

**SHERRITT INTERNATIONAL CORPORATION**  
**MANDATE OF THE HUMAN RESOURCES COMMITTEE**

**Mandate**

1. The mandate of the Human Resources Committee (the “Committee”) of the Board of Directors (the “Board”) of Sherritt International Corporation (the “Corporation”) is to assist the Board in fulfilling its oversight responsibilities in relation to:
  - (a) performance expectations and assessments of (i) the Chief Executive Officer (“CEO”), and (ii) the executive direct reports of the CEO and executive direct reports of the Executive Vice Presidents (collectively, the “Senior Executive Officers” or “SEOs”);
  - (b) director, CEO and SEO Compensation;
  - (c) succession planning;
  - (d) retirement and equity Compensation plans, as further described below;
  - (e) Human Resources’ strategic plan;
  - (f) Compensation-related risk; and
  - (g) significant programs and policies related to the foregoing, as determined by the Committee at its discretion.

**2. Duties and Responsibilities**

In respect of the following, the Committee will:

**(a) Performance Expectations and Assessments:**

**Chief Executive Officer**

- (i) establish and make recommendations to the Board with respect to individual performance goals, and assess performance against the established goals.

**Senior Executive Officers**

- (ii) review the performance goals established by the CEO for each SEO and the CEO’s assessment of SEO performance against such goals;

**(b) Director, CEO, SEO and Employee Compensation:**

**A. Directors**

- (i) review and make recommendations to the Board with respect to the selection of a comparator group, if any;

- (ii) review and make recommendations to the Board with respect to the level of share ownership;
- (iii) review and make recommendations to the Board with respect to the amount and form of Director Compensation, ensuring alignment to the Corporation's strategy, taking into consideration independent advisor reports, including market reviews; and
- (iv) review and make recommendations to the Independent Board members with respect to the Compensation of the Chair of the Board;

**B. All Senior Executive Officers**

- (i) review and make recommendations to the Board with respect to the selection of a comparator group, if any;
- (ii) review and make recommendations to the Board with respect to Compensation structure, ensuring alignment to the Corporation's strategy, including both direct and indirect forms of Compensation;
- (iii) review and make recommendations to the Board with respect to the required level of share ownership;
- (iv) review and make recommendations to the Board with respect to any agreements providing for the payment of benefits following change of control of the Corporation or severance of CEOs following termination of employment;
- (v) review and make recommendations to the Board with respect to executive Compensation disclosure in the Management Information Circular; and
- (vi) review of market conditions;

**C. Chief Executive Officer**

- (i) review and make recommendations to the Board with respect to Compensation, ensuring it is aligned with performance (Corporation and individual), market competitiveness, growth in role, compensation philosophy, approved compensation structure and company strategy; and
- (ii) review and make recommendations to the Board with respect to the terms and conditions of employment of the CEO, including retirement, termination of employment or other special circumstances, as appropriate;

**D. Senior Executive Officers**

- (i) review CEO Compensation recommendations for CEOs, to ensure they are aligned with performance (Corporation and individual), market competitiveness, individual growth in role, compensation philosophy, approved compensation structure and corporate strategy;

- (ii) review the CEO's recommendations with respect to the terms and conditions of employment of the SEOs, including retirement, termination of employment or other special circumstances, as appropriate; and
- (iii) review and make recommendations to the Board with respect to the CEO's Compensation recommendations for SEOs which are not in accordance with the approved compensation structure;

**E. All Employees**

- i. review incentive compensation arrangements to confirm that incentive compensation aligns with the Corporation's compensation philosophy;
- ii. review incentive compensation arrangements to confirm that incentive pay does not encourage inappropriate or excessive risk-taking and review and discuss, at least annually, the relationship between risk management policies, corporate strategy and executive Compensation;
- iii. review and make recommendations to the Board with respect to any equity-based compensation plans, including stock option plans, share savings plans, share purchase plans and any other incentive or compensation plans involving the issuance of securities of the Corporation and the administration of such plans as maybe required by such plans; and
- iv. oversee management's compliance with laws and regulations with respect to compensation and human resource matters, including the effect on the Corporation of changes relating to legislation pertaining to employees (other than occupational, health and safety legislation) such as labour standards, human rights, and workers' compensation legislation;

**(c) Succession Planning**

- (i) review and make recommendations to the Board with respect to the Corporation's succession plans for the CEO; and
- (ii) review the Corporation's succession plan on the top two levels of management;

**(d) Retirement and Equity Plans**

- (i) review the Governance Manual for the Retirement Plans; and
- (ii) oversee the Management Retirement Committee to ensure the responsibilities under the Governance Manual for the Retirement Plans are fulfilled, including with respect to:
  - (A) the performance of Retirement Plans and deferred compensation plans, including the performance of any investment managers retained in connection with such plans;

- (B) the prudent and appropriate funding of the Retirement Plans;
- (C) changes in governance or investment policies with respect to the Retirement Plans; and
- (D) changes in the design of Retirement Plans to ensure that members have reasonable investment choices;

(e) **Human Resources Strategic Plan**

- (i) review the Human Resources Strategic Plan; and
- (f) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

**3. Composition and Chair**

The members of the Committee shall, subject to appointments made as a result of resignations or retirements, be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The Committee shall consist of not less than three directors, each of whom shall be "independent" as determined under applicable Canadian securities laws. The requirements for qualification of Committee members shall be determined and interpreted by the Board from time to time based upon recommendations by the Nominating and Corporate Governance Committee, and shall ensure that members of the Committee have direct experience relevant to executive Compensation and that the Committee as a whole has the skills and experience to enable it to make decisions on whether the Corporation's Compensation policies and practices are consistent with its risk profile.

The Board shall annually designate a Committee Chair from among the Committee members on the recommendation of the Nominating and Corporate Governance Committee. If, in any year, the Board does not appoint a Chair, the Committee members shall appoint a Chair from their number.

**4. Meetings**

The Committee shall meet as often as the Committee determines is necessary to fulfill its responsibilities.

Notice of every meeting will be given to each member. The Committee shall receive a written executive summary from the Senior Vice President, Human Resources at each meeting highlighting the issues for specific discussion at the meeting.

A majority of the Committee members will constitute a quorum. No business may be transacted by the Committee except at meetings at which a quorum is present.

The Chair of the Board shall have a standing invitation to attend and participate in all Committee meetings except where the purpose of the meeting is to discuss matters relating to his Compensation.

The Committee may invite such members of management or such outside advisors as it

may see fit from time to time to attend its meetings and assist in the discussion and consideration of any matter.

A meeting of the Committee may be convened by the Chair or any two members of the Committee.

An in-camera session will be held at each regularly scheduled Committee meeting.

## 5. **Reporting**

The Committee will:

- regularly report to the Board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities.
- oversee the preparation of any disclosure required under applicable Canadian securities laws with respect to matters that are within its responsibilities.

## 6. **Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, provided that if the fees and expenses of any such special counsel or other experts or consultants retained by the Committee exceed or are expected to exceed C\$150,000, the approval of the full Board will be obtained.

The Committee may engage outside experts to provide education relevant to the mandate of the Committee.

The Committee must pre-approve any experts or consultants retained by the Corporation if such experts or consultants are currently or have previously been retained by the Committee.

## 7. **Tenure**

Each member shall hold office until his or her term as a Committee member expires or is terminated.

## 8. **Removal and Vacancies**

Any Committee member may be removed and replaced at any time by the Board and shall cease to be a Committee member upon ceasing to be a director. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all of the Committee's powers so long as a quorum remains in office.

## 9. **Definitions**

“**Compensation**” shall include any form of direct or indirect compensation, including salaries, bonuses, stock options, other equity compensation, supplemental compensation, deferred compensation, incentive compensation in any form, pensions, supplementary retirement

income and other benefit plans.

**“Retirement Plan”** shall mean any pension, supplemental pension retirement or retirement savings plan of the Corporation.

(Revised July 2019)