

# TOROMONT

## **HUMAN RESOURCES AND HEALTH & SAFETY COMMITTEE MANDATE AND CHAIR POSITION DESCRIPTION**

The Board of Directors (the "Board") of Toromont Industries Ltd. (the "Company") has established a Human Resources and Health & Safety Committee (the "Committee") of the Board to be constituted by independent Directors (as defined by applicable legislation).

This Mandate governs the operations of the Committee, as approved by the Board. The Committee shall review and reassess the Mandate annually. The Committee shall be appointed by the Board and shall be comprised of at least three Directors.

The roles and responsibilities of the Committee are in conjunction and collaboration with the Mandates of the Board and its other committees, including the Governance and Sustainability Committee and Audit Committee.

Principal responsibilities include compensation of executive officers and other senior management, short and long-term incentive programs, pension and other benefit plans, executive officer appointments, evaluation of performance of the CEO, succession planning, executive development, and health and safety.

The Committee also supports the Board in monitoring on a periodic, regular basis management's identification and assessment of the principal business risks that fall within the Committee's mandate and keeps informed of how these risks are being handled by management, including through the implementation of appropriate controls.

The Committee shall determine the following and report to the Board:

- a) salaries, bonus pools and bonus allocations, and benefits for the Officers of the Company and employees who report to the CEO (except for the compensation of the CEO which shall be approved by the Board); and
- b) performance of the CEO.

The Committee shall present the following to the Board for approval:

- a) Officer appointments;
- b) schedule of long-term incentive plan grants for all recipients;
- c) management recommendations for pension plans and the administration of pension plans; and
- d) report of the Committee for the annual Management Information Circular and any other executive compensation disclosure.

The Committee will monitor, review with management and discuss with the Board:

- a) succession planning and leadership development;
- b) employee culture and engagement;
- c) health and safety,
- d) Code of Conduct (and material non-financial related breaches of the Code); and
- e) diversity, equity and inclusion initiatives and achievements.

The Committee shall meet at least twice annually or on any such dates that the Chair shall determine.

It is acknowledged that there may be, from time to time, the need for the Committee to retain the services of outside advisors and/or consultants to assist it in completion of its responsibilities. The Committee, with the final approval of the Chair of the Committee, is authorized to negotiate the terms, including fees associated with any such engagement at the expense of the Company.

The Committee will report on its activities to the Board at least annually.

**POSITION DESCRIPTION**  
**HUMAN RESOURCES AND HEALTH & SAFETY COMMITTEE CHAIR**

This position description describes the appointment, role and responsibilities of the chair (the "Chair") of the Committee.

The Board shall appoint the Chair from the members of the Committee (or if it fails to do so, the members of the Committee shall appoint the Chair of the Committee from among its members).

The designation of the Committee's Chair shall take place annually at the first meeting of the Board after a meeting of the shareholders at which Directors are elected, provided that if the designation of Chair is not so made, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

The Chair shall receive such remuneration as the Board may determine from time to time.

Principal responsibilities of the Chair are as follows:

- a) Provide leadership to the Committee in discharging its mandate, including by promoting a thorough understanding by members of the Committee and management of the duties and responsibilities of the Committee and the relationship between the Committee and the Company's management, and by promoting cohesiveness among members of the Committee.
- b) Act as the liaison between the Committee and the Company's management, promoting open and constructive discussions between members of the Committee and management.
- c) Promote the proper flow of information to the Committee to keep the Committee fully apprised of all matters which are material to the Committee at all times.

In connection with meetings of the Committee, the Chair shall be responsible for:

- a) Scheduling meetings of the Committee;
- b) Organizing and presenting the agenda for Committee meetings such that all of the responsibilities assigned to the Committee under its Mandate are discharged on a timely and diligent basis, and members of the Committee have input into the agendas;
- c) Monitoring the adequacy of materials provided to the Committee by management in connection with the Committee's deliberations;
- d) Ensuring that the Committee has sufficient time to review the materials provided to it and to fully discuss the business that comes before the Committee;
- e) Presiding over meetings of the Committee; and
- f) Presiding over *in-camera* meetings of the Committee.

The Chair shall report to the Board on the activities of the Committee at least annually.

On an annual basis, the Chair coordinates and follows the process established by the Board for assessing the performance of the Committee.

The Chair shall perform such other functions as may be ancillary to the duties and responsibilities described above or as may be delegated to the Chair by the Committee or the Board from time to time.