

## **CORBY SPIRIT AND WINE LIMITED**

### **DIRECTOR ELECTION POLICY**

In an uncontested election of directors of Corby Spirit and Wine Limited (the “Corporation”), any nominee for director who receives a greater number of votes “withheld” from his or her election than votes “for” such election (a “Majority Withheld Vote”) will promptly tender his or her resignation to the Chairman of the Board of Directors of the Corporation following the Corporation’s annual meeting of shareholders. In this policy, an uncontested election means an election in which the number of nominees for director is equal to the number of director positions available on the Board of Directors.

Forms of proxy for the vote at a shareholders’ meeting where directors are to be elected will enable the shareholders to vote in favour of, or to withhold from voting, separately for each nominee. At the meeting, the Chairman will call for a vote by ballot and the scrutineers will record with respect to each nominee the number of shares in his or her favour and the number of shares withheld from voting. Prior to receiving the scrutineers’ report on the ballot, the Chairman may announce the vote result based on the number of proxies received by the Corporation. At the conclusion of the meeting, the final scrutineers’ report on the ballot must be filed on SEDAR.

The Corporate Governance & Nominating Committee of the Board of Directors will consider the resignation offer and will recommend to the Board of Directors whether or not to accept it. The Corporate Governance & Nominating Committee will be expected to recommend accepting the resignation, except in situations where extenuating circumstances would warrant the applicable director to continue to serve on the Board of Directors. In considering whether or not to accept the resignation, the Corporate Governance & Nominating Committee will take into account all factors deemed relevant by members of such committee including, without limitation, the stated reasons why shareholders “withheld” votes from the election of that nominee, the length of service and the qualifications of the director whose resignation has been tendered, such director’s contributions to the Corporation and the Corporation’s corporate governance policies and practices.

The Board of Directors will act on the Corporate Governance & Nominating Committee’s recommendation within 90 days following the applicable annual meeting. In acting upon the Corporate Governance & Nominating Committee’s recommendation, the Board of Directors will consider the factors taken into account by that committee and such additional information and factors that the Board of Directors considers to be relevant. Following the Board of Directors’ decision on the resignation, the Board of Directors will promptly disclose by press release its decision whether to accept the director’s resignation offer, including the reasons for rejecting the resignation offer, if applicable.

Subject to any corporate law restrictions, if a resignation is accepted, the Board of Directors may: (i) leave the resultant vacancy unfilled until the next annual general meeting; (ii) fill the vacancy through the appointment of a new director who the Board considers to merit the confidence of the shareholders; or (iii) call a special meeting of shareholders at which there will be presented a management nominee to fill the vacant position.

Any director who tenders his or her resignation pursuant to this policy may not participate in the meeting of the Corporate Governance & Nominating Committee, if he or she is a member of that committee, to consider the decision to recommend to the Board of Directors whether his or her resignation will be accepted. However, if a sufficient number of the members of the Corporate Governance & Nominating Committee received a Majority Withheld Vote in the same election, such that that committee no longer has a quorum, then the independent directors will appoint a committee amongst themselves to consider the resignation offers and recommend to the Board of Directors whether to accept them.

In the event that any director who received a Majority Withheld Vote does not tender his or her resignation in accordance with this policy, he or she will not be re-nominated by the Board of Directors.

The Corporate Governance & Nominating Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this policy.

This policy does not apply in any case where the election involves a proxy battle, i.e., where proxy material is circulated in support of one or more nominees who are not part of the slate supported by the Board of Directors.