Committee Chairs. Questionnaires are distributed to each director for the purpose of evaluating the Board’s responsibilities and functions and the performance of the Board’s Committees. The results of the questionnaires are compiled on a confidential basis to encourage full and frank commentary and are discussed at the next regular meeting of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee Chair then presents the Committee’s findings and recommendations to the Board.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>10. Director Term Limits and Other Mechanisms of Board Renewal - disclose whether or not the issuer has adopted term limits for the directors on its Board or other mechanisms of Board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the issuer has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.</p>	<p>Director Term Limits: The Board has not adopted a term limit for its directors as it is of the view that an arbitrary term limit could force certain directors which have experience, expertise and operational insight as to the business of the Corporation to not stand for re-election, thus depriving the Board of board members that have key competencies that might not be easily replaced.</p>
<p>11. POLICIES REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD</p>	
<p>(A) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.</p>	<p>The Corporation did not adopt a written policy relating to the identification and nomination of women directors. However, the Corporation acknowledges the value of diversity in the composition of the Board of Directors and believes that diversity helps the issuer to achieve its objectives in terms of efficiency and competency for the benefit of its shareholders. A specific quota for gender representation on the Board has not been adopted in order for the Nominating and Corporate Governance Committee to be able to assess a potential nominee's qualities and competencies as a whole instead of emphasizing on gender, which also prevents situations where an individual could be perceived as not having been nominated solely on the basis of such individual's merits.</p>
<p>(B) If an issuer has adopted a policy referred to in (A), disclose the following in respect of the policy:</p>	
<p>i. a short summary of its objectives and key provisions,</p>	<p>N/A</p>
<p>ii. the measures taken to ensure that the policy has been effectively implemented,</p>	<p>N/A</p>
<p>iii. annual and cumulative progress by the issuer in achieving the objectives of the policy, and</p>	<p>N/A</p>
<p>iv. whether and, if so, how the Board or its Nominating and Corporate Governance Committee measures the effectiveness of the policy.</p>	<p>N/A</p>
<p>12. Consideration of the Representation of Women in the Director Identification and Selection Process - Disclose whether and, if so, how the Board or Nominating and Corporate Governance Committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.</p>	<p>The Nominating and Corporate Governance Committee considers diversity generally (which includes gender diversity) in the process of evaluating candidatures for recommendation as nominee directors. In the context of such process, the Nominating and Corporate Governance Committee also considers, among other things, the then current Board composition and anticipated competencies required so as to make the Board as best composed as possible.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>13. Consideration Given to the Representation of Women in Executive Officer Appointments - Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer’s reasons for not doing so.</p>	<p>The Human Resources and Compensation Committee considers diversity generally (which includes gender diversity) when recommending candidates as executive officers of the issuer in the same way the Nominating and Corporate Governance Committee does with its evaluation of potential director nominees.</p>
<p>14. ISSUER’S TARGETS REGARDING THE REPRESENTATION OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS</p>	
<p>(A) Disclose whether the issuer has adopted a target regarding women on the issuer’s Board. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation has not adopted a specific target regarding the representation of women on the Corporation’s Board. The Corporation believes that the Nominating and Corporate Governance Committee needs to be able to assess a potential nominee’s qualities and competencies as a whole instead of emphasizing on gender, which also prevents situations where an individual could be perceived as not having been nominated solely on the basis of such individual’s merits.</p>
<p>(B) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p>	<p>The Corporation has not adopted a specific target regarding the representation of women in executive officer positions of the Corporation. The Corporation believes that the Human Resources and Compensation Committee needs to be able to assess a candidate’s qualities and competencies as a whole instead of emphasizing on gender, which also prevents situations where an individual could be perceived as not having been nominated solely on the basis of such individual’s merits.</p>
<p>(C) If the issuer has adopted a target referred to in either (A) or (B), disclose:</p>	
<p>i. the target, and</p>	<p>N/A</p>
<p>ii. the annual and cumulative progress of the issuer in achieving the target.</p>	<p>N/A</p>
<p>15. NUMBER OF WOMEN ON THE BOARD AND IN EXECUTIVE OFFICER POSITIONS</p>	
<p>(A) Disclose the number and proportion (in percentage terms) of directors on the issuer’s Board who are women.</p>	<p>Two (2) directors of the Corporation are women, representing 15% of the current thirteen (13) Board members or 17% of the twelve (12) director nominees.</p>
<p>(B) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>Four (4) out of the fourteen (14) executive officers of the Corporation are women, representing 29% of the executive officers.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must be composed of a minimum of three (3) members, who must be “independent” directors (as defined in those rules).</p>	<p>Composition of the Audit Committee – the Audit Committee consists exclusively of outside directors, who are “independent” as contemplated under the CSA Audit Committee Rules.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>The CSA Audit Committee Rules state that each Audit Committee member must be financially literate.</p>	<p>Financial literacy of Audit Committee members – the Board abides to the following definition of “financial literacy”: “the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements”. All five (5) directors who constitute the Audit Committee are “financially literate” within the meaning of such definition.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must have a written charter that sets out its mandate and responsibilities.</p>	<p>Responsibilities of the Audit Committee – the mandate of the Audit Committee, attached to the Annual Information Form of the Corporation available on SEDAR, at www.sedar.com, describes explicitly the role and oversight responsibilities of the Committee.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must recommend to the Board of Directors: (a) the external auditor to be nominated for the purposes of preparing or issuing an auditors’ report or performing other audit, review or attest services for the issuer; and (b) the compensation of the external auditor.</p>	<p>Appointment of external auditors – the mandate of the Audit Committee states that the Committee is responsible for recommending to the Board the appointment or discharge of the external auditors as well as their compensation.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditors’ report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditor regarding financial reporting.</p>	<p>Relations with external auditors – the mandate of the Audit Committee provides that the Committee is directly responsible for overseeing the work of the external auditors and discussing with them the quality and not just the acceptability of the Corporation’s accounting principles, including any written communications between the Corporation’s management and the external auditors and management’s actions following the recommendations of the external auditors. The Committee also oversees the resolution of disagreements between management and the external auditors regarding financial reporting.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must pre-approve all non-audit services to be provided to the issuer or its subsidiary entities by the issuer’s external auditor.</p>	<p>Pre-approval of non-audit services – the mandate of the Audit Committee states that the Committee has sole authority to pre-approve all non-audit services that management intends to entrust to the external auditors.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must review the issuer’s financial statements, MD&A and annual and interim earnings press releases before the issuer publicly discloses this information. These Rules also mention that the Audit Committee must be satisfied that adequate procedures are in place for the review of the issuer’s public disclosure of financial information extracted or derived from the issuer’s financial statements, other than the public disclosure referred to in the preceding sentence, and must periodically assess the adequacy of those procedures.</p>	<p>Review of financial information documents – the mandate of the Audit Committee provides that the Committee is responsible for reviewing the annual and interim financial statements of the Corporation as well as external auditors’ report, MD&A and press releases related thereto. The Committee also reviews the procedures in place for the review of financial information extracted or derived from the financial statements and periodically assessing the adequacy of those procedures.</p>

CORPORATE GOVERNANCE GUIDELINES	CORPORATE GOVERNANCE PRACTICES AT THE CORPORATION
<p>The CSA Audit Committee Rules state that an Audit Committee must establish procedures for: (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.</p>	<p>Complaints on accounting or other matters – the mandate of the Audit Committee provides that the Committee must establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission of concerns by employees of the Corporation regarding accounting or auditing matters. Please refer to the policy on complaints regarding accounting, internal accounting controls or auditing matters available on the Corporation’s web site at www.rona.ca. The Corporation has also adopted a similar policy for its employees.</p>
<p>The CSA Audit Committee Rules state that the Audit Committee must review and approve the issuer’s hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.</p>	<p>External auditors hiring policy – the mandate of the Audit Committee provides that the Committee is responsible for reviewing hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.</p>
<p>The CSA Audit Committee rules state that the Audit Committee must have the authority: (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties; (b) to set and pay the compensation for any advisors employed by the Audit Committee; and (c) to communicate directly with the internal and external auditors.</p>	<p>Engagement of independent counsel – according to the mandate of the Audit Committee, the Committee may, as the need arises, engage any outside advisors to assist it in carrying out its duties, set the fees and other conditions of their engagement and obtain the necessary funds from the Corporation to pay such fees.</p>

Schedule “C”

Board of Directors Charter

The Board of Directors (the “**Board**”) is responsible for the supervision of the management of the Corporation’s business and affairs, with the objective of maximising long-term corporate value.

The Board approves all matters expressly required herein, under the *Business Corporations Act* (Quebec) and other applicable legislation and the Corporation’s articles and by-laws. The Board may *inter alia* assign to board committees the prior review of any issues it is responsible for. In that case, Board committee recommendations are subject to Board approval. In addition, to the extent permitted by law, the Board may delegated the exercise of its powers to any director, officer or Board committee. The Board has delegated the approval of certain matters to management pursuant to its Schedule of Authority, as amended from time to time.

In spite of the fact that directors may be elected by the shareholders to bring a special expertise or point of view to Board deliberations, they are not chosen to represent a particular constituency. All decisions of each Board member must be made in the best interest of the Corporation.

The Board expects directors to be present at all meetings of the Board and to review meeting materials in advance. The Board also expects directors to take an active role in Board decision-making.

Mandate

The responsibilities of the Board include:

With respect to strategic planning

- Adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other matters, the opportunities and risks of the business.

With respect to human resources and performance assessment

- Appointing the President and Chief Executive Officer (“**President and CEO**”) and, upon his recommendation, appointing the other executive officers reporting to the President and CEO.
- Assessing the performance of the President and CEO and ensuring that processes are implemented by the President and CEO to assess the other executive officers.
- Approving the compensation of executive officers (particularly the President and CEO) and the compensation plans or policies which apply to them and to the other key employees of the Corporation, taking into consideration expectations and objectives fixed by the Board.
- Taking reasonable measures to satisfy itself as to the integrity of the President and CEO and the other executive officers and that the President and CEO and other executive officers create a culture of integrity throughout the Corporation.
- Monitoring the succession planning process for executive officers and the Board of Directors.
- Reviewing the size and composition of the Board and its committees taking into account competencies, skills and personal qualities of each member of the Board of Directors.
- Approving the list of Board nominees for election by shareholders.
- Appointing the Chairman of the Board.

With respect to financial matters, risk management and internal control

- Approving the Corporation's financial statements and ensuring the appropriateness of their disclosure.
- Reviewing the general content of, and the Audit Committee's report on the financial aspects of, the Corporation's Annual Information Form, Annual Report, Management Proxy Circular, Management's Discussion and Analysis, prospectuses, and any other document required to be disclosed or filed by the Corporation before its public disclosure or filing with regulatory authorities in Canada.
- Approving operating and capital budgets, the issue of securities and, subject to the Schedule of Authority of the Corporation, any significant transaction out of the ordinary course of business, including proposals on mergers, acquisitions or other major investments or divestitures.
- Determining dividend policies and procedures and declaring dividends if the Board thinks it appropriate.
- Identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks.
- Monitoring the Corporation's internal control and management information systems.
- Monitoring the Corporation's compliance with applicable legal and regulatory requirements.
- Recommending to the Corporation's shareholders the external auditors to be appointed at the annual shareholders meeting and filling any vacancy that occurs during year.
- Reviewing at least annually the Corporation's communications policy and monitoring the Corporation's communications with analysts, investors and the public.

With respect to governance matters

- Taking reasonable measures to ensure the competent and ethical operation of the Corporation.
- Developing the Corporation's approach with respect to governance, including developing a set of governance principles and guidelines that are specifically applicable to the Corporation.
- Adopting and periodically reviewing the Corporation's code of conduct and taking reasonable steps to see to it that this code is respected.
- Ensuring the annual performance assessment of the Board, Board committees, Board and committee chairs and individual directors.
- Adopting and periodically reviewing the policy for orientation and continuing education of directors.
- Adopting and periodically reviewing a policy for receiving feedback or comments concerning the Corporation from stakeholders.
- Submitting to the Corporation's shareholders any matter which requires their approval.
- Filling the vacancies on the Board of Directors or appointing additional directors, if the Board thinks it appropriate.

With respect to pension matters

- Monitoring governance structure, funding, and investment policies for the Corporation's pension plans.
- Monitoring the investment management of the pension funds.

Composition

- The number of directors shall be determined from time to time by resolution of the Board of Directors, within the limits provided in the Corporation's articles. The Board is composed of a majority of individuals who qualify as independent directors, as determined by the Board in accordance with the applicable rules of the Canadian Securities Administrators.

Board Meetings and Quorum

- The Board shall meet as the need arises, but at least quarterly; in addition, a special meeting of the Board is held, at least annually,

to review the Corporation's strategic plan.

- Independent directors meet regularly without management and non-independent directors present. The Chairman of the Board chairs these meetings.
- A majority of the current directors shall constitute a quorum at meetings of the Board.

Review of the Charter

The Board of Directors shall review this Charter periodically and make any appropriate amendments.

Assessment of the Board's Performance

Each year, the members of the Board shall assess and review the Board's performance.

Schedule "D"

Long-Term Incentive Plans

2015 Option Plan (Share Option Plan dated March 12, 2015)

On March 12, 2015, the Board of Directors approved the 2015 Option Plan for designated employees of the Corporation and its subsidiaries. The 2015 Option Plan is subject to the approval of the Corporation's shareholders at the Meeting. The purpose of the 2015 Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate employees whose skills, performance and loyalty to the Corporation are necessary to its success, image, reputation or activities, particularly by aligning the interests of employees with the interests of the Corporation's shareholders.

The details regarding the 2015 Option Plan are provided at page 54 of this Management Proxy Circular.

2002 Option Plan (Share Option Plan dated October 24, 2002)

On October 24, 2002, the Board of Directors approved a share option plan (the "**2002 Option Plan**") for designated senior executives of the Corporation and its subsidiaries (the "**participants**"). The 2002 Option Plan was approved by the shareholders of the Corporation on May 14, 2003. The purpose of the 2002 Option Plan is to provide the Corporation with a share-related mechanism to attract, retain and motivate executives whose skills, performance and loyalty to the Corporation are necessary to its success, image, reputation or activities, particularly by aligning the interests of executives with the interests of the Corporation's shareholders.

A total of 5,465,587 options were granted by the Board of Directors pursuant to the 2002 Option Plan and 2,149,760 were outstanding as at March 12, 2015 (being the date of the approval by the Board of the 2015 Option Plan), representing respectively 5.1% and 2.0% of the outstanding Common Shares as at March 13, 2015. As at March 12, 2015, a total of 3,922,940 options remained issuable under the 2002 Option Plan, representing 3.6% of the outstanding Common Shares as at March 13, 2015. Upon approval of the 2015 Option Plan by the Corporation's shareholders, all of the options that remain issuable under the 2002 Option Plan are transferred to the 2015 Option Plan and no further grants of options will be made under the 2002 Option Plan.

In 2014, a total of 436,600 options were granted by the Board of Directors under the 2002 Option Plan, representing 0.40% of the outstanding Common Shares as at March 13, 2015. In 2015, a total of 388,600 options were granted by the Board of Directors under the 2002 Option Plan, representing 0.36% of the outstanding Common Shares as at March 13, 2015. Notwithstanding any provision to the contrary in the 2002 Option Plan, the options granted to the NEOs in 2015 under the 2002 Option Plan are subject to the double-trigger provision of the 2015 Option Plan, such double-trigger provision being described on page 55 of this Management Proxy Circular.

The exercise price of any option granted under the 2002 Option Plan must be equal or superior to the weighted average price of the Common Shares traded on the TSX, such price to be calculated by aggregating the value of each transaction during the five (5) trading days immediately preceding the day on which such option is granted and dividing the said value by the total number of Common Shares traded during the said period. Subject to the following paragraph, the terms and number of Common Shares covered by each option as well as the vesting periods of such options are determined by the Board of Directors upon the recommendation of its Human Resources and Compensation Committee at the time the options are granted to beneficiaries. Other than in the case of a blackout extension term, the expiry date of an option shall be the date so fixed by the Board or described in the 2002 Option Plan, provided that such date is not later than the tenth (10th) anniversary of the date of grant. Options shall expire at the earlier of the date stipulated in a notice of termination received by a participant or the date at which the participant ceases to be an employee of the Corporation and any of its subsidiaries (the "**Option Cancellation Date**").

Notwithstanding the foregoing, a participant shall have an additional ninety (90) business days after the Option Cancellation Date to exercise options that are vested on the Option Cancellation Date, unless: (i) the participant resigns or terminates his employment voluntarily or is terminated for cause, in which case the exercise period shall be reduced to thirty (30) business days following the Option Cancellation Date; or (ii) the participant retires in which case the exercise period shall be increased to thirty-six (36) months. Options that have not vested at that time shall expire unless the Board decides otherwise. If a participant dies in office or during the period of thirty (30) business days, ninety (90) business days or thirty-six (36) months referred to above, his/her assigns shall have a period of six (6) months from the date of his/her death to exercise all the options that are vested at the moment of his/her death. However, the said periods of thirty (30) business days, ninety (90) business days, thirty-six (36) months or six (6) months may not exceed the tenth (10th) anniversary of the grant date, except if any such period ends during a blackout period, or within ten (10) business days after the end of a blackout period, in which case it shall be extended by a period of ten (10) business days.

The 2002 Option Plan contains the following restrictions: (i) the maximum number of Common Shares which may be reserved for issuance to any one person under the 2002 Option Plan or under any other share compensation arrangements of the Corporation shall not exceed 5% of the outstanding Common Shares at the time of grant, (ii) the maximum number of Common Shares issuable to insiders at any time pursuant to the 2002 Option Plan or other share compensation arrangements of the Corporation shall not exceed, unless duly approved by the shareholders, 10% of the outstanding Common Shares, and (iii) the maximum number of Common Shares issued under the 2002 Option Plan or other share compensation arrangements of the Corporation during a period of one year shall not exceed (a) 10% of the outstanding Common Shares in the case of Common Shares to be issued to insiders or (b) 5% of the outstanding Common Shares in the case of Common Shares to be issued to any one insider and his/her associates.

Options granted under the 2002 Option Plan may be exercised and do vest immediately in the event of a change of control, which is defined as a change in control of the Corporation of a nature that would be required to be reported pursuant to Canadian securities legislation or regulations, provided that, except in limited circumstances, a change of control will be deemed to have occurred if (i) any person or entity or group of persons or entities become the beneficial owner of more than 50% of the combined voting power of the Corporation's outstanding securities entitled to vote in the election of directors of the Corporation, (ii) a majority of members of the Corporation's Board is replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the members of the Corporation's Board, (iii) any person or entity, or group of persons or entities acquires assets from the Corporation or its subsidiaries representing more than 50% of the total gross fair market value of all of the assets of the Corporation and its subsidiaries, taken as a whole, (iv) the Corporation is part to an amalgamation, merger or consolidation with or into another person or entity, except if a majority of the members of the board of directors of the surviving or resulting person or entity immediately after the transaction are individuals who were members of the Corporation's Board prior to such transaction, or (v) the Board determines that a particular event constitutes or constituted a change of control. Except in limited circumstances described in the 2002 Option Plan, options granted pursuant to the 2002 Option Plan may also be exercised and will vest immediately in the event of a disposition of retail stores of the Corporation and its subsidiaries representing more than 50% of the revenues derived from all retail stores of the Corporation and its subsidiaries, taken as a whole, for a period of twelve (12) consecutive months, or elements of the distribution business of the Corporation and its subsidiaries representing more than 50% of the revenues derived from the distribution business of the Corporation and its subsidiaries, taken as a whole, for a period of twelve (12) consecutive months.

The terms of the 2002 Option Plan also include an amendment procedure pursuant to which the Board of Directors may amend any of the provisions of the 2002 Option Plan or amend the terms of any then outstanding award of options under the 2002 Option Plan, provided, however, that the Corporation shall obtain shareholder approval for:

- any amendment to the maximum number of Common Shares issuable under the 2002 Option Plan, other than pursuant to any amendments to the share capital of the Corporation;
- any amendment which would allow non-employee directors to participate under the 2002 Option Plan;
- any amendment which would permit any option granted under the 2002 Option Plan to be transferable or assignable other than by will or pursuant to succession laws;
- any amendment resulting in the addition of a cashless exercise feature, payable in cash or in Common Shares, which does not provide for a full deduction of the number of underlying securities from the 2002 Option Plan reserve;

- any amendment resulting in the addition, in the 2002 Option Plan, of deferred or restricted share unit provisions or any other provisions pursuant to which participants may receive Common Shares while no cash consideration is received by the Corporation;
- any reduction in the exercise price of an option after the option has been granted to a participant or any cancellation of an option and the substitution of that option by a new option with a reduced exercise price granted to the same participant, other than pursuant to any amendments to the share capital of the Corporation;
- any extension to the term of an option beyond the original expiry date, subject to the provisions applicable to blackout periods;
- any amendment resulting in an increase to the maximum number of Common Shares that may be granted to (i) insiders under the 2002 Option Plan and other share compensation arrangements of the Corporation or (ii) to any one insider and such insider's associates in any one-year period, other than pursuant to any amendments to the share capital of the Corporation; and
- the addition in the 2002 Option Plan of any form of financial assistance and any amendment to a financial assistance provision which is more favourable to participants.

The Board of Directors may, subject to receipt of requisite regulatory approval, where required, in its sole discretion, make all other amendments to the 2002 Option Plan or to any award of options under the 2002 Option Plan.

The rights of a participant with respect to options granted under the 2002 Option Plan may not be assigned or transferred except by testamentary provision or pursuant to the applicable laws of succession.

2007 Share Unit Plan

In 2007, the Board of Directors adopted a share unit plan (the “**2007 Share Unit Plan**”) for the grant of share units to officers and key employees of the Corporation and its subsidiaries, in order to assist and encourage such officers and key employees to work towards and participate in the growth and development of the Corporation, assist the Corporation in attracting, retaining and motivating such officers and key employees, and align the interests of such officers and key employees with those of the shareholders of the Corporation. The 2007 Share Unit Plan is administered by the Board of Directors, which has delegated responsibilities to the Human Resources and Compensation Committee.

The 2007 Share Unit Plan is non-dilutive: payment of performance share units (“**PSUs**”), restricted share units without performance vesting criteria (“**RSUs**”), or Deferred Share Units (“**DSUs**”), as the case may be, are made in cash or in Common Shares purchased from the secondary market, at the option of the Corporation, pursuant to the terms and conditions described in the 2007 Share Unit Plan. The 2007 Share Unit Plan does not rely upon shares from treasury, nor are there any corresponding shares reserved in treasury for purposes of such plan.

PSUs and RSUs entitle participants to receive, on the vesting date thereof, cash equal to the average closing price of the Common Shares on the TSX for the twenty (20) trading days during which Common Shares were traded immediately preceding the fifth trading day prior to the vesting date, or, at the Corporation’s option, an amount of Common Shares, purchased on the secondary market, with an aggregate value equal to the amount that would have been paid in cash as described above, subject to the terms and conditions set forth in the 2007 Share Unit Plan. The Board has discretion to establish at the time of each grant, within the restrictions set forth in the 2007 Share Unit Plan, the terms and conditions of each PSU or RSU award, as well as the vesting date (subject to a maximum term of three (3) years, and subject to the provisions of the 2007 Share Unit Plan with respect to early expiry), the performance objectives (in the case of PSUs) which must be attained for any award, or part thereof, to vest, and other particulars. Notwithstanding their respective vesting date, and unless otherwise determined by the Board at or after the time of grant: (i) PSU awards, or part thereof, shall expire on the vesting date if the applicable performance objectives have not been attained, and (ii) any PSU or RSU award granted to a participant who ceases to be an officer or employee of the Corporation before the vesting of such PSU or RSU award, shall expire on the Cessation Date, being the date stipulated in a notice given in writing to a participant informing him/her that his/her active employment with the Corporation and its subsidiaries will end, or the date at which the participant dies or otherwise terminates his/her active employment with the Corporation and its subsidiaries.

Where a participant retires at the age prescribed under the Corporation’s retirement policies or ceases to be an officer or a key employee of the Corporation but remains employed by the Corporation, the participant shall be entitled to a number of PSUs or RSUs, as the case may be, pro

rated to take into account the number of months worked as an officer or a key employee within the vesting period, the whole subject to the attainment of performance objectives, in the case of PSUs.

Pursuant to the terms of the 2007 Share Unit Plan, participants have the option to convert their PSUs or RSUs (or part thereof) in DSUs, on the vesting date of the PSUs or RSUs, as the case may be, by duly completing an election form pursuant to which the participant shall notify the Corporation of such irrevocable choice, at least thirty (30) days prior to the vesting date of any PSU or RSU award, failing which he or she will be deemed to have irrevocably elected to be paid Common Shares or cash, as described above, for the PSUs or RSUs described in his/her award on the vesting date thereof.

DSUs entitle holders thereof to receive, with respect to all DSUs held by such holder, on the date specified in a redemption notice filed with the Corporation but not later than December 1st of the first calendar year commencing after the calendar year in which the Cessation Date occurs (the “**Redemption Date**”), cash equal to the average closing price of the Common Shares on the TSX for the twenty (20) trading days during which Common Shares were traded immediately preceding the fifth trading day prior to the Redemption Date, or, at the Corporation’s option, an amount of Common Shares, purchased on the secondary market, with an aggregate value equal to the amount that would have been paid in cash as described above, subject to the terms and conditions set forth in the 2007 Share Unit Plan.

The 2007 Share Unit Plan contains the following restrictions: (a) the sum of (i) the number of Common Shares that may be purchased by the Corporation for delivery to participants over a 12-month period and (ii) the number of Common Shares that may be purchased by the Corporation pursuant to a normal course issuer bid, if applicable, during such period, shall not represent more than 5% of the Common Shares that were outstanding at the commencement of such 12-month period, and (b) the sum of (i) the number of Common Shares that may be purchased by the Corporation for delivery to participants over any thirty (30) day period and (ii) the number of Common Shares that may be purchased by the Corporation pursuant to a normal course issuer bid, if applicable, during such period, shall not represent more than 2% of the Common Shares that were outstanding at the commencement of such thirty (30) day period.

Any PSU or RSU award shall vest in the case of a change of control, as defined in the 2002 Option Plan. Except in limited circumstances described in the 2007 Share Unit Plan, PSUs and RSUs awarded pursuant to the 2007 Share Unit Plan will vest immediately in the event of a disposition of retail stores of the Corporation and its subsidiaries representing more than 50% of the revenues derived from all retail stores of the Corporation and its subsidiaries, taken as a whole, for a period of twelve (12) consecutive months, or elements of the distribution business of the Corporation and its subsidiaries representing more than 50% of the revenues derived from the distribution business of the Corporation and its subsidiaries, taken as a whole, for a period of twelve (12) consecutive months.

The rights in PSU and RSU awards, PSUs, RSUs and DSUs may not be assigned or transferred and PSUs, RSUs and DSUs may not be disposed of, sold, pledged, hypothecated or given as security by a participant, subject to the rights of the legal representatives of the participant in the case where a participant dies and an PSU or RSU award is vested at the time of the death. The Board of Directors may also, at any time, amend, suspend or terminate the 2007 Share Unit Plan, or any PSU, RSU or DSU granted thereunder, provided that no such amendment, suspension or termination may be made without regulatory approval, if required, and/or without the consent of the participants where such amendment, suspension or termination would alter or impair their rights.

2015 Share Unit Plan

In 2015, the Board of Directors adopted a new share unit plan (the “**2015 Share Unit Plan**”) for the grant of share units to officers and key employees of the Corporation and its subsidiaries, in order to assist and encourage such officers and key employees to work towards and participate in the growth and development of the Corporation, assist the Corporation in attracting, retaining and motivating such officers and key employees, and align the interests of such officers and key employees with those of the shareholders of the Corporation.

The 2015 Share Unit Plan is non-dilutive: payment of performance share units (“**PSUs**”) or restricted share units without performance vesting criteria (“**RSUs**”), as the case may be, are made in cash or in Common Shares purchased from the secondary market, at the option of the Corporation, pursuant to the terms and conditions described in the 2015 Share Unit Plan. The 2015 Share Unit Plan does not rely upon shares from treasury, nor are there any corresponding shares reserved in treasury for purposes of such plan.

PSUs and RSUs entitle participants to receive, on the vesting date thereof, cash equal to the average closing price of the Common Shares on the TSX for the five (5) trading days during which Common Shares were traded immediately preceding the vesting date, or, at the Corporation's option, an amount of Common Shares, purchased on the secondary market, with an aggregate value equal to the amount that would have been paid in cash as described above, subject to the terms and conditions set forth in the 2015 Share Unit Plan. The Board has discretion to establish at the time of each grant, within the restrictions set forth in the 2015 Share Unit Plan, the terms and conditions of each PSU or RSU award, as well as the vesting date (subject to a maximum term of three (3) years from the end of the year in which the PSU or RSU award was made, and subject to the provisions of the 2015 Share Unit Plan with respect to early expiry), the performance objectives (in the case of PSUs) which must be attained for any award, or part thereof, to vest, and other particulars. Notwithstanding their respective vesting date, and unless otherwise determined by the Board at or after the time of grant: (i) RSU or PSU awards, or part thereof, shall expire on the vesting date if the applicable performance objectives have not been attained, and (ii) any PSU or RSU award granted to a participant who ceases to be an officer or employee of the Corporation before the vesting of such PSU or RSU award, shall expire on the Cessation Date, being the date stipulated in a notice given in writing to a participant informing him/her that his/her active employment with the Corporation and its subsidiaries will end, or the date at which the participant dies or otherwise terminates his/her active employment with the Corporation and its subsidiaries.

Where a participant retires at the age prescribed under the Corporation's retirement policies or ceases to be an officer or a key employee of the Corporation but remains employed by the Corporation, the participant shall be entitled to a number of PSUs or RSUs, as the case may be, pro rated to take into account the number of months worked as an officer or a key employee within the vesting period, the whole subject to the attainment of performance objectives, if applicable.

PSU or RSU awards shall not vest in the case of a change of control, as defined in the 2015 Option Plan, except where either (a) there is no Alternative Award available in respect of the PSU or RSU granted under the 2015 Share Unit Plan, or (b) the participant's employment with the Corporation or its subsidiaries is terminated without cause or if such participant submits a resignation for good reason within a one (1) year period following the change of control.

The rights in PSU and RSU awards, PSUs and RSUs may not be assigned or transferred and PSUs and RSUs may not be disposed of, sold, pledged, hypothecated or given as security by a participant, subject to the rights of the legal representatives of the participant in the case where a participant dies and a PSU or RSU award is vested at the time of the death. The Board of Directors may also, at any time, amend, suspend or terminate the 2015 Share Unit Plan, or any PSU or RSU granted thereunder, provided that no such amendment, suspension or termination may be made without regulatory approval, if required, and/or without the consent of the participants where such amendment, suspension or termination would alter or impair any of their accrued rights under the 2015 Share Unit Plan.

The 2015 Share Unit Plan provides that awards granted thereunder are subject to any clawback policy maintained by the Corporation from time to time.

DSU Plan

In 2006, the Corporation adopted the DSU Plan to align the interests of directors with those of the shareholders of the Corporation and help directors meet the shareholding guidelines applicable to them.

Pursuant to the DSU Plan, outside directors may elect to receive in the form of DSUs any percentage, up to one hundred percent (100%), of their fees payable in respect of serving as director. Under the DSU Plan, outside directors are granted, as of the last day of each fiscal quarter of the Corporation, a number of DSUs determined on the basis of the amount of deferred remuneration payable to directors in respect of such quarter divided by the value of a DSU, which is the average of the closing prices of the Common Shares on the TSX the five (5) trading days immediately preceding the last day of each fiscal quarter of the Corporation. Directors to whose accounts DSUs stand credited will be credited with additional DSUs whenever cash dividends are paid on Common Shares. DSUs granted under the DSU Plan will be redeemable, and the value thereof payable, only after the holder of DSUs ceases to act as a director of the Corporation.

Any questions and requests for assistance may be directed to the
Proxy Solicitation Agent:



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