



**PARK LAWN CORPORATION**  
**(the "Corporation")**

***CHARTER OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE***

This charter (this "**Charter**") of the Human Resources and Compensation Committee (the "**Committee**") was adopted by the board of directors (the "**Board**") of the Corporation on August 12, 2021 and replaces the previous Charter of the Human Resources and Compensation Committee of the Corporation.

**1. Purpose**

The Committee is a committee of the Board. The purpose of the Committee is to assist the Board in performing its duties relating to human resource matters including, without limitation, employment and compensation practices, human resource development and the executive compensation and subsequent disclosure in the Corporation's Management Information Circular.

**2. Composition and Membership**

- 2.1 The Committee shall be appointed by the Board annually and shall be comprised of a minimum of three (3) directors. The members shall be appointed to hold office until the next annual general meeting of shareholders of the Corporation or until their successors are appointed. The Board may at any time in its sole discretion fill a vacancy that occurs in the Committee and remove a member of the Committee. A member may resign at any time and a member will automatically cease to be a member upon ceasing to be a director. If an appointment of the members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed.
- 2.2 All members of the Committee shall be directors whom the Board has determined are independent within the meaning of National Policy 58-201 – *Corporate Governance Guidelines*. In addition, each director will be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of member's independent judgment.
- 2.3 All members of the Committee shall have a working familiarity with corporate governance, human resources and compensation matters.
- 2.4 The Chair of the Committee (the "**Committee Chair**") shall be designated by the Board from among the members. The Committee Chair shall serve as a liaison between members and senior management. If for any reason a Committee Chair

is not appointed by the Board, members of the Committee may designate a chair by majority vote of the full membership of the Committee.

### **3. Limitations on Committee's Duties**

In contributing to the Committee's discharge of its duties under this Charter, each member of the Committee will be obliged to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which any member of the Board may be otherwise subject.

Members of the Committee are entitled to rely, absent actual knowledge to the contrary, on (i) the integrity of the persons and organizations from whom they receive information, (ii) the accuracy and completeness of the information provided, (iii) representations and reports made by management of the Corporation, and (iv) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

### **4. Meetings**

- 4.1 The Committee will meet regularly at times necessary to perform the duties described herein in a timely manner, but not less than twice a year. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Committee Chair. Members may attend all meetings either in person, videoconference or by telephone.
- 4.2 A majority of the Committee will constitute a quorum at each meeting.
- 4.3 The Committee will keep minutes of its meetings which shall be available for review by all members of the Committee.
- 4.4 The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
- 4.5 The Committee may invite such directors, senior executive officers and other employees of the Corporation and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
- 4.6 Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Committee Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will

be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.

4.7 The Committee will report its determinations and recommendations to the Board.

## **5. Resources and Authority**

The Committee has the authority to:

- 5.1 With the prior approval of the Chair of the Board, engage, at the expense of the Corporation, independent counsel and other experts or advisors as considered advisable and consider requests from other Board committees to hire such advisors;
- 5.2 Subject to the prior approval of the Chair of the Board, review and approve the compensation for any independent counsel and other experts or advisors retained by the Committee; and
- 5.3 Request any senior executive officer, or outside counsel for the Corporation, to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee.

## **6. Specific Responsibilities of the Committee**

The Committee is responsible for:

- 6.1 Reviewing and approving the philosophy and design of the Corporation's compensation programs and the compensation of the Corporation's executives and member of the Board and submitting recommendations to the Board in this regard;
- 6.2 Reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for directors and senior executive officers of the Corporation;
- 6.3 Annually reviewing the performance goals and objectives and making recommendations to the independent members of the Board with respect to the corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluating the performance of the Chief Executive Officer in light of those goals and objectives, and recommending to the Board the compensation level of the Chief Executive Officer based on this evaluation;
- 6.4 Reviewing and recommending to the Board the annual compensation of all other senior executive officers of the Corporation, as recommended by the Chief Executive Officer;

- 6.5 Reviewing and making recommendations to the Board, as appropriate, in connection with the Corporation's succession planning with respect to the Chief Executive Officer and other senior executive officers;
- 6.6 Reviewing as necessary any recommendations of senior executive officer appointments or terminations;
- 6.7 Ensuring that the structure, design and application of the Corporation's material compensation programs meet the Corporation's principles, objectives and risk profile and do not encourage excessive risk taking;
- 6.8 Overseeing and approving awards under all of the Corporation's equity based plans (Stock Option Plan, Restricted Share Unit Plan and Deferred Share Unit Plan) in accordance with the terms of such Plans, and administering all matters relating to any equity based incentive plan of the Corporation and any employee bonus plan of the Corporation to which the Committee has been delegated authority pursuant to the terms of such plan or by a resolution passed by the Board;
- 6.9 Making recommendations to the Board with respect to the Corporation's incentive compensation and equity-based plans that are subject to Board approval;
- 6.10 Reviewing and approving the annual disclosure relating to executive compensation contained in the Management Information Circular of the Corporation;
- 6.11 Monitoring and evaluating the performance of the CEO and other members of senior management including but not limited to identifying top talent
- 6.12 Making recommendations regarding the compensation to be paid to the Board;
- 6.13 Reporting regularly to the Board; and
- 6.14 Reviewing and assessing its mandate and recommending any proposed changes to the Corporate Governance Committee of the Board.

## **7. Responsibilities of the Committee Chair**

The fundamental responsibility of the Committee Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its Charter and any other matters delegated to it by the Board. To that end, the Committee Chair's responsibilities shall include:

- 7.1 Working with the Chair of the Board, the Chief Executive Officer and the Secretary to establish the frequency of Committee meetings and the agendas for meetings;
- 7.2 Providing leadership to the Committee and presiding over Committee meetings;

- 7.3 Facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;
- 7.4 Reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;
- 7.5 Leading the Committee in annually reviewing and assessing the adequacy of this Charter and evaluating its effectiveness in fulfilling its Charter;
- 7.6 As necessary, reviewing and approving the business expenses of the Chief Executive Officer; and
- 7.7 Taking such other steps as are reasonably required to ensure that the Committee carries out this Charter.