

MORNEAU SHEPELL INC.
MANDATE OF THE BOARD OF DIRECTORS

The purpose of this document is to set out the mandate and responsibilities of the board of directors (the “**Board**”) of Morneau Shepell Inc. (the “**Company**”). This mandate was last revised and approved by Board on November 10, 2020.

Composition

The Board shall be constituted with a majority of individuals who qualify as “independent directors” as defined in National Instrument 58-101—*Disclosure of Corporate Governance Practices* and any other guidelines imposed by the Toronto Stock Exchange from time to time.

Responsibilities of the Board

While the Board maintains oversight of the Company’s operations, it delegates to the Chief Executive Officer and senior management of the Company the responsibility for day-to-day management of the Company. The Board discharges its oversight responsibilities both directly and through its regular standing Committees (as defined below). In addition to these Committees, the Board may appoint ad hoc committees periodically to address specific matters.

The Board’s primary roles are overseeing both corporate performance and the quality, depth and continuity of management required to meet the Company’s strategic objectives. The Board is also responsible for the stewardship of the Company and in that regard shall be specifically responsible for:

- (a) supervising the business and activities of the Company (which includes its subsidiaries), including overseeing arrangements the Company to act as a holder of common shares of Morneau Shepell Ltd.;
- (b) adopting a strategic planning process and evaluating and approving a strategic plan for the upcoming year that takes into account, among other things, the opportunities and risks the Company’s business;
- (c) reviewing, on at least an annual basis, a budget for the Company;
- (d) overseeing the accurate disclosure and reporting of financial results of the Company to shareholders, other security holders and regulators on a timely and regular basis;
- (e) reporting annually to the shareholders of the Company on the affairs of the Company for the preceding year;
- (f) appointing the Chief Executive Officer (“**CEO**”), developing a position description for the CEO and with the advice of the HR Committee, developing Company objectives that the CEO is responsible for meeting and monitoring and assessing

the performance of the CEO in light of such Company objectives and determining the compensation of the CEO;

- (g) to the extent feasible, satisfying itself as to the integrity of the CEO, the Chief Financial Officer (“**CFO**”) and other executive officers of the Company and its subsidiaries and that such officers create a culture of integrity throughout the organization;
- (h) overseeing the process for safeguarding the assets of the business of the Company and for the identification and understanding of the principal risks of the Company’s business and ensuring the implementation of appropriate systems to manage these risks including a crisis management process in the event of a crisis situation, with a view to the long-term viability of the Company;
- (i) monitoring the Company’s process for the identification and understanding of the Environmental Social Governance (ESG) issues that are most pertinent to the Company’s business and key stakeholders and to oversee implementation of appropriate policies and processes for assessing, monitoring and managing material ESG risks and opportunities;
- (j) overseeing the development and implementation of processes, procedures and controls that are designed to assist the Company in complying with all applicable laws and legal requirements;
- (k) overseeing the systems for monitoring the Company’s internal control and management information systems;
- (l) adopting and overseeing communication processes which enable the Company to communicate effectively, and address how the Company interacts, with all of its stakeholders, including shareholders, analysts and the public, and which contain measures for the Company to avoid selective disclosure and is reviewed at such intervals or times as the Board deems appropriate;
- (m) acting in accordance with the obligations contained in the Ontario *Business Corporations Act*, the regulations thereunder, the articles and by-laws of the Company, applicable securities laws and policies, applicable stock exchange rules, and other applicable legislation and regulations;
- (n) establishing and maintaining a standing audit committee of the Board (the “**Audit Committee**”), and such other committees as the board may determine to be in the best interests of the Company (together with the HR Committee and the Governance Committee (as defined below), the “**Committees**”);
- (o) reviewing and reassessing the adequacy of the terms of reference of the Committees at such intervals or times as the Board deems appropriate;
- (p) receiving recommendations of the Audit Committee respecting, and reviewing and approving, the annual, interim and any other publicly announced financial information of the Company;

- (q) overseeing the Company's approach to governance, including by establishing and maintaining a standing governance and nominating committee of the Board (the "**Governance Committee**") and adopting a set of governance principles and guidelines that are specifically applicable to the Company;
- (r) overseeing structures and procedures to enable the Board to exercise independent judgment;
- (s) establishing and maintaining a standing human resources committee of the Board (the "**HR Committee**") to fulfill oversight responsibilities in relation to compensation, selection, development of executive management and the human resources programs and practices of the Company;
- (t) receiving recommendations of the HR Committee and the Governance Committee and reviewing and approving (where applicable) such recommendations relating to the respective mandates of the Committees as set out in their Charters;
- (u) implementing a process for annually assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors;
- (v) overseeing succession planning for the Board, orientation and educational opportunities for directors, including implementing a process for examining the size of the Board and undertaking, where appropriate, a program to establish a board size which facilitates effective decision-making;
- (w) implementing a process for reviewing the adequacy and form of compensation of directors and ensuring that compensation realistically reflects the responsibilities and risk involved in being a director;
- (x) succession planning of the CEO;
- (y) overseeing the process for the succession planning of executive management (including ensuring the Company has a plan addressing the succession of key roles within the Company, appointing, training and monitoring executive management);
- (z) meeting regularly with management of the Company to receive reports respecting the performance of the Company's business, new and proposed initiatives, management concerns and any areas of concern involving the Company's business; and
- (aa) meeting regularly without management.

It is recognized that every director, in exercising powers and discharging duties, must act honestly and in good faith with a view to the best interest of the Company. Directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in

comparable circumstances. In this regard, they will comply with their duties of honesty, loyalty, care, diligence, skill and prudence.

In addition, directors are expected to carry out their duties in accordance with policies adopted by the Board from time to time, including the policy attached as Appendix A.

It is expected that each subsidiary of the Company will cooperate in all ways to facilitate compliance by the Board with its legal duties and this mandate by causing such subsidiary to take such actions as may be necessary in that regard and by promptly reporting any data or information to the Board that may affect such compliance.

Responsibilities of the Chair

The Chair will be an “independent” director who is appointed by the Board to assist the Board in fulfilling its duties effectively and efficiently. The key accountabilities of the Chair include the following:

- (a) guide and direct the governance process of the Board, centering the work of the Board on the Company’s mission, vision, values and strategic direction;
- (b) establish agendas for Board and shareholder meetings, in collaboration with the CEO;
- (c) preside over Board and shareholder meetings in a manner that encourages participation and information sharing while moving toward timely closure and prudent decision making;
- (d) monitor the adequacy of the materials provided to the directors by management in connection with the directors’ deliberations;
- (e) ensure appropriate Board record keeping and reporting;
- (f) ensure that the Board understands the boundaries between Board and management responsibilities;
- (g) act as a liaison between directors and management, including communicating to senior management concerns or feedback of the Board, shareholders, clients and other stakeholders received by the Chair;
- (h) ensure that the independent directors of the Board have adequate opportunities to meet without management present;
- (i) communicate to the CEO, as appropriate, the results of private discussions among independent directors;
- (j) liaise with Committee Chairs regarding work of Committees and where certain Board functions have been delegated to the Committees, ensure the results are reported to the Board;

- (k) work with the Chair of the HR Committee to review and assess the compensation planning of the CEO;
- (l) serve as Board's central point of official communication with the CEO and develop a positive collaborative relationship with the CEO;
- (m) lead the Board effectiveness assessment process including the annual assessment of the performance and effectiveness of the Board, the Committees, Committee Chairs and individual directors;
- (n) lead Board development including director recruitment, valuation and orientation and manage Board relations;
- (o) on an ongoing basis, assess whether the Board and Committees have appropriate access to outside advisors for the purposes of the Board fulfilling its responsibilities under this Mandate;
- (p) report to the Board on material matters arising in undertaking his or her functions and responsibilities outlined herein, and if necessary, will make recommendations to the Board for the Board's approval on these matters; and
- (q) perform such other functions as may be ancillary to the duties and responsibilities described above and as may be delegated to the Chair by the Board from time to time.

Responsibilities of the CEO

The CEO reports to the Board and is accountable, within the context and prescribed limits of the Board, for developing and executing the strategic direction, enhancing revenue and profit growth, and increasing balance sheet and shareholder value. This includes supporting the Board in fulfilling its function.

The key accountabilities for the CEO include the following:

- (a) manage and supervise the affairs of the Company;
- (b) ensure that the Company has an effective management team and has a plan for management development and succession;
- (c) motivate, lead and mentor the executive management team, including working to attract and retain individuals with the requisite skills and experience;
- (d) lead the development and, following Board approval, execution of the strategy and strategic direction for the growth of the Company;
- (e) develop, implement and maintain a business planning and review system that includes level appropriate vision, mission, values, strategic positioning, operational plan, and resource plan;

- (f) identify, assess, monitor and manage the principal risks of the Company;
- (g) with executive management, develop, implement and maintain an optimal organization alignment to implement the business plan including the strategy (including the use of committees);
- (h) resource allocation, strategic human resources management, succession planning, and talent pool development;
- (i) leadership in the development of strong ties with clients, key stakeholders, investors, Board, and employees, including a key accountability for investor relations;
- (j) leverage industry experience, expertise and relationships in acquisitions and alliances;
- (k) economic resourcing, including capital structure of the enterprise and financial management;
- (l) support and development of enterprise values, culture and ethics and encourage and promote a culture of ethical business conduct and integrity throughout the Company in keeping with the Company's Code of Business Conduct and Ethics;
- (m) review and establish, with the assistance of the CFO, the financial reporting and public disclosure of the Company including applicable disclosure controls and procedures and internal controls over financial reporting and satisfy himself or herself concerning the processes followed in their preparation and provide the certifications required under applicable securities laws concerning such reporting and disclosure;
- (n) report to, and meet regularly and as required, with the Board and all formally appointed Committees of the Board to review Board and Committee issues and provide the Board or the relevant Committee with all information and access to management necessary to permit the Board or the relevant Committee to fulfill its statutory and other legal obligations on a timely basis;
- (o) assist in the development of Board policies regarding the Company's communications with shareholders, the investment community, media, governments and their agencies, employees and the general public;
- (p) coordinate with the Chair of the Board to ensure that information requested by a director is provided and meets the needs of that director;
- (q) respect the Board's role and independence, including the other directors' need to meet in camera without the CEO being present;
- (r) perform such other duties as are regulatory and customarily performed by a CEO or a reporting issuer; and

- (s) such other appropriate responsibilities as are delegated to him or her by the Board.

Decisions Requiring Prior Approval of the Board

Approval of the Board shall be required for:

- (a) dividends to shareholders;
- (b) significant acquisitions/dispositions;
- (c) related party transactions;
- (d) the public dissemination of the Company's audited annual financial statements and its interim quarterly financial statements;
- (e) the issuance or repurchase of securities of the Company;
- (f) the terms of reference of Committees of the Board;
- (g) the management information circular and annual information form;
- (h) any amendment to the articles of the Company and any significant reorganization of the Company;
- (i) the adoption, amendment or repeal of any by-law of the Company; and
- (j) any other matter that would give rise to a "material change" to the Company (as defined under applicable securities laws).

The foregoing list is intended to specify particular matters requiring Board approval and is not intended to be exhaustive.

Measures for Receiving Shareholder Feedback

The Board shall oversee establishment and operation of mechanisms for receiving the feedback of shareholders and other stakeholders, including appropriate reporting to the Board of the feedback received through such mechanisms.

Meetings

The Board shall meet quarterly: three meetings to review quarterly results; and one prior to the issuance of the annual financial results of the Company. In addition, the Board should meet as it considers appropriate to consider strategic planning for the Company or other matters as they arise from time to time. Financial and other appropriate information should be made available to the directors in advance of the meetings. Attendance at each meeting of the Board should be recorded. Minutes shall be kept of all Board meetings and shall be signed by the Chair and the Secretary of the meeting. The Secretary of the Board shall circulate the minutes of the meetings of the Board to all members of the Board following each meeting. Management may be asked to participate in any meeting of the Board provided that the CEO must not be present during

deliberations or voting regarding his or her compensation. A quorum for the meetings shall be a majority of the directors then holding office.

Independent directors should meet separately from the non-independent directors and management at each Board meeting, including in conjunction with regularly scheduled Board meetings and at such other times as the independent directors consider appropriate to ensure that the Board functions in an independent manner.

Meeting Guidelines

Directors will be expected to have read and considered the materials sent to them in advance of each meeting, and to be prepared to discuss the matters contained in such materials at the meeting. Administrative matters (e.g., bank signing resolutions, etc.) that require a vote may be batched for voting purposes. The notice of meeting will highlight significant matters to be dealt with at each meeting so that directors can focus on reviewing the related materials.

Telephone Board Meetings

A director may participate in a meeting of the directors or in a committee meeting by means of telephone, electronic or such other communications facilities as permit all persons participating in the meeting to communicate with each other and a director participating in such a meeting by such means is deemed to be present at the meeting.

While it is the intent of the Board to follow an agreed meeting schedule as closely as possible, it is felt that, from time to time, with respect to time sensitive matters telephone Board meetings may be required to be called. Additionally, where appropriate, certain matters may be approved by unanimous consent, such as approval for the monthly dividends to shareholders.

Expectations of Management

Management of the Company shall be required to report to the Board at the request of the Board on the performance of the Company, new and proposed initiatives, management's concerns and any other matter the Board or its Chair may deem appropriate in relation to the Company's business. In addition, the Board expects management to promptly report to the Chair of the Board any significant developments, changes, transactions or proposals respecting the Company.

APPENDIX A- POLICY OF PRACTICES FOR DIRECTORS

Attendance at Meetings

Each director is expected to have a very high record of attendance at meetings of the Board, and at meetings of each Committee on which the director sits. A director is expected to:

- (a) advise the Chair as to planned attendance at Board and Committee meetings shortly after meeting schedules have been distributed;
- (b) advise the Chair as soon as possible after becoming aware that he or she will not be able to attend a meeting; and
- (c) attend a meeting by telephone conference if unable to attend in person.

Preparation for Meetings

Directors are expected to carefully review and consider the materials distributed in advance of a meeting of the Board or a Committee. Directors are also encouraged to contact the Chair, the CEO of the Company and any other appropriate officers to ask questions and discuss agenda items prior to meetings.

Conduct at Meetings

Directors are expected to ask questions and participate in discussions at meetings, and to contribute relevant insights and experience. In discussions at meetings, a director should:

- (a) be candid and forthright;
- (b) not be reluctant to express views contrary to those of the majority;
- (c) be concise and, in most circumstances, respect the time constraints of a meeting; and
- (d) be courteous to and respectful of other directors and guests in attendance.

Knowledge of the Business of the Company

Directors are expected to be knowledgeable with respect to the various fields and practices of business of the Company. Although management has a duty to keep the Board informed about developments in the Company's business, directors have a primary duty of care and diligence, which includes a duty of inquiry. Directors should:

- (a) ask questions of management and other directors/managers, at meetings and otherwise, to increase their knowledge of the business of the Company;
- (b) familiarize themselves with the risks and challenges facing the business of the Company;

- (c) read all internal memoranda and other documents circulated to the directors, and all reports and other documents issued by the Company for external purposes;
- (d) insist on receiving adequate information from management with respect to a proposal before Board approval is requested;
- (e) familiarize themselves with the Company's competitors by, among other things, reading relevant news, magazine and trade journal articles; and
- (f) familiarize themselves with the legal and regulatory framework within which the Company carries on its business.

Personal Conduct

Directors are expected to:

- (a) exhibit high standards of personal integrity, honesty and loyalty to the Company;
- (b) project a positive image of the Company to news media, the financial community, governments and their agencies, shareholders and employees;
- (c) be willing to contribute extra efforts, from time to time as may be necessary including, among other things, being willing to serve on committees of the Board;
- (d) disclose any potential conflict of interest that may arise with the business or affairs of the Company and, generally, avoid entering into situations where such conflicts could arise or could reasonably be perceived to arise; and
- (e) maintain the confidentiality of information received in connection with his or her service as a director of the Company.

Other Directorships

Directors should advise the Chair of the Governance Committee before accepting any new membership on other boards of directors.

Independent Advice

For clarity, in discharging its mandate, the Board shall have the authority to retain, authorize the payment by the Company of and receive advice from, special legal, accounting or other advisors and outside consultants, if appropriate.