

## **BRP INC.**

### **CHARTER OF THE HUMAN RESOURCES & COMPENSATION COMMITTEE**

#### **1.0 Introduction**

This charter (the "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Human Resources & Compensation 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 act for the Board in fulfilling its responsibilities with respect to:

- a) the establishment of key human resources and compensation policies, including all incentive and equity-based compensation plans;
- b) the performance evaluation of the Chief Executive Officer and the Executive Officers, and determination of the compensation for the Chief Executive Officer and the Executive Officers of the Corporation;
- c) the Executive Officers succession planning, including the oversight over the appointment and evaluation of senior management, but excluding CEO succession;

#### **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) All Members will have a working familiarity with human resources and compensation matters.
- d) 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. Powers of the Committee may also be exercised by written resolutions signed by all Members.
- d) The Senior Vice-President, Human Resources 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, Human resources, 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. Human Resources**

Annually review and monitor the Chief Executive Officer's human resources plan, talent management plan and leadership development plan including overall organizational health and effectiveness and employee engagement and review the Chief Executive Officer's report on the matter.

Annually review and approve a total compensation policy that takes into account, among others, (i) a base salary, (ii) bonus and (iii) other direct and indirect benefits and report to the Board on these matters.

5.2. Performance Objectives

Annually review and make recommendations to the Board with respect to the performance goals and objectives relevant to the Chief Executive Officer and Executive Officers' compensation;

5.3. Evaluation of Performance

Annually review and evaluate the performance of the Chief Executive Officer, and the Executive Officers, in each case in light of pre-established performance objectives and report its conclusions to the Board;

5.4. Succession Planning

Annually review the Corporation's succession plan for the Executive Officers with the exception of the Chief Executive Officer, including appointment, training and evaluation and review any report from the Chief Executive Officer on the succession plan;

5.5. Executive Officer Compensation

Annually review and approve the compensation for the Chief Executive Officer and the Executive Officers, including annual salary, bonus and other direct and indirect benefits, ensure that such compensation realistically reflect their respective responsibilities and report such to the Board;

5.6. Compensation Plans

Consider, recommend, monitor and approve any benefit plans, retirement plans, bonus, stock savings and incentive plans, and stock option and other medium or long-term incentive plans or certain terms or elements thereof for the Chief Executive Officer and the Executive Officers and oversee the administration of such plans, approve any share reserve in respect of any such plan, and assess the effectiveness and appropriateness of such plans on an ongoing basis;

5.7. Compensation Risks

Oversee, identify and manage risks in relation to compensation policies and practices and review public disclosure in this respect;

5.8. Compensation Disclosure

Review and approve executive compensation 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.

#### **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.

Approved by:

Board of Directors and  
Human Resources & Compensation  
Committee on November 25, 2019