

# Corporate Governance and Human Resources Committee Mandate

Revised in 2020.

Approved by the Corporate Governance and Human Resources Committee on March 26, 2020.

Adopted by the Board of Directors on April 23, 2020.



## 1. AUTHORITY

The Corporate Governance and Human Resources Committee (the “**Committee**”) is a standing committee of the board of directors (the “**Board**”) of Saputo Inc. (the “**Company**”) which has the responsibilities described under the heading “Responsibilities”. The Committee reports to the Board. The role of the Committee is to assist the Board in carrying out its responsibilities by dealing with matters relating to corporate governance, Board nominations and membership, compensation, human resources and succession planning.

## 2. STRUCTURE

- 2.1. The Committee is made up of a minimum of three independent directors of the Company, as defined by applicable securities legislation, each possessing experience in the field of executive compensation.
- 2.2. The mandate of the members is for one year and may be renewed. The members are appointed by the Board at the first meeting following the annual meeting of shareholders, or at any other meeting to fill a vacancy. The Board may dismiss or replace a member at any time.
- 2.3. The Chair is appointed by the Board for a one-year term, which may be renewed. In the absence or failure of the Chair to sit, this role is filled by a member chosen by the Committee.
- 2.4. The Committee meets at least four times annually. The Chair of the Board, the Lead Director, any member of the Committee, the Chief Executive Officer or the Chief Financial Officer and Secretary may call special meetings as needed. The Committee determines the place, date and time of its meetings. The meetings may be held by telephone or by any other means allowing the members to communicate with each other. Unless waived by the members of the Committee, the Committee shall meet *in camera* at each meeting.
- 2.5. The quorum for meetings of the Committee is a majority of the members and decisions are made by the majority of the votes cast by the members present.
- 2.6. The Chair of the Committee approves meeting agendas and ensures that documents referred to in the agenda are forwarded to members of the Committee sufficiently in

advance for their perusal. Any member of the Committee may propose the inclusion of additional items on the agenda, or at any Committee meeting raise subjects that are not on the agenda for that meeting.

- 2.7. Minutes of meetings of the Committee must accurately reflect the significant discussions and the decisions of the Committee and must be circulated to the members of the Committee for their approval. The secretary of the Company, their designate or any other person the Committee requests, shall act as secretary of the Committee meetings. Minutes of the Committee meetings shall be recorded and maintained by the secretary of the Company, or any other person acting in such capacity, and subsequently presented to and filed with the Board.
- 2.8. To facilitate communication between the Committee and the Board, the Chair must provide a report to the Board on material matters considered by the Committee at the first Board meeting following the Committee's meeting.
- 2.9. The Committee may invite any person deemed appropriate to a Committee meeting. However, such person may not at any time vote at the Committee's meeting.
- 2.10. The Committee has full access to members of senior management, other personnel, as well as to documents, of the Company and its subsidiaries. The Committee has the authority to retain, at the cost of the Company, independent legal counsel, compensation consultants or other advisors it considers necessary to carry out its mandate and fulfill its responsibilities, and to fix the compensation of such advisors.

### **3. RESPONSIBILITIES**

In carrying out its mandate and in addition to complying with legal responsibilities that may be attributed to it from time to time, the Committee has the following responsibilities and obligations:

#### **3.1 Corporate Governance and Board and Committee Matters**

- Develop and review as needed, and at least annually, the Company's corporate governance practices in light of applicable laws, regulations and best practices and make recommendations to the Board with respect thereto.
- Review, monitor and, where appropriate, provide recommendations to the Board on the Company's exposure to risks related to governance and compensation.

- Annually review the description of the Company's corporate governance practices to be included in the management information circular of the Company and any other disclosure documents.
- Annually review the size and composition of the Board and reach determinations as to the independence of directors, based on criteria established by applicable laws and regulations.
- Annually review the responsibility and the composition of the committees of the Board and, in this regard, make recommendations to the Board.
- Annually review the directors' compensation and make recommendations to the Board to this effect.
- Ensure proper management of the Company's Deferred Share Unit Plan.
- Review any loan, advance, guarantee or significant benefit to be granted by the Company or any of its subsidiaries to any director, member of senior management or any person associated with a director or member of senior management.
- Rule on questions concerning conflicts of interest.
- Review, at least annually, the policies, procedures and guidelines that fall within the Committee's mandate.
- Annually review and oversee the enforcement of the Code of Ethics of the Company in accordance with applicable laws and regulations.
- Annually review the rules of conduct respecting trading of securities of the Company, according to applicable laws and regulations.
- Annually establish the list of designated key executives for purposes of the travelling guidelines for senior management.
- Develop appropriate measures for receiving comments from the Company's shareholders and stakeholders.

### 3.2 Nominations to the Board, Continuing Education and Performance Assessment

- Develop and supervise the process of selection and appointment of directors.
- Develop and update a matrix that identifies the competences, expertise and experience that the board as a whole should possess.

- Annually evaluate the skills, abilities, personal qualities, educational qualifications, professional experience and other attributes of the Board members and identify the needs of the Company to be fulfilled, if any.
- Recommend to the Board candidates for election at the shareholders' annual meeting of the Company or to be appointed between the annual meetings.
- Ensure the application of the board diversity policy, revise it annually and recommend changes to the board when appropriate.
- Develop and annually review the orientation and training program for new directors in order to familiarize them with the activities of the Company and its industry.
- Develop and annually review the continuing education program for directors.
- Develop and supervise the annual evaluation process of the performance of the Board, its committees and its directors, and review with the Board the result of such assessment.
- Develop and supervise the application of the majority voting policy.

### 3.3 Human Resources and Compensation

- Annually review and approve the executive compensation policy and executive compensation, and review and consider the results of the most recent shareholder advisory vote on executive compensation.
- Annually review and approve the report on executive compensation to be included in the management information circular of the Company and any other disclosure documents.
- Annually determine the financial performance targets for senior management to be used under their bonus program.
- Develop and supervise the annual performance assessment process of the Chief Executive Officer based on his position description and objectives to be met.
- Ensure proper implementation of the executive compensation policy and annually review the individuals covered thereby.
- Adopt and maintain the share ownership policies for directors, executive officers and senior management of the Company, and ensure compliance with such policies.
- Review and approve the beneficiaries of stock options, performance share units and restricted share units as well as the grants and related terms and conditions under the

Stock Option Plan, the Performance Share Unit Plan and the Restricted Share Unit Plan of the Company.

- Ensure proper management of the Stock Option Plan, the Performance Share Unit Plan, the Restricted Share Unit Plan, the Employee Share Ownership Plan of the Company.
- Establish and review the succession planning program for senior management.
- Overseeing the risk management measures related to the human resources risk.

#### 3.4 Other responsibilities

- Annually review its mandate and the mandate of the Board and recommend any changes to the Board.
- Carry out any other duty related to the performance of its mandate, including, in particular, any investigations about matters related to its mandate.
- Carry out any other mandate which the Board may entrust to it from time to time.