



**TERMS OF REFERENCE
HUMAN RESOURCES AND COMPENSATION COMMITTEE
OF CANADA PACKERS INC**

1. Mandate

The Human Resources and Compensation Committee (the “Committee”) is a committee of the Board of Directors (the “Board”). Its mandate is to provide oversight and advice on the Company’s people strategy and reward architecture to support long-term performance, sound risk management, and responsible governance. In particular, the Committee oversees:

- **People and Culture:** The Company’s people and culture strategies, policies, and practices, including workplace culture, employee engagement, diversity, equity, inclusion and belonging, and wellbeing;
- **Executive Compensation and Rewards:** The establishment and governance of the Company’s executive compensation philosophy and rewards framework, ensuring alignment with long-term strategic objectives, sustainable value creation, and stakeholder interests;
- **Leadership and Succession:** The evaluation, leadership development and succession planning for the CEO, senior executive officers, and other key roles, including emergency and longer-term plans;
- **Pension, Benefits and Retirement Plans:** The governance, design and administration of the Company’s pension, retirement and employee benefit programs, with funding investment oversight and financial condition of pension and retirement plans being the responsibility of the Audit Committee;
- **Risk Alignment:** The alignment of compensation and reward structures with prudent risk management, the Company’s risk appetite and sustainable value creation; and
- **Governance and Disclosure:** Monitoring external trends, stakeholder expectations, and best practices in governance, compensation, pensions, and people strategy and overseeing the Company’s required public disclosures.

The Committee’s role is one of oversight and advisory support to the Board; management remains responsible for day-to-day execution.

2. Duties and Responsibilities

a) People and Culture

- Oversee the Company’s people and culture strategies, policies, and practices to ensure alignment with Company purpose, values, and risk appetite.
- Oversee initiatives to foster an organizational culture grounded in integrity, accountability, inclusion, and respect, including receiving periodic updates on the Company’s processes for handling complaints and concerns related to human resources matters.
- Monitor programs and practices that support diversity, equity, inclusion, and which

promote employee well-being, engagement, and retention as critical drivers of sustainable performance.

- Review results of employee engagement and culture surveys, and oversee management's response and implementation of action plans.

b) Executive Compensation and Rewards

- Review the Company's overall executive compensation philosophy, framework, and policies.
- Review and recommend to the Board the compensation, for the CEO, CFO and next three highest compensated senior executive officers) including base salary, annual incentives, equity-based compensation, pensions, and other benefits, ensuring alignment with shareholder and stakeholder interests.
- Review and approve compensation arrangements for senior executives (other than the CEO, CFO and next three highest compensated senior executive officers), ensuring alignment with shareholder and stakeholder interests.
- Monitor short- and long-term incentive programs, including equity-based plans, for consistency with the Company's objectives, prudent risk management and value creation.
- Carry out the responsibilities under Canada Packers Inc. long term incentive plans (including the Share Option Plan) delegated to it by the Board relating to the administration and interpretation of the plans.
- Ensure compensation and reward practices are competitive, equitable and reflective of evolving market and governance expectations.

c) Leadership and Succession

- Review succession plans for the CEO, and other key executive officers, including contingency plans for emergency succession and longer-term planning.
- Oversee talent management and leadership development programs to ensure a robust pipeline of future leaders.
- Oversee the adequacy of resources dedicated to executive recruitment, retention, and development.
- Encourage a leadership culture that supports innovation, resilience and long-term sustainability in line with Canada Packers' Leadership Values.

d) Pension, Benefits and Retirement Plans

- In connection with the Audit Committee (which is responsible for overseeing the funding financial status, financial condition and performance of the pension and retirement plans), oversee the governance and administration, of the Company's pension, retirement and benefit plans including:
 - Overseeing the Company's Pension Advisory Committee.
 - Receiving the recommendations of management (including the Company's Pension Advisory Committee) and approving pension benefits objectives and policies.
 - Receiving reports from management including the Company's Pension

Advisory Committee) on the performance of pension and benefits administration suppliers.

- Receiving the recommendations of management (including the Company's Pension Advisory Committee) on participation, design changes relating to pensions and benefits, and approving (or recommend approval to the Board as appropriate) any material changes to the design or administration of pension, retirement, or benefit plans.
- Periodically reviewing and reporting to the Board on the effectiveness of the governance system for pension and benefit matters.
- Monitor compliance with applicable laws, regulations, fiduciary obligations, and governance standards relating to pension and retirement benefits.
- Coordinate with the Audit Committee, regarding funding, investment oversight, financial condition, performance, sustainability and risk reporting of pension to ensure no duplication or gap in responsibilities.

d) Risk Alignment

- Assess the relationship between compensation and reward structures and the Company's risk profile to ensure they do not encourage imprudent or excessive risk-taking.
- Review the alignment of incentive structures with the Company's risk management framework and long-term strategy.
- Oversee compliance with governance, legal, and regulatory standards relating to compensation, pensions, benefits and other people management matters.
- Monitor external developments, regulatory guidance, and emerging best practices regarding compensation-related risk oversight.

e) Governance and Disclosure

- Oversee compliance with regulatory, stock exchange, and governance disclosure requirements relating to executive compensation, pensions, benefits, and people matters.
- Review and recommend required public disclosures regarding executive compensation (including the Compensation Discussion and Analysis), talent development and matters.
- Monitor emerging best practices, trends, and risks in compensation governance.

3. Authority and Accountability

- The Committee is accountable to the Board for the discharge of its mandate and shall report regularly to the Board on the performance of its responsibilities.
- The Committee shall have the authority to:
 - Access any and all relevant information from management and employees of the Company as required to discharge its duties;
 - Engage, retain, and terminate external advisors, including compensation consultants, legal counsel, or other experts, as it deems necessary or advisable, with sole authority over the terms of such engagements and

- related fees (which fees shall be borne by the Company);
 - Communicate directly with external and internal auditors, as well as other external advisors; and
 - Recommend to the Board such actions and decisions as the Committee considers appropriate in the discharge of its responsibilities.
- In performing its duties, the Committee shall act in a manner consistent with the best interests of the Company and its stakeholders. Except as set out herein, or delegated by resolution by the Board, the Committee shall have no authority to bind the Board.
- Annually, the Committee shall evaluate its performance with reference its duties and responsibilities under these Terms of Reference, and the results of its evaluation shall be submitted to the Corporate Governance Committee.

4. Composition and Membership

- The Committee shall be composed of not fewer than three (3) members of the Board each of whom shall be independent in accordance with the terms of the Governance Agreement between the Company, McCain Capital and Maple Leaf Foods.
- Members shall be appointed annually by the Board upon the recommendation of the Corporate Governance Committee.
- The Board shall designate one member of the Committee as Chair. In the absence of the Chair, the members present may appoint an interim Chair.
- All members should possess appropriate skills and experience relevant to human resources, compensation, risk oversight, or governance.

5. Meetings and Procedures

- The Committee shall meet at least four (4) times annually, or more frequently as circumstances require.
- A majority of the members of the Committee shall constitute a quorum.
- A each regularly scheduled meeting the Committee shall designate time to meet in-camera without members of management present.
- The Committee may invite officers, employees, advisors, or other individuals to attend meetings as it deems necessary or appropriate.
- All directors of the Company are invited to attend Committee meetings as guests, subject to compliance with the Company's conflict of interest rules and governance policies.
- The Corporate Secretary, or their delegate, shall act as secretary to the Committee and record minutes of its proceedings.
- Minutes of each meeting shall be shared with Committee members, approved at subsequent meetings, and made available to the Board.

6. Review of Terms of Reference

- These Terms of Reference shall be reviewed annually by the Committee and any proposed amendments shall be recommended to the Corporate Governance Committee for approval.

