



**UNI-SELECT®**

## CORPORATE CHARTER

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Issued and approved by	Uni-Select Inc. Board of Directors

# HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

## PART I. COMMITTEE STRUCTURE

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### 1. PURPOSE OF COMMITTEE

The Human Resources and Compensation Committee (the “**Committee**”) is established by the Board of Directors of Uni-Select Inc. (the “**Corporation**”) to assist the Board in fulfilling its responsibilities relating to matters of human resources and compensation, and to establish a succession plan and development of senior management. The Committee has responsibility for evaluating and making recommendations to the Board regarding the compensation of the Corporation’s executives and the equity-based and incentive compensation plans, policies and programs of the Corporation. In addition, the Committee shall produce an annual report on executive compensation for inclusion where appropriate in the Corporation’s disclosure documents.

### 2. COMPOSITION OF COMMITTEE

“**Independent Director**” means a director who meets the independence criteria set out in sections 1.4 and 1.5 of National Instrument 52-110 - Audit Committees adopted by the Canadian Securities Administrators.

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three directors. All members of the Committee shall be Independent Directors.

### 3. APPOINTMENT AND REMOVAL OF COMMITTEE MEMBERS

The members of the Committee shall be appointed by the Board. The members of the Committee shall be appointed annually at the meeting of the directors immediately following the annual meeting of shareholders and shall hold office until the next annual meeting or until their successors are appointed or until they cease to be directors of the Corporation. The Board may remove and replace any member of the Committee.

## PART II. COMMITTEE OPERATIONS

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### 1. VACANCIES

Where a vacancy occurs in the membership of the Committee, it may be filled by the Board, and shall be filled by the Board if the membership of the Committee is fewer than three directors.

## HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

### 2. COMMITTEE CHAIR

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

### 3. ABSENCE OF CHAIR

If the Chair is not present at a meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

### 4. SECRETARY OF COMMITTEE

Members of the Committee shall designate from time to time a person who may, but need not, be a member of the Committee or a director, to be secretary of the Committee. The secretary shall keep minutes of the meetings of the Committee.

### 5. REGULAR MEETINGS

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings. The Committee may, at any time, and at each regularly scheduled Committee meeting shall, meet without the presence of management and non-independent directors.

### 6. SPECIAL MEETINGS

After having discussed the purpose of the proposed special meeting with the Chair of the Board and the Lead Director, if any, the Chair, or any two members of the Committee, may call a special meeting of the Committee.

### 7. QUORUM

A majority of the members of the Committee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other shall constitute a quorum.

### 8. NOTICE OF MEETINGS

Notice of the time and place of every meeting shall be given in writing or by e-mail or other electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

### 9. AGENDA

The Chair shall develop and set the Committee's agenda in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to allow meaningful review.

## HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

### 10. DELEGATION

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee, as it considers appropriate.

### 11. ACCESS

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation.

### 12. ATTENDANCE OF OFFICERS OR EMPLOYEES AT A MEETING

At the invitation of the Chair, one or more officers or employees of the Corporation may, and if required by the Committee shall, attend a meeting of the Committee.

### 13. PROCEDURE, RECORDS AND REPORTING

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board on its activities when the Committee may deem appropriate but no later than the next meeting of the Board.

### 14. OUTSIDE CONSULTANTS OR ADVISORS

The Committee, when it considers it necessary or advisable, may retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee in evaluating compensation and to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other retention terms for such persons.

## PART III. MANDATE OF COMMITTEE

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### 1. COMPENSATION GUIDELINES AND AGREEMENTS

The Committee shall review and recommend to the Board a compensation philosophy, strategy and principles for the Corporation's executives and administer the Corporation's executive compensation and benefits program accordingly. The statement shall take into account applicable laws, rules and guidelines regarding executive compensation and accountability.

The Committee shall also be responsible for reviewing and recommending to the Board certain matters relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs or material changes to existing benefit programs.

### 2. CHIEF EXECUTIVE OFFICER EVALUATION AND COMPENSATION

The Committee shall review annually and approve changes, as appropriate, to the position description for the Chief Executive Officer, setting out the Chief Executive Officer's authority and responsibilities.

## HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

The Committee shall review and approve corporate goals and objectives relevant to the total compensation package of the Chief Executive Officer, recommend a performance evaluation process for the Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of these goals and objectives and using this process, make recommendations to the Board with respect the Chief Executive Officer's compensation level based on this evaluation.

In determining the long-term incentive component of the compensation of the Chief Executive Officer, the Committee shall consider the Corporation's performance and relative shareholder return, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the Chief Executive Officer in past years.

This Charter should not be construed as precluding discussion of the compensation of the Chief Executive Officer with the Board generally, as it is not intended to impair communication among members of the Board.

The Committee shall make recommendations for approval by the Board on the appointment of a new Chief Executive Officer or the dismissal of the existing Chief Executive Officer.

### **3. OTHER EXECUTIVE COMPENSATION AND OVERSIGHT**

In consultation with the Chief Executive Officer, the Committee shall oversee the evaluation of the Corporation's executives, other than the Chief Executive Officer, and shall make recommendations to the Board with respect to the total compensation package for the Corporation's executives, other than the Chief Executive Officer, and directors' compensation.

### **4. EQUITY COMPENSATION REVIEW**

The Committee shall review periodically and make recommendations to the Board regarding incentive compensation or equity plans, programs or similar arrangements that the Corporation establishes for, or makes available to, its employees, including the designation of the employees who may participate in such plans.

In addition, the Committee shall review periodically the extent to which these forms of compensation are meeting their intended objectives and shall make recommendations to the Board regarding modifications that will more accurately relate such compensation to employee performance.

### **5. LONG-TERM INCENTIVE PLANS**

The Committee shall administer the long-term incentive plans of the Corporation, including any stock option plan, deferred share unit plan, performance share unit plan and restricted share unit plan, (collectively referred to as the "Plans") including the following:

- a) consider and approve the designation of employees who are to participate in the Plans and consider and approve the granting of options and units under the Plans to the participating employees;

## HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

- b) subject to the provisions of the Plans, consider and approve any amendments to the Plans as may be deemed necessary or advisable for the granting of awards under the Plans, and for the proper administration and operation of the Plans;
- c) consider and recommend to the Board any amendments to the Plans or discontinuance or substitution thereof; and
- d) consider and approve any amendments to any agreements under the Plans for any participating employees.

### 6. MANAGEMENT RESOURCES AND PLAN FOR EXECUTIVE DEVELOPMENT

The Committee shall review existing management resources and plans, including recruitment, training and evaluations, to ensure that qualified personnel will be available for succession to executive positions at the Corporation and key officer positions in its major subsidiaries. The Committee shall also periodically discuss with the Chief Executive Officer his or her views as to a successor in the event of the Chief Executive Officer's unexpected incapacity. The Committee shall report on this matter to the Board at least once a year.

### 7. HUMAN RESOURCES POLICIES

The Committee shall review, report and where appropriate, provide recommendations to the Board on the Corporation's human resources policies including, without limitation, health and safety, harassment and environmental policies.

### 8. CODE OF ETHICS

The Committee shall recommend to the Board the form and content of a Code of Ethics, monitor its implementation, operation and effectiveness and authorize any waiver of compliance of such Code and oversee the investigation of any alleged breach thereof.

### 9. RETIREMENT MATTERS

The Committee shall:

- a) review and recommend for approval by the Board any material changes in the Corporation's retirement plans;
- b) receive and review the investment objectives and policies of the Corporation's retirement plans and any changes thereto;
- c) receive and review periodic reports from management committees which supervise the Corporation's retirement programs, including reports concerning the investment results, funding results, plan member communications and legal compliance/reporting in relation to such plans;
- d) where appropriate, give direction concerning retirement program matters to the management committees which supervise the Corporation's retirement programs;
- e) where appropriate, evaluate, for review by the Board, any retirement program matters that may be of concern or interest to the Board; and

## HUMAN RESOURCES AND COMPENSATION COMMITTEE CHARTER

- f) review and make recommendations to the Board regarding any material benefits to retiring employees outside of approved retirement and other benefit programs.

### 10. COMPENSATION COMMITTEE REPORT

The Committee shall produce the “Compensation Committee Report” on executive compensation as required to be published by applicable laws, rules and guidelines.

### 11. SELF-EVALUATION

The Committee shall conduct an annual performance self-evaluation including a review of its compliance with this Charter, in accordance with the process developed by the Corporate Governance and Nominating Committee and approved by the Board, and shall report to the Board the results of the self-evaluation.

### 12. REVIEW OF DISCLOSURE

The Committee shall review those portions of the Corporation’s disclosure documents containing executive compensation disclosure before the Corporation publicly discloses this information.

### 13. REVIEW OF COMMITTEE’S CHARTER

The Committee shall assess the adequacy of this Charter on an annual basis and recommend any changes to the Board.

### 14. NON-EXHAUSTIVE LIST

The foregoing list of duties is not exhaustive and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities.