



FOR IMMEDIATE RELEASE

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Sobeys First National Grocer to Eliminate Plastic Bags

Grocer eliminates plastic bags as first step in removing unnecessary plastic from retail and focuses on promoting reusable, sustainable alternatives that drive long-term behavioural change

Stellarton, NS – Sobeys Inc. announced today that it will remove plastic grocery bags from all Sobeys grocery stores by the end of January 2020. The change will take 225 million plastic grocery bags out of circulation at Sobeys' 255 locations across Canada each year.

The move represents an important first step in the retailer's journey towards eliminating unnecessary plastic from grocery stores. Starting with eliminating plastic grocery bags from Sobeys stores in 2020, the Company will quickly follow with phasing out plastic grocery bags and introducing paper bags in all other banners including Safeway, FreshCo, Foodland and others. The most immediate next step the Company will take will be to remove plastic grocery bags from IGA stores on Montreal Island in Quebec. IGA will also launch a campaign in September 2019 to encourage reusable bag adoption.

"So many of our customers and our employees have told us loud and clear -- they want us to use less plastic -- and we agree with them," said Michael Medline, President and CEO, Empire. "This is a first step, and we plan to make meaningful progress every year to take plastic out of our stores and our products. We decided to act now instead of taking years to study and only make long-term commitments. We're taking action now, making a tangible difference today and into the future. This is a significant first step, but it's only a first step. We need to go further, and we will."

While the plastic grocery bags are phased out of each Sobeys banner, the retailer will launch innovative and unique programs to reduce plastics in other areas of the store and encourage customers to choose reusable bags that can be used repeatedly and returned for recycling at Sobeys stores.

- In August, in the produce aisle, Sobeys will introduce a line of reusable mesh produce bags made from recycled water bottles to provide customers with an alternative for their fresh produce. The reusable mesh produce bags were launched in IGA in Quebec in June and received highly positive feedback from customers.
- Sobeys has started phasing unnecessary plastic from snacking tomatoes in their Sobeys Urban Fresh store locations in Toronto. Customers are provided with recyclable paper bags which they can use to carry their tomatoes.
- IGA stores on Montreal Island will launch a campaign in September 2019 to encourage reusable bag adoption, including:
 - Designated parking spots for customers who bring reusable bags
 - Promotional IGA offers on reusable bags and boxes to encourage customer use

"It's time for change, and we will not stop innovating and bringing to market new ways to remove avoidable plastic from retail," said Vittoria Varalli, Vice President, Sustainability. "We are working with our industry partners and key stakeholders on eradicating plastics from the system. There are many factors to balance like food waste and food safety when assessing the need for packaging in the grocery retail supply chain. It will take a collective effort to drive real, meaningful change for the future."

As part of its commitment to reducing plastics, Sobeys is partnering with student organization Enactus Canada on a community empowerment project accelerator, challenging young Canadians to find innovative solutions to reduce avoidable plastics for grocery retailers and Canadian consumers while also encouraging behavioural change as it is related to avoidable plastics.

Forward-Looking Information

This document contains forward-looking statements which are presented for the purpose of assisting the reader to contextualize the Sobeys Inc. financial position and understand management's expectations regarding the removal of plastic bags. These forward-looking statements may not be appropriate for other purposes. Forward-looking statements are identified by words or phrases such as "estimates", "plans", "predicts", "anticipates", "forecasts" and other similar expressions or the negative of these terms.

By its nature, forward-looking information requires the Company to make assumptions and is subject to inherent risks, uncertainties and other factors which may cause actual results to differ materially from forward-looking statements made. For more information on risks, uncertainties and assumptions that may impact the Company's forward-looking statements, please refer to the Company's materials filed with the Canadian securities regulatory authorities, including the "Risk Management" section of the Sobeys Inc. fiscal 2019 annual MD&A.

ABOUT SOBEYS

Proudly Canadian, with headquarters in Stellarton, Nova Scotia, Sobeys has been serving the food shopping needs of Canadians since 1907. A wholly-owned subsidiary of Empire Company Limited (TSX: EMP.A), Sobeys owns or franchises more than 1,500 stores in all 10 provinces under retail banners that include Sobeys, Safeway, IGA, Foodland, FreshCo, Thrifty Foods, Farm Boy and Lawton's Drug Stores as well as more than 350 retail fuel locations. Sobeys, its franchisees and affiliates employ approximately 123,000 people. More information on Sobeys Inc. can be found at www.sobeyscorporate.com.

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