

## **BRP INC.**

### **CHARTER OF THE NOMINATING, GOVERNANCE AND SOCIAL RESPONSIBILITY COMMITTEE**

#### **1.0 Introduction**

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Nominating, Governance and Social Responsibility Committee (the "**Committee**") of the Board of Directors (the "**Board**") of BRP Inc. (the "**Corporation**").

#### **2.0 Purpose**

The purpose of the Committee is to assist, and, in the case of clause (c) below, act for, the Board in fulfilling its responsibilities with respect to:

- a) Chief Executive Officer succession planning;
- b) compensation of directors;
- c) identifying and nominating individuals qualified to be members of the Board and otherwise nominating individuals consistent with the Nomination Rights Agreement, dated May 29, 2013, by and among the Corporation, Bombardier Recreational Products Inc., and the Shareholders of the Corporation (as defined therein) (the "**Nomination Rights Agreement**");
- d) developing corporate governance guidelines and principles for the Corporation and review them on a periodic basis;
- e) the structure and composition of Board committees;
- f) evaluating the performance and effectiveness of the Board and Board committees; and
- g) review and assess the Corporation's policies and practices with respect to its corporate social responsibility program.

#### **3.0 Composition and Membership**

- a) Subject to clause 3.0(b) hereof and the terms of the Nomination Rights Agreement the Board will appoint the members ("**Members**") of the Committee. The Members will be appointed to hold office until the next annual meeting of shareholders of the Corporation or until their successors are appointed. Subject to clause 3.0(b) hereof and the terms of the Nomination Rights Agreement, the Board may remove a Member at any time and may fill any vacancy occurring on the Committee. Subject to clause 3.0(b) hereof and the terms of the Nomination Rights Agreement, a Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.
- b) The Committee will consist of a minimum of three directors. In addition, at least one director designated by each of the (i) Bain Investors and (ii) Beaudier Group Investors (in each case as defined in the Nomination Rights Agreement) shall be appointed to the Committee for so long as such person has the right to designate any directors to the Board pursuant to the

#### Nomination Rights Agreement.

- c) The Board will appoint one of the Members to act as the chair of the Committee (the "**Chair**"). The secretary of the Corporation (the "**Secretary**") will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. The minutes of all meetings and deliberations of the Committee maintained by the Secretary will be subject to the review and approval of the Committee. If the Secretary is not in attendance at any meeting, the Committee will appoint another person who may, but need not, be a Member to act as the secretary of that meeting.

#### **4.0 Meetings**

- a) Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than two (2) times per year. Members may attend all meetings either in person, videoconference or by telephone.
- b) The Chair, if present, will act as the chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee the Members in attendance may select one of their number to act as chair of the meeting.
- c) Three Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Notwithstanding the foregoing, the nomination of directors to the Board requires the affirmative vote of at least three Members. Powers of the Committee may also be exercised by written resolutions signed by all Members.
- d) The Senior Vice President, General Counsel & Public Affairs shall receive notice of and have the right to attend all meetings of the Committee, except such meeting or part of the meeting, if any, which is a private session as determined by the Committee. The Committee may invite from time to time such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee. The Committee shall meet in camera without members of management in attendance on a regular basis and as appropriate or required.
- e) The Committee shall invite other observers to attend its meetings as specified in the Nomination Rights Agreement.
- f) Unless the Committee otherwise determines, in advance of every meeting of the Committee, the Chair, in consultation with the Chair of the Board, the Chief Executive Officer and the Senior Vice President, General Counsel & Public Affairs, with the assistance of the Secretary, will prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Corporation to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

## 5.0 Duties and Responsibilities

The duties and responsibilities of the Committee as they relate to the following matters, are as follows:

### 5.1. Succession Planning

Annually review the Corporation's succession plan for the Chief Executive Officer;

### 5.2. Directors' Compensation

Annually review directors compensation and, in the Committee's discretion, recommend any changes to the Board for consideration and determine that such compensation realistically reflects the responsibilities and risks involved in being an effective director, and where the Committee considers it appropriate, engage an independent consultant to report on director's compensation;

### 5.3. Share Ownership

Review and monitor executive and director share ownership requirements and any public disclosure relating to executive and director share ownership, and make recommendations to the Board in this respect;

### 5.4. Nomination of Directors

Nominate all directors, including without limitation (i) all independent directors and (ii) directors who are designated pursuant to Section 2 of the Nomination Rights Agreement. Individuals selected as nominees shall have the highest personal and professional integrity, shall have demonstrated exceptional ability and judgement and shall, in the opinion of the Committee, be most effective, in conjunction with the other directors, in collectively serving the long-term interests of the shareholders. The Committee shall be responsible for making a determination of the independence of each potential director nominee and shall make such determination based on the criteria set forth in Section 3.0 hereof. After considering the obligations of the Corporation under any agreement between the Shareholders of the Corporation (as defined in the Nomination Rights Agreement), the Committee will consider the following in nominating new directors, and will do so in consultation with the Chief Executive Officer and the Chair of the Board unless the Committee otherwise determines:

- i. considering what competencies and skills the Board, as a whole, should possess.
- ii. assessing what competencies and skills each existing director possesses. The Board should be considered as a group, with each individual making his or her own contribution. Attention should also be paid to the personality and other qualities of each director, as these may ultimately determine the boardroom dynamic.
- iii. approve the selection criteria and formal nomination procedures for new director nominees and assess annually the competencies, personal qualities, geographical representation, business background, diversified experience, overall expertise, financial competency and independence, of the Board and the Corporation's circumstances and needs;

- iv. annually conduct, review and report to the Board the results of an assessment of the Board's, Board Committees', Committee chairs' and Board members' performance and effectiveness;
- v. engage and compensate outside professionals where the Members believe it is necessary to carry out their duties and responsibilities
- vi. develop an orientation program and continuing education program for new directors with respect to the business of Corporation and with respect to their duties as directors.

Neither the Committee nor any Member may delegate its or his responsibility or power to nominate directors to the Board to any Members or any subset there, or to any other persons, and no Member may give a proxy to any other Member or to any other person in respect of a vote to be taken by the Committee regarding nomination of directors.

#### 5.5. Corporate Governance

With regards to corporate governance matters, the Committee shall:

- i. develop, implement and monitor governance practices and guidelines, annually review the Corporation's governance practices and guidelines with a view to maintaining high standards of corporate governance;
- ii. review the public disclosure documents concerning the governance standards of the Corporation in respect of compliance with applicable legislative, regulatory and stock exchange requirements or standards;
- iii. annually review the Board Mandate, the committee charters, the position descriptions for Chief Executive Officer and committee chairs and the principal corporate policies and, in the Committee's discretion, recommend any changes to the Board for consideration;
- iv. evaluate the Corporation's corporate communication policies (including measures for receiving feedback from shareholders);
- v. monitor compliance with the Code of Ethics and such other policies as may be approved by the Board from time to time;
- vi. annually (i) review and assess the composition and operation of the Board with a view to facilitating effective decision making; (ii) assist the Chief Executive Officer and the Chair of the Board in reviewing and assessing the composition and chair of each of the other committees of the Board;
- vii. ensure that the Board's policies and practices stay current with legislation and best practices in corporate governance;

#### 5.6. Investigations

Direct and supervise the investigation into any matter brought to its attention within the scope of the Committee's duties;

5.7. Corporate Social Responsibility

Annually review and assess the Corporation's policies and practices with respect to its corporate social responsibility program;

5.8. Corporate Governance Disclosure

Review and approve corporate governance disclosure to be included in the management proxy circular or any other document before it is publicly released;

5.9. Other Duties

Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

**6.0 Limitations on Committee's Duties**

Notwithstanding the foregoing and subject to applicable law, nothing contained in this Charter is intended to require the Committee to ensure the Corporation's compliance with applicable laws or regulations, however, this Charter is intended to require that the Committee ensure that the Corporation complies with the Nomination Rights Agreement.

In contributing to the Committee's discharge of its duties under this Charter, each Member shall be obliged only 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 a standard of care or diligence that is in any way more onerous or extensive than the standard to which the members of the Board are subject.

The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Corporation's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively except with respect to Sections 2.0(c), 3.0, 4.0(b), 4.0(c), 5.4, other provisions relating to the nomination of directors, and this Section 6.0, which can only be modified or departed from by a vote of at least three quarters (3/4) of the entire Board. The terms contained herein are not intended to give rise to civil liability on the part of the Corporation or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

**7.0 Reporting**

The Chair will report to the Board at each Board meeting on the Committee's activities since the last Board meeting.

**8.0 Access to Information and Authority**

The Committee will be granted unrestricted access to all information regarding the Corporation that is necessary or desirable to fulfill its duties and all directors, officers and employees will be directed to cooperate as requested by Members.

The Committee has the authority to retain, at the Corporation's expense, independent legal, financial, compensation consulting and other advisors, consultants and

experts, to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve any such firm's fees and other retention terms without prior approval of the Board. The Committee or its Chair shall pre-approve all compensation and non-compensation services provided by such independent advisors, consultants and experts.

#### **9.0 Review of Charter**

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Upon termination of the Nomination Rights Agreement in accordance with its terms, adjustments to this Charter shall be recommended by the Committee (which will continue to exist in accordance with this Charter) for approval by the Board as appropriate.

Effective date:

November 26, 2019

Approved by:

Board of Directors and  
Nomination and Governance Committee  
on November 25, 2019