



**NOTICE OF 2022 ANNUAL MEETING OF  
SHAREHOLDERS AND MANAGEMENT PROXY CIRCULAR**





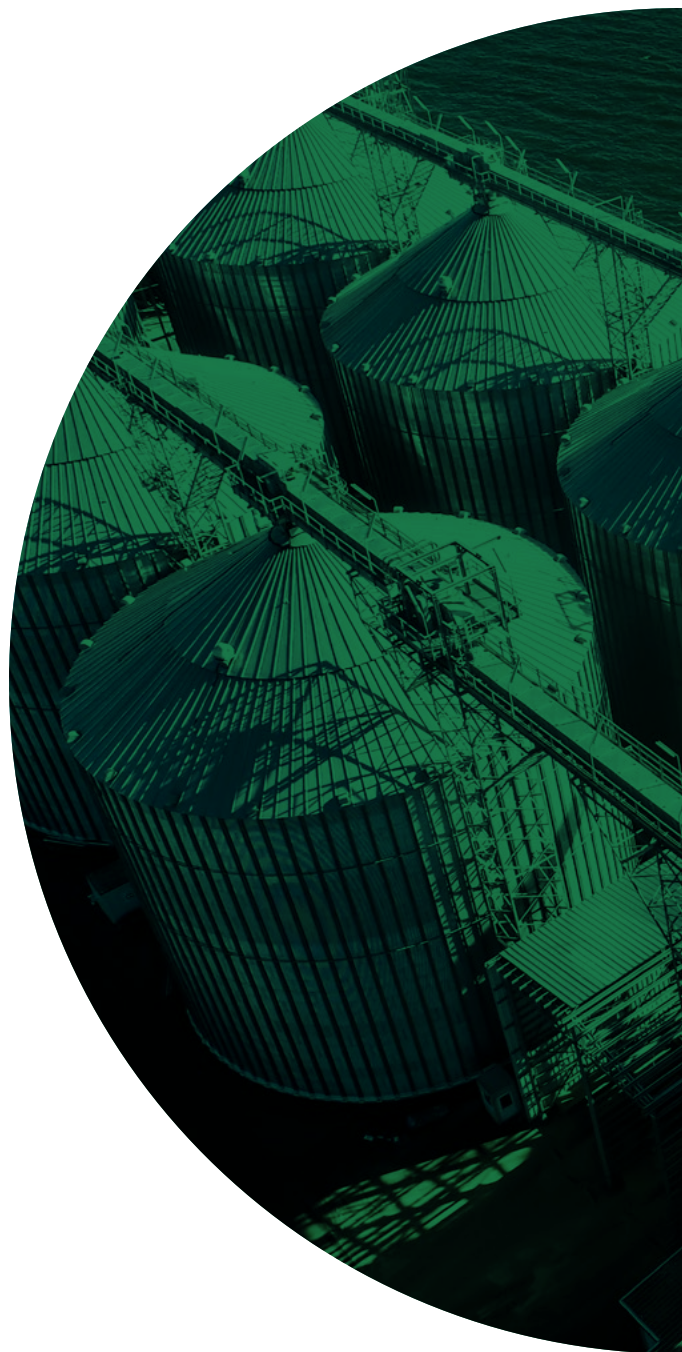






**AGI** 







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## **LETTER FROM THE CHAIR OF THE BOARD AND THE PRESIDENT AND CHIEF EXECUTIVE OFFICER**

April 1, 2022

Dear Fellow Shareholders,

It is our pleasure to invite you to attend the Annual Meeting of Shareholders to be held on May 13, 2022.

AGI delivered record results in 2021, demonstrating the benefits of our diversified and resilient business model through another challenging year. Amid the challenges, we remain committed above all else to the safety of all stakeholders – employees, customers, suppliers, shareholders, and others key partners. While the world steadily emerges from the COVID-19 pandemic, out of an abundance of caution, we will again host our Annual Meeting in a virtual format. We value interaction with our shareholders and believe the virtual format provides an equal opportunity for shareholders to participate.

Together with comprehensive governance, we are working across AGI to continue our execution on the Strategy, People, and Capital Allocation initiatives that will enable your business to build on a record 2021 and continue our leadership role in building the world's food infrastructure.

We encourage you to vote on the important items tabled this year and look forward to connecting with fellow shareholders.

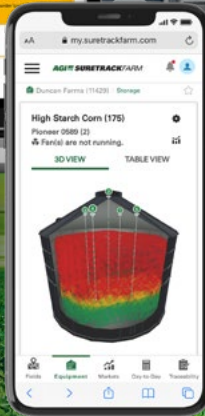
Thank you for your continued support and we look forward to hearing from you at this year's meeting.

Sincerely,



**TIM CLOSE**  
President & CEO

**BILL LAMBERT**  
Chair of the Board of Directors





## NOTICE OF 2022 ANNUAL MEETING

To the Shareholders of Ag Growth International Inc.  
("AGI", the "Company", "we", "our" or "us");

### YOUR VOTE IS IMPORTANT

As a shareholder, it is very important that you read this material carefully and then vote your shares at the Meeting.

The information in this document is as at April 1, 2022, unless otherwise indicated.

All dollar amounts are in Canadian dollars unless otherwise indicated.

#### When:

Friday, May 13, 2022, 9:00 a.m. (Eastern time)

#### Where:

Virtual only Meeting

via live audio webcast online at

<https://web.lumiagm.com/425744841>.

**You will not be able to attend the Meeting physically.**

As part of our corporate social responsibility and our ongoing response to COVID-19, AGI believes hosting its annual meeting in virtual only format again this year is in the best interest of our stakeholders and it is part of our continuing commitment to do our part to protect the health and safety of our communities, employees, shareholders and other stakeholders. **See "How to Attend and Participate at the Meeting" (Item 3.3) in the Circular for detailed instructions on how to virtually attend and vote at the Meeting.**

## 2.1

### Matters to be Covered

- Receive the financial statements of the Company for the year ended December 31, 2021, including the auditors' report
- Fix the number of Directors to be elected at the Meeting at nine and elect nine Directors of the Company
- Appoint the auditors of the Company
- Vote on a non-binding advisory basis on a resolution to accept the Company's approach to executive compensation
- Consider any other business that may properly come before the Meeting

Additional information relating to the matters to be brought before the Meeting is set out in the Management Proxy Circular (the "Circular") that accompanies this Notice.

The Directors have fixed the close of business on April 1, 2022 as the record date for determining Shareholders who are entitled to attend and vote at the Meeting.

## 2.2

### You Have the Right to Vote

You are entitled to receive notice of and vote at the Meeting, or any adjournment, if you are a holder of common shares of the Company at the close of business on April 1, 2022.

You have the right to vote your shares on matters 2 through 4 listed in Item 2.1 and any other matters that may properly come before the Meeting or any adjournment.

## 2.3

### Notice-and-Access

This year we are again using Notice-and-Access to deliver this Notice, the Circular and the annual financial statements and related management's discussion and analysis (the "Meeting Materials") to our non-registered shareholders. This means that the Meeting Materials are being posted online for non-registered shareholders to access, rather than being mailed out. Notice-and-Access substantially reduces our printing and mailing costs, and is environmentally friendly as it reduces paper and energy consumption.

Beneficial (non-registered) shareholders will still receive a voting instruction form in the mail so you can vote your shares but, instead of receiving a paper copy of the Meeting Materials, you will receive a notice with information about how you can access the Meeting Materials electronically and how to request a paper copy.

The Circular is available at [www.envisionreports.com/AGGQ2022](http://www.envisionreports.com/AGGQ2022), on our company website at [www.aggrowth.com/management-proxy-circular](http://www.aggrowth.com/management-proxy-circular) and on SEDAR at [www.sedar.com](http://www.sedar.com).

You may request a paper copy of the Meeting Materials, at no cost, up to one year from the date the Notice and Circular were filed on SEDAR.

## 2.4

### Participation in the Meeting

You can attend the Meeting by joining the live webcast online at <https://web.lumiagm.com/425744841>. See “How to Attend and Participate at the Meeting” (Item 3.3) in the Circular for detailed instructions on how to attend and vote at the Meeting.

BY ORDER OF THE BOARD OF  
DIRECTORS



#### RYAN KIPP

Senior Vice President Legal,  
General Counsel and Corporate  
Secretary

Winnipeg, MB  
April 1, 2022





## HOW TO VOTE

### REGISTERED SHAREHOLDERS

You are a registered shareholder if your name appears on your share certificate. Your proxy form will indicate whether you are a registered shareholder.

#### OPTION 1 - VOTING BEFORE THE MEETING

##### By Proxy (Proxy Form)

You may give your voting instructions 24 hours a day 7 days a week using one of the following methods:



##### Internet

Go to **www.investorvote.com** and follow the instructions



##### Telephone

1-866-732-VOTE (8683) **Toll Free**

1-312-588-4290 **International**

If you vote by telephone, you cannot appoint anyone other than the directors of the Company named on your form of proxy as your proxyholder.



##### Mail

Return your completed proxy form in the prepaid envelope provided.

##### Proxy Voting Deadline

Computershare Investor Services Inc. ("**Computershare**") must receive your proxy form or you must have voted online or by telephone prior to 9:00 a.m. (Eastern time) on May 11, 2022.

#### OPTION 2 - VOTING AT THE MEETING

##### Online at the Meeting

You do not need to vote in advance of the Meeting by Internet or telephone or by returning your proxy form if you intend to vote at the Meeting by completing a ballot online during the Meeting. **To vote in person at the Meeting, you will need to log in online at <https://web.lumiagm.com/425744841>. We recommend that you log in at least one hour before the Meeting starts. Click "Login" and then enter your Control Number located on your form of proxy and the Password "aggrowth2022" (case sensitive).** Voting online during the Meeting will automatically cancel any proxy you completed and submitted earlier.

## NON-REGISTERED (BENEFICIAL) SHAREHOLDERS

You are a non-registered or beneficial shareholder when an intermediary (a bank, trust company, other financial institution or broker) holds your shares on your behalf. When you receive a voting instruction form, this tells you that you are a non-registered shareholder.

### OPTION 1- VOTING BEFORE THE MEETING

Non-registered or beneficial shareholders will receive a notice and voting instruction form indirectly through their broker or other intermediary. The notice and voting instruction form contain instructions on how to access our proxy materials and return your voting instructions. Brokers or other intermediaries may set deadlines for voting that are further in advance of the Meeting than those set out in this Circular. You should contact your broker or intermediary for further details or if you have any voting questions.

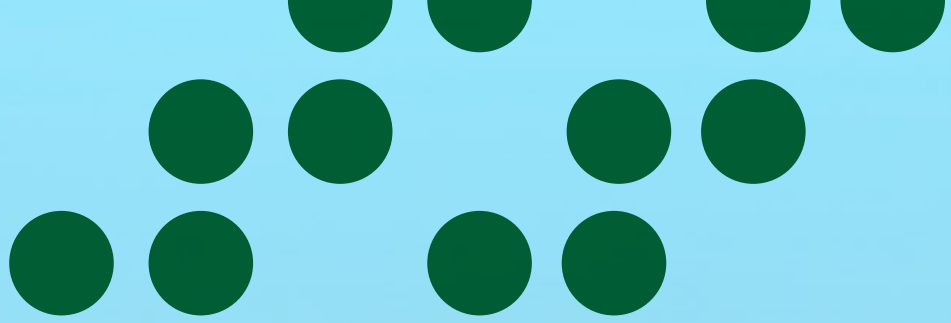
### OPTION 2 - VOTING AT THE MEETING

We do not have access to the names or holdings of our non-registered shareholders. **That means you can only vote your shares online at the Meeting if you have previously appointed yourself as the proxyholder for your shares in accordance with the instructions on your voting instruction form, and then register yourself as your proxyholder with Computershare by visiting <http://www.computershare.com/AGGrowth> by 9:00 a.m. (Eastern time) on May 11, 2022, and providing Computershare with the required information so that Computershare may provide you with a Control Number via email. Without a Control Number, proxyholders will not be able to vote at the Meeting but will only be able to attend as a guest.**

If you are unsure whether you are a registered or non-registered shareholder, please contact Computershare by telephone: 1-800-564-6253 (in Canada and the United States).













### 3.1

#### How Your Shares Will Be Voted

You can choose to vote “For” or “Against” or “Withhold,” depending on the matter to be voted on.

When you provide your voting instructions in accordance with your proxy or voting instruction form, unless you appoint another proxyholder, you authorize Bill Lambert or Tim Close, who are both directors of AGI (and President and CEO in the case of Mr. Close), to vote your shares for you at the Meeting according to your instructions. If you return your proxy form or voting instruction form and do not tell us how you want to vote your shares, your shares will be voted **FOR** each of the matters set forth in the Notice of 2022 Annual Meeting and this Circular.

#### Appointing a Third Party Proxyholder

You may appoint a person other than Bill Lambert or Tim Close to attend the Meeting and vote your shares for you.

**This person does not have to be a shareholder. To do so follow the instructions set forth in your proxy or voting instruction form, and then register your proxyholder with Computershare by visiting <http://www.computershare.com/AGGrowth> by 9:00 a.m. (Eastern time) on May 11, 2022, and providing Computershare with the required information so that Computershare may provide your proxyholder with a Control Number via email. Without a Control Number, proxyholders will not be able to vote at the Meeting but will only be able to attend as a guest. Your proxyholder must be present at the Meeting to vote your shares.**

Your proxyholder will vote your shares as he or she sees fit on any amendments to the matters to be voted on and on any other matters that may properly come before the Meeting or any adjournment.

Also see “Voting by Proxy” (Item 3.6).

### 3.2

#### Changing Your Vote

You can change a vote you made by proxy by:

- (if you are a registered shareholder) voting again on the Internet or by telephone before 9:00 a.m. (Eastern time) on May 11, 2022, or by completing a proxy form that is dated later than the proxy form you are changing, and mailing it as instructed on your proxy form so that it is received before 9:00 a.m. (Eastern time) on May 11, 2022. In addition, if you have followed the process for attending and voting at the Meeting online, voting at the Meeting online will revoke your previous proxy.
- (if you are a non-registered shareholder) contacting your intermediary. Intermediaries may set deadlines for the receipt of revocation notices that are farther in advance of the Meeting than those set out above and, accordingly, any

such revocation should be completed well in advance of the deadline prescribed in the voting instruction form to ensure it is given effect at the Meeting.

If you are a registered shareholder, you can also revoke a vote you made by proxy by sending a notice in writing from you or your authorized attorney to our Corporate Secretary so that it is received before 5:00 p.m. (Central time) on May 12, 2022, or by 5:00 p.m. (Central time) on the business day before the date the Meeting is reconvened if it was postponed or adjourned.

### 3.3

#### How to Attend and Participate at the Meeting

We are holding the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person. Attending the Meeting online enables registered shareholders and duly appointed proxyholders, including non-registered (beneficial) shareholders who have duly appointed themselves as proxyholder, to participate at the Meeting and ask questions, all in real time. Registered shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

Guests, including non-registered beneficial shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote or ask questions.

- Log in online at **<https://web.lumiagm.com/425744841>**. We recommend that you log in at least one hour before the Meeting starts.
- Click **“I HAVE A LOGIN”** and then enter your Control Number (see below) and Password **“aggrowth2022”** (case sensitive) and click **“LOGIN”**.

**OR**

- Click **“I AM A GUEST”** and then complete the online form.

**Registered shareholders:** The control number located on your proxy form is your Control Number.

**Duly appointed proxyholders:** Provided that the proxyholder has been duly appointed and then registered at **<http://www.computershare.com/AGGrowth> by 9:00 a.m. (Eastern time) on May 11, 2022 (as further described above)**, Computershare will provide the proxyholder with a Control Number by e-mail.

If you attend the Meeting online, it is important that you are connected to the Internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

### 3.4

#### Other Information

Computershare counts and tabulates the votes. It does this independently of AGI to ensure the votes of individual shareholders are confidential. Proxy or voting instruction forms are referred to us only when it is clear that a shareholder wants to communicate with management, the validity of the form is in question or the law requires it.

To assist you in making an informed decision, please read this Circular, which provides information on the Meeting, the nominated Directors, the proposed auditors, the Board's committees, our corporate governance practices, compensation of the directors ("**Directors**") and executive officers ("**Executive Officers**") of the Company (including our approach to executive compensation), and our annual financial statements and the related Management's Discussion and Analysis ("**MD&A**") that outlines the financial condition and results of our operations for the year ended December 31, 2021. These materials can be accessed at [www.envisionreports.com/AGGQ2022](http://www.envisionreports.com/AGGQ2022), on our company website at <https://www.aggrowth.com/en-us/investors/financial-reports/2022> or on SEDAR at [www.sedar.com](http://www.sedar.com).

Proxy materials are sent to our registered shareholders through our transfer agent, Computershare. We do not send proxy-related materials directly to non-registered shareholders but use the services of Broadridge Investor Communications Solutions Canada ("**Broadridge**"), who acts on behalf of intermediaries to send proxy materials, and arrange for intermediaries to send proxy-related materials and voting instruction forms to objecting non-registered shareholders.

### 3.5

#### Solicitation of Proxies

This management proxy circular (the "**Circular**") is furnished in connection with the solicitation of proxies on behalf of the Board of Directors (the "**Board**" or "**Board of Directors**") of Ag Growth International Inc. (the "**Company**", "**AGI**", "**we**", "**our**" or "**us**") for use at the Annual Meeting of Shareholders ("**Shareholders**") of the Company (the "**Meeting**") to be held on May 13, 2022, at the time and place and for the purposes set forth in the accompanying Notice of 2022 Annual Meeting. This solicitation of proxies is made on behalf of the Board by management of the Company. The cost of solicitation of proxies shall be borne by the Company.

### 3.6

#### Voting by Proxy

The form of proxy accompanying this Circular confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice of 2022 Annual Meeting and any other matters that may

properly come before the Meeting. On any ballot with respect to any matter to be acted on, the common shares ("**Common Shares**") of the Company represented by the proxy will be voted or withheld from voting in accordance with the instructions of the registered holders of such Common Shares as specified in the proxy, and if a Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares will be voted accordingly. If a choice is not so specified with respect to any such matter, the Common Shares represented by a proxy given to the persons designated in the accompanying form of proxy are intended to be voted in favour of the resolutions referred to therein. A registered Shareholder has the right to appoint a person other than the persons designated in the accompanying form of proxy to attend and act for and on behalf of the Shareholder at the Meeting and may exercise such right by inserting the name in full of the desired person in the blank space provided in the accompanying form of proxy and striking out the names now designated. Proxies must be delivered to Computershare, or registered shareholders must provide their voting instructions to Computershare via the Internet or telephone, prior to 9:00 a.m. (Eastern time) on May 11, 2022.

The Board is not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting.

Also see "How Your Shares Will be Voted" (Item 3.1).

### 3.7

#### Advice to Beneficial Shareholders

The information set forth in this section is important to Shareholders who do not hold Common Shares in their own name. If a Shareholder holds Common Shares through a broker, financial institution, trustee, nominee or other intermediary or otherwise (referred to in this section as a "**Beneficial Shareholder**"), the Shareholder should note that only proxies deposited by persons whose names appear on the records of the Company as registered holders of Common Shares will be recognized and acted upon at the Meeting.

Common Shares that are listed in an account statement provided to a Shareholder by a broker are probably not registered in the Shareholder's own name on the records of the Company. Such Common Shares are more likely to be registered in the name of the Shareholder's broker or an agent of that broker. In Canada, most such Common Shares are registered in the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by Shareholders in the United States may be registered in the name of Cede & Co., the nominee for the Depository Trust Company, which is the United States equivalent of CDS Clearing and Depository Services Inc. Common Shares held by brokers or other intermediaries on a Shareholder's behalf can only be voted (for or against resolutions) at the Beneficial Shareholder's direction. Without specific instructions, brokers and other

intermediaries are prohibited from voting Common Shares for their clients. Beneficial Shareholders should ensure that instructions regarding the voting of their Common Shares are communicated to the appropriate person within the appropriate period.

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Each broker or other intermediary has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should carefully follow these procedures and instructions to ensure that their Common Shares are voted at the Meeting. In some cases, the form of voting instruction form provided to a Beneficial Shareholder by or on behalf of the Beneficial Shareholder's broker or other intermediary is very similar, even identical, to the form of proxy being solicited by management. The purpose of the form of voting instruction form provided by or on behalf of a broker or other intermediary, however, is limited to instructing the registered holder (the broker or other intermediary, or an agent thereof, such as CDS & Co. or Cede & Co.) how to vote on the Beneficial Shareholder's behalf. Most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge. Broadridge typically supplies voting instruction forms, mails these forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or follow specified telephone or internet-based voting procedures. Broadridge then tabulates the results of all instructions received and provides appropriate instructions regarding the voting of Common Shares to be represented at the Meeting. If a Beneficial Shareholder receives a voting instruction form from Broadridge, the Beneficial Shareholder cannot use that form to vote the holder's Common Shares directly at the Meeting, but must instead return the voting instruction form to Broadridge or complete the telephone or internet-based voting procedures well in advance of the Meeting to have such Common Shares voted at the Meeting on the holder's behalf.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of the Beneficial Shareholder's broker or other intermediary, the Beneficial Shareholder may attend at the Meeting as proxyholder for the registered holder and vote the Beneficial Shareholder's Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your own Common Shares, you must do so as proxyholder for the registered holder. To do this, a Beneficial Shareholder should follow the instructions in their voting instruction form or the instructions otherwise provided by their broker, intermediary or agent well in advance of the Meeting.

Also see "How to Vote - Non-Registered (Beneficial) Shareholders" (Item 3), "How Your Shares Will Be Voted - Appointing a Third Party Proxyholder" (Item 3.1) and "How To Attend and Participate At the Meeting" (Item 3.3).

## 3.8

### Revocability of Proxies

A registered Shareholder executing and delivering a proxy has the power to revoke it at any time prior to its exercise (a) by depositing an instrument in writing executed by the Shareholder (or by the Shareholder's attorney authorized in writing) at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or an adjournment thereof, or (b) in any other manner permitted by law.

Also see "Changing Your Vote" (Item 3.2).

## 3.9

### Notice-and-Access

The Company is using the "Notice-and-Access" system for the delivery of this Circular to Beneficial Shareholders, which reduces the cost and environmental impact of producing and distributing paper copies of the Circular. Under the Notice-and-Access system, Beneficial Shareholders will be provided a notice with information on how to access the Circular and the other Meeting materials electronically and how to request a paper copy of same.

## 3.10

### Voting Shares and Principal Holders thereof

The Company is authorized to issue an unlimited number of Common Shares. As of April 1, 2022, there are 18,820,529 Common Shares issued and outstanding. Each Common Share entitles the holder of record on the record date to attend the Meeting and to one vote on a poll.

The record date for determination of the Shareholders entitled to attend and vote at the Meeting is the close of business on April 1, 2022. Other than with respect to the election of Directors, a simple majority of votes cast are required to approve all matters set forth in the accompanying Notice of 2022 Annual Meeting.

To the knowledge of the Directors and Executive Officers of the Company, other than as set forth below, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, more than 10 per cent of the outstanding Common Shares.

Based on public filings, as of January 31, 2022, Galibier Capital Management Ltd., on behalf of client accounts over which it has discretionary trading authority, had control or discretion over 2,300,542 Common Shares, representing approximately 12.24% of the then issued and outstanding Common Shares.



### 3.11

#### Quorum

The Company's by-laws provide that a quorum at the Meeting shall consist of not less than two persons present in person holding or representing by proxy not less than five percent (5%) of the Common Shares entitled to vote at the Meeting.

If a quorum is not present at the opening of the Meeting, the Shareholders present or represented may adjourn the Meeting to a fixed time and place but may not transact any other business.



## WHAT THE MEETING WILL COVER

### 4.1

#### Financial Statements

At the Meeting, the consolidated financial statements of AGI for the year ended December 31, 2021, and the auditors' report thereon will be presented. These consolidated financial statements and the management's discussion and analysis relating thereto are available on AGI's website at <https://www.aggrowth.com/en-us/investors/financial-reports/2021>, at [www.envisionreports.com/AGGQ2022](http://www.envisionreports.com/AGGQ2022) and on SEDAR at [www.sedar.com](http://www.sedar.com).

### 4.2

#### Fixing the Number of Directors to be Elected and Election of Directors

There are currently nine Directors, each of whose term of office expires at the Meeting. It is proposed that the number of Directors to be elected at the Meeting be set at nine.

Each of the persons whose name appears under "About the Nominated Directors" is currently a Director and is proposed to be nominated for election as a Director at the Meeting, to serve until the next annual meeting of Shareholders or until their successor is otherwise elected or appointed.

The Board of Directors unanimously recommends Shareholders vote **FOR** fixing the number of Directors to be elected at the Meeting at nine and **FOR** the election of each of the nominees named in the enclosed form of proxy.

Management does not contemplate that any of the nominees will be unable to serve as a Director, but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

See "About the Nominated Directors" (Item 5) for information regarding the nine Director nominees.

#### Majority Voting Policy

In accordance with the requirements of the Toronto Stock Exchange (the "TSX"), the Board has unanimously adopted a Majority Voting Policy as part of its commitment to corporate governance and to ensure the Directors have the confidence and support of our Shareholders.

Pursuant to such policy, in an uncontested meeting of Shareholders any Director nominee who does not receive at least a majority (50% +1) of the votes cast must immediately tender his or her resignation to the Board, absent exceptional circumstances. The Board will then review the matter and make a determination whether to accept or reject the resignation after considering all factors it deems relevant within 90 days of the applicable shareholders' meeting, which decision will then

promptly be disclosed to the public by news release, a copy of which shall be provided to the TSX. The Board shall accept the resignation absent exceptional circumstances. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision. The nominee will not participate in any Committee or Board deliberations on the resignation. The policy does not apply in circumstances involving contested Director elections.

### 4.3

#### Appointment of Auditors

It is proposed that Ernst & Young LLP, the present auditors of the Company, be reappointed as the auditors of the Company, to hold office until the termination of the next annual meeting of Shareholders, and that the Directors be authorized to fix the auditors' remuneration as such. The Audit Committee has recommended to the Board and the Board has approved the nomination of Ernst & Young LLP for such reappointment. Ernst & Young LLP was first appointed as auditor in 2004 at the time of the initial public offering of the Company's predecessor, Ag Growth Income Fund (the "Fund").

#### External Audit Service Fees

The following summarizes the fees charged by Ernst & Young LLP for external audit and other services in 2021 and 2020. The fees for 2021 are estimates as final invoices have not yet been rendered.

*Audit Fees:* The aggregate audit fees charged during the fiscal year ended December 31, 2021 were \$1,387,412 (2020 - \$1,144,084). The charges in both years relate to audit fees for the Company's annual financial statements, the review of the interim quarterly financial statements and services performed related to acquisitions.

*Audit Related Fees:* The aggregate fees charged for assurance and related services that are reasonably related to the performance of the audit or review of the financial statements and not reported under "Audit Fees" above during the fiscal year ended December 31, 2021 were \$161,749 (2020 - \$142,860). The services provided related to prospectus procedures in connection with AGI's debenture offering and statutory audits of foreign subsidiaries.

*Tax Fees:* The aggregate fees charged for tax compliance, tax advice and tax planning during the fiscal year ended December 31, 2021 were \$227,620 (2020 - \$185,098).

*All Other Fees:* No fees were charged for any other services during either of the fiscal years ended December 31, 2021 and 2020.



**The Board of Directors unanimously recommends that the Shareholders vote FOR the appointment of Ernst & Young LLP, Chartered Professional Accountants, as auditors of the Company.** Unless instructed otherwise, the persons named in the enclosed form of proxy will vote **FOR** the appointment of Ernst & Young LLP as auditors until the next annual meeting of Shareholders, at remuneration to be determined by the Board of Directors.

#### 4.4

##### **Advisory Vote on Executive Compensation**

The Board governs executive compensation by means of carefully considered principles, programs and policies, and a rigorous compensation decision process. We have carefully reviewed our compensation benchmarking practices and relevant disclosures to identify and execute our approach to executive compensation. The Board believes it is essential for Shareholders to be well informed of the Company's approach to executive compensation and strives to communicate our approach in a manner that is easily understood by Shareholders. The Board also believes in Shareholder engagement and is offering Shareholders a non-binding advisory vote on executive compensation as part of the Company's outreach strategy.

Accordingly, the Board has determined to provide Shareholders with the opportunity to vote FOR or AGAINST our approach to executive compensation through the following resolution:

**"RESOLVED**, on an advisory basis and not to diminish the role and responsibilities of the Board of Directors, that the Shareholders accept AGI's approach to executive compensation as described in the Company's management proxy circular for the annual meeting of Shareholders of AGI scheduled to be held on May 13, 2022."

As this is an advisory vote, the results will not be binding upon the Board. However, the Board will consider the outcome of the vote as part of its ongoing review of executive compensation and, if there is a significant proportion of votes against the "Say on Pay" resolution, the Board will take steps to better understand any Shareholder concerns that might have influenced the voting.

**The Board of Directors unanimously recommends that Shareholders vote FOR the approach to executive compensation described in this Circular.** Unless instructed otherwise, the persons named in the enclosed form of proxy will vote **FOR** the approach to executive compensation described in this Circular.

See "Compensation Discussion & Analysis – Compensation and Human Resources Committee Letter to Shareholders – Shareholder Engagement" (Item 7) and "Additional Governance Matters – Communications with Shareholders and Stakeholders" (Item 9.16) for more information.





## ***ABOUT THE NOMINATED DIRECTORS***

The following information concerning the respective nominees has been furnished by each nominee.





**TIM CLOSE****President & CEO, AGI**

Ontario, Canada

**Director since:** March 9, 2016**Age:** 48**Status:** Not Independent

CURRENT BOARD / COMMITTEE MEMBERSHIP	Board
2021 ATTENDANCE	17/17
2021 TOTAL ATTENDANCE	100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	None
2021 ANNUAL MEETING VOTES IN FAVOUR	9,801,092 (97.09%)
2021 ANNUAL MEETING VOTES WITHHELD	294,149 (2.91%)
COMMON SHARES	203,068
EQUITY AWARDS <sup>(2)</sup>	52,750
TOTAL	255,818

**KEY SKILLS:**

CEO / Senior Management

Agri-Business / Mergers &amp; Acquisitions Strategy

Tim has been the President and Chief Executive Officer of AGI since 2016. Tim joined AGI in 2012 as Vice-President, Strategic Development, and was promoted to President in March 2015. Tim is an experienced financial and corporate advisor with significant expertise related to Agri-business, business development, capital raising and mergers and acquisitions. Tim spent time at Macquarie Capital Markets and GE Capital prior to joining AGI. Tim holds a Bachelor of Business from Wilfrid Laurier University and holds a Chartered Financial Analyst designation.

**ANNE DE GREEF-SAFFT****Corporate Director**

South Carolina, USA

**Director since:** December 2018**Age:** 59**Status:** Independent

CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   EHS&S <sup>(6)</sup> (Chair)   HRC <sup>(5)</sup>   GS&SR <sup>(3)</sup>   SI <sup>(7)</sup>
2021 ATTENDANCE	17/17   2/2   7/7   4/4   1/1
2021 TOTAL ATTENDANCE	100%   100%   100%   100%   100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	Benchmark Electronics, Inc. Ambarella, Inc.
2021 ANNUAL MEETING VOTES IN FAVOUR	9,779,958 (96.88%)
2021 ANNUAL MEETING VOTES WITHHELD	315,283 (3.12%)
COMMON SHARES	4,500
EQUITY AWARDS <sup>(2)</sup>	4,669
TOTAL	9,169

**KEY SKILLS:**

Global P&amp;L Leadership

M&amp;A Integration &amp; Talent Development

Danaher Business System Expertise - Lean, Growth &amp; Leadership Tools

Anne is an independent member of the boards of directors of Benchmark Electronics, Inc. (NYSE:BHE), a provider of engineering, manufacturing, and technology solutions across the entire product life cycle, and of Ambarella, Inc. (NASDAQ:AMBA) whose AI (Artificial Intelligence) semiconductor solutions are used in a wide variety of human and computer vision applications. She also provides strategic and operational consulting services to private equity firms and their portfolio companies, a role she has had since 2018. From 2015 until 2017, Anne was Group President of the Food Service Equipment Group of Standex International Corporation (NYSE:SXI). Prior to 2015, Anne held four successive positions at Danaher Corporation (NYSE:DHR) as President of increasingly complex, global operating companies over a period of 12 years. Before joining Danaher, she held various leadership positions in engineering, marketing, sales, and business development for global manufacturing companies.

Anne received her MBA from Babson College in Wellesley, Massachusetts, and her Bachelor's and Master's degrees in Electronics Engineering from the Catholic University of Louvain (KU Leuven) in Belgium.



## MIKE FRANK

President and Chief Operating  
Officer of UPL Corporation

Colorado, USA

**Director since:** May 12, 2021

**Age:** 57

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   Audit <sup>(4)</sup>   HRC <sup>(5)</sup>
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2021 ATTENDANCE	9/9   3/3   3/4
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2021 TOTAL ATTENDANCE	100%   100%   75%
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CURRENT PUBLIC BOARD DIRECTORSHIPS	None
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2021 ANNUAL MEETING VOTES IN FAVOUR	N/A
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2021 ANNUAL MEETING VOTES WITHHELD	N/A
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COMMON SHARES	8,700
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EQUITY AWARDS <sup>(2)</sup>	1,011
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TOTAL	9,711
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### KEY SKILLS:

CEO / Senior Management

Accounting & Finance

Investment Banking / Mergers & Acquisition

Agri-Business

Strategy

International Experience

Mr. Frank has been the President and Chief Operating Officer of UPL Corporation, a global provider of sustainable agriculture products and solutions, since January 2022. Prior thereto, Mr. Frank was Executive Vice President and CEO, Nutrien Ag Solutions at Nutrien Ltd. from 2017 to 2021, which is the world's largest agriculture retail organization. In addition, he spent 25 years at Monsanto, with his initial years in sales, marketing and business strategy roles. He then had several general manager roles, including leading Monsanto business in China as well as the global crop protection business. In 2011, he was chosen to lead Monsanto's Global Manufacturing Operations with 90 sites in 24 countries. In 2013, Mr. Frank led all operations for Monsanto's international business and then from 2014 to 2017, he served as Senior Vice President and Chief Commercial Officer of Monsanto, leading their global commercial operations. Mr. Frank holds an MBA from Kellogg Graduate School of Management, Northwestern University and a bachelor degree in agricultural engineering from University of Saskatchewan.



**JANET GIESSELMAN**  
Corporate Director

Florida, USA

**Director since:** March 14, 2013

**Age:** 67

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   Audit <sup>(4)</sup>   HRC <sup>(5)</sup> (Chair)   GS&SR <sup>(3)</sup>
2021 ATTENDANCE	17/17   4/4   7/7   4/4
2021 TOTAL ATTENDANCE	100%   100%   100%   100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	GCP Applied Technologies, Inc. Corteva Inc. Twin Disc, Inc.
2021 ANNUAL MEETING VOTES IN FAVOUR	9,221,659 (91.35%)
2021 ANNUAL MEETING VOTES WITHHELD	873,582 (8.65%)
COMMON SHARES	NIL
EQUITY AWARDS <sup>(2)</sup>	9,758
TOTAL	9,758

**KEY SKILLS:**

Agri Business / International Business  
Human Resources / Compensation  
Strategy

Janet is a corporate director and currently serves on the board of directors of the following companies: GCP Applied Technologies, Inc. (a public Massachusetts based construction, chemicals and materials products company), where she serves as Chair of the Compensation Committee and also serves as a member of the Governance Committee; Twin Disc, Inc. (a public Wisconsin based marine and heavy duty, off highway power transmission equipment company), where she is Chair of the Compensation and Executive Development Committee and is also a member of both the Audit and Nominating and Governance committees; Corteva Inc. (a public Wilmington based agricultural chemical and seed company) where she is a member of the Governance and the Science and Sustainability committees; and McCain Foods Limited (a private New Brunswick based frozen food produce and transportation company) where she serves as Chair of the Safety and Sustainability and Management Resources committees and is a member of the Audit Committee. Ms. Giesselman previously served on the Board of Directors of Omnova Solutions Inc. (a public Beechwood based global provider of emulsion chemicals and decorative and functional surfaces) until it was acquired by Synthomer plc in April 2020. Ms. Giesselman has over 30 years of U.S. and international agriculture, energy and specialty chemicals industry experience, having led multiple global businesses. From 2001 to 2010, she held numerous senior leadership positions with the Dow Chemical Company including Business Vice President Dow Latex, President and General Manager Dow Oil and Gas and Vice President Dow AgroSciences. Before joining Dow, Ms. Giesselman held various business leadership positions with the Rohm and Haas Company. She holds a B.Sc., Biology from Pennsylvania State University and a Masters in Plant Pathology from the University of Florida.

**WILLIAM (BILL) LAMBERT**  
Corporate Director

Ontario, Canada

**Director since<sup>(1)</sup>:** November 27, 2006

**Age:** 70

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board (Chair)
2021 ATTENDANCE	17/17
2021 TOTAL ATTENDANCE	100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	None
2021 ANNUAL MEETING VOTES IN FAVOUR	9,785,700 (96.93%)
2021 ANNUAL MEETING VOTES WITHHELD	309,541 (3.07%)
COMMON SHARES	95,834
EQUITY AWARDS <sup>(2)</sup>	19,969
TOTAL	115,803

**KEY SKILLS:**

CEO / Senior Management  
Accounting & Finance  
Investment Banking / Mergers & Acquisition

Bill retired from Birch Hill Equity Partners Management Inc. in 2010. He has over twenty-five years of experience in the private equity and merchant banking industries and ten years in consulting engineering. From 1989 to 2005 he was a Managing Director at TD Capital and a Partner at its successor Birch Hill. During this period, he was responsible for many of the firm's private equity investments. Bill holds an MBA from York University and a BS in Electrical Engineering from the Massachusetts Institute of Technology.

## BILL MASLECHKO

Partner, Burnet, Duckworth  
& Palmer LLP (Law Firm)

Alberta, Canada

**Director since<sup>(1)</sup>:** November 9, 2006

**Age:** 61

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board
2021 ATTENDANCE	17/17
2021 TOTAL ATTENDANCE	100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	Rogers Sugar Inc.
2021 ANNUAL MEETING VOTES IN FAVOUR	8,490,395 (84.10%)
2021 ANNUAL MEETING VOTES WITHHELD	1,604,846 (15.90%)
COMMON SHARES	9,000
EQUITY AWARDS <sup>(2)</sup>	40,253
TOTAL	49,253

### KEY SKILLS:

Mergers & Acquisitions / Corporate Finance

Governance

Legal / Regulatory

Bill is a partner at Burnet, Duckworth & Palmer LLP with over 30 years of experience in securities and corporate law including capital markets, mergers and acquisitions, corporate governance, corporate strategy and shareholder activism and with extensive industry experience in the natural resources, manufacturing and agricultural sectors. Bill has served on numerous public and private company boards and currently also serves on the Board of Rogers Sugar Inc. Bill holds a Bachelor of Laws degree from the University of Toronto.





## MALCOM (MAC) MOORE

### Corporate Director

Florida, USA

**Director since:** March 14, 2013

**Age:** 71

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   Audit <sup>(4)</sup>   HRC <sup>(5)</sup>   EHS&S <sup>(6)</sup>   GS&SR <sup>(3)</sup> (Chair)   SI <sup>(7)</sup>
2021 ATTENDANCE	17/17   4/4   7/7   2/2   4/4   1/1
2021 TOTAL ATTENDANCE	100%   100%   100%   100%   100%   100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	FreightCar America, Inc.
2021 ANNUAL MEETING VOTES IN FAVOUR	9,646,020 (95.55%)
2021 ANNUAL MEETING VOTES WITHHELD	449,221 (4.45%)
COMMON SHARES	NIL
EQUITY AWARDS <sup>(2)</sup>	8,895
TOTAL	8,895

#### KEY SKILLS:

CEO / Senior Management  
International Experience  
Agri-Business Background

Mac is the retired Executive Vice President and Chief Operating Officer of Twin Disc, Incorporated (a publicly held Wisconsin based manufacturer of marine and heavy duty, off-highway power transmission equipment). He has also served as the President and Chief Executive Officer of Gehl Company, a manufacturer and distributor of construction and agricultural equipment. In his 11 years with Gehl Company, Mac held a series of senior positions including President since 2003 and culminating with his appointment as Chief Executive Officer in 2009. Mac is also the former President and Chief Executive Officer of Digi-Star Investments LLC, a provider of specialized monitoring and electronic control systems for precision agriculture. Mac serves on the board of directors of FreightCar America, Inc. (a public Illinois based railroad car manufacturing company), where he is a member of the Compensation, Audit, and Nominating and Governance committees. Mac holds a B.S., International Business, from American University and an M.B.A. from the J. L. Kellogg Graduate School of Management-Northwestern University.

## CLAUDIA ROESSLER

### Director, Agriculture Strategic Partnerships, Cloud for Industry, FarmBeats with Microsoft

Washington State, USA

**Director since:** March 24, 2020

**Age:** 52

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   EHS&S <sup>(6)</sup>
2021 ATTENDANCE	17/17   2/2
2021 TOTAL ATTENDANCE	100%   100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	None
2021 ANNUAL MEETING VOTES IN FAVOUR	9,885,178 (97.92%)
2021 ANNUAL MEETING VOTES WITHHELD	210,063 (2.08%)
COMMON SHARES	NIL
EQUITY AWARDS <sup>(2)</sup>	2,210
TOTAL	2,210

#### KEY SKILLS:

Technology  
Senior Management  
International  
Agri-Business  
Strategy

Claudia is an experienced technology executive with 29 years of progressive Industry and B2B solutions experience with Microsoft Corporation. Her background is focused on sales, marketing, business development and the design and commercialization of systems and technology solutions for various industrial segments, including agribusinesses. Claudia brings extensive knowledge of ag-technologies, precision farming and relevant trends. Claudia is currently Director, Agriculture Strategic Partnerships, Cloud for Industry, FarmBeats with Microsoft, a role she has held since 2018. Prior to this, Claudia was Director, Industry Solutions, Strategic Business Development, Chemical & Agriculture and Manufacturing, with Microsoft, where she helped companies on their digital transformation strategy. Claudia has significant international experience, having worked with Microsoft for many years in Germany and global roles in Engineering, Sales, Marketing, Strategy and Business Development. Claudia also sits on the Advisory Board for Women and Food and Agriculture.

## DAVID WHITE

**Corporate Director, General Partner,  
First Call Services LLC and Chief  
Executive Officer of American Student  
Transportation Partners**

North Carolina, USA

**Director since:** November 27, 2006

**Age:** 69

**Status:** Independent



CURRENT BOARD / COMMITTEE MEMBERSHIP	Board   Audit <sup>(4)</sup> (Chair)   HRC <sup>(5)</sup>   GS&SR <sup>(3)</sup>   SI <sup>(7)</sup>
2021 ATTENDANCE	16/17   4/4   7/7   4/4   1/1
2021 TOTAL ATTENDANCE	94%   100%   100%   100%   100%
CURRENT PUBLIC BOARD DIRECTORSHIPS	Arts Way Manufacturing Company Inc.
2021 ANNUAL MEETING VOTES IN FAVOUR	9,534,253 (94.44%)
2021 ANNUAL MEETING VOTES WITHHELD	560,988 (5.56%)
COMMON SHARES	4,107
EQUITY AWARDS <sup>(2)</sup>	13,447
TOTAL	17,554

### KEY SKILLS:

Accounting / Finance  
Strategy  
Operations

David is a corporate director and currently the General Partner of First Call Services LLC, a private holding company and advisory firm. He also serves as the Chief Executive Officer of American Student Transportation Partners, an operator of a transportation services platform that partners with and provides liquidity or growth capital to student transportation operators. David has held a number of senior financial and operating positions with John Labatt Limited, Lawson Mardon Group Inc., and Laidlaw Inc., and was Chief Executive Officer of TransCare Inc., a medical transportation company, and President and Chief Operating Officer of Student Transportation of America, formerly a TSX- listed company. David is a member of the board of directors of Art's Way Manufacturing Company, Inc. (a public Iowa based diversified, international manufacturer and distributor of equipment serving agricultural, research and steel cutting needs), where he serves on the Audit Committee and chairs the Compensation Committee. David has been a Canadian Chartered Accountant since 1978, and holds a BA from the University of Western Ontario and an MBA from the University of Toronto. In 2013, David received the ICD.D designation from the Institute of Corporate Directors.









## NOTES:

1. Appointment date before June 3, 2009 is the date initially appointed a trustee of the Fund, the predecessor of the Company.
2. All securities in the "Equity Awards" column are deferred grants of Common Shares ("**Deferred Shares**") granted to the non-management Directors under the Company's Directors' Deferred Compensation Plan ("**DDCP**") (see "Director Compensation" (Item 6)), except in the case of Mr. Close whose securities are Performance Awards and Restricted Awards granted pursuant to the Company's Equity Incentive Award Plan (see "Compensation of Our Named Executive Officers" (Item 8)). Based on the closing price of the Common Shares on the TSX on March 16, 2022 of \$40.80, the total value of the Common Shares and Deferred Shares (Performance Awards and Restricted Awards in the case of Mr. Close) held by the Directors is as follows: Mr. Close, \$8,622,468 (\$6,470,268 Common Shares and \$2,152,200 Restricted Awards and Performance Awards); Ms. De Greef-Safft, \$374,095; Mr. Frank, \$396,203; Ms. Giesselman, \$398,128; Mr. Lambert, \$4,724,762; Mr. Maslechko, \$2,009,531; Mr. Moore, \$362,900; Ms. Roessler, \$90,158; and Mr. White, \$716,196.
3. Member of the Governance, Sustainability and Social Responsibility Committee (the "**GS&SR Committee**"). Malcolm (Mac) Moore, Chair. All of the members of the GS&SR Committee are independent.
4. Member of the Audit Committee (the "**Audit Committee**"). David White, Chair. All of the members of the Audit Committee are independent and financially literate. It is currently anticipated that Mr. Moore will retire from the Audit Committee following the Meeting. See "Audit Committee Information" in the Company's annual information form for the year ended December 31, 2021 for information regarding the Audit Committee, including the disclosure mandated by National Instrument 52-110 – Audit Committees and Form 52-110F1 – Audit Committee Information Required in an AIF, and for a copy of the Audit Committee's terms of reference.
5. Member of the Compensation and Human Resources Committee (the "**HRC Committee**"). Janet Giesselman, Chair. All of the members of the HRC Committee are independent.
6. Member of the Environmental, Health and Safety Committee (the "**EH&S Committee**"). Anne De Greef-Safft, Chair. All of the members of the EH&S Committee are independent.
7. Member of the former Ad Hoc Strategic Initiatives Committee. Anne De Greef-Safft, Chair. All of the members of the former Ad Hoc Strategic Initiatives Committee were independent.

See "Corporate Governance Practices" (Item 9) for additional information on the Board and its Committees.

## 5.1

### Cease Trade Orders, Bankruptcies, and Penalties

To the knowledge of the Company, except as set forth below, none of the persons proposed for election as Directors: (a) are, as at the date hereof, or have been within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "**Order**") that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person ceased to be a director, chief executive officer or chief financial officer of the company and which resulted from an event that occurred while that person was acting in such capacity; (b) are, as at the date hereof, or have been within 10 years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (c) have, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Mr. White and Ms. Giesselman were each directors of Avicanna Inc. ("**Avicanna**") when, on March 29, 2021, Avicanna announced that it would miss the deadline to file its audited financial statements for the year ended December 31, 2020 and related annual filings (collectively, the "**Annual Filings**"). Avicanna applied for a management cease trade order ("**MCTO**") pending the filing of the Annual Filings, which MCTO was issued by the Ontario Securities Commission (the "**OSC**") on April 9, 2021. On May 7, 2021, Ms. Giesselman resigned from Avicanna's board of directors. On May 10, 2021, Avicanna announced that it would miss the deadline to file its interim financial statements for the three month period ended March 31, 2021 and related quarterly filings (collectively, the "**Interim Filings**", and together with the Annual Filings, the "**Required Filings**"). On June 11, 2021, the OSC issued a cease trade order ("**CTO**") in respect of Avicanna as a result of its default in filing the Required Filings and the MCTO was revoked. Mr. White did not stand for re-election to Avicanna's board of directors at its annual general meeting and ceased to be a director of Avicanna on June 24, 2021. The CTO was revoked on September 10, 2021 following Avicanna's filing of the Required Filings.

To the knowledge of the Company, none of the persons proposed for election as Directors nor any personal holding company owned or controlled by any of them (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed Director.

## DIRECTOR COMPENSATION

The following table sets forth the Company's annual compensation program for its non-management Directors in 2021:

	Cash Component <sup>(1) (2)</sup>	Minimum Common Share / DSU Requirement	Total
ANNUAL BASE RETAINER	\$60,000	\$60,000 <sup>(3)</sup>	\$120,000
ADDITIONAL ANNUAL BASE RETAINER   BOARD CHAIR <sup>(4)</sup>	\$110,000	NIL	\$110,000
ADDITIONAL ANNUAL BASE RETAINER   AUDIT CHAIR	\$17,500	\$2,500	\$20,000
ADDITIONAL ANNUAL BASE RETAINER   HRC CHAIR	\$10,000	\$5,000	\$15,000
ADDITIONAL ANNUAL BASE RETAINER   GS&SR	\$10,000	\$2,500	\$12,500
ADDITIONAL ANNUAL BASE RETAINER   EHS&S CHAIR	\$10,000	\$2,500	\$12,500
PER MEETING FEE	\$1,500	NIL	\$1,500
PER MEETING TRAVEL FEE <sup>(5) (6)</sup>	\$1,500	NIL	\$1,500

1. In 2021, annual cash retainers and meeting and travel fees for Directors who resided in the United States were paid in U.S. dollars.
2. A Director could elect to receive all or a portion of his or her cash retainer in the form of additional Deferred Shares. The Company ceased making grants of Deferred Shares under its DDCP to its non-management Directors in the third quarter of 2021 as all of the Common Shares reserved for issuance under the DDCP had been allocated. Commencing January 1, 2022, the Company only grants DSUs under its DSU Plan to non-management Directors. See "Summary Description of Directors' Compensation Plans" (Item 6.6) for additional information on the DDCP and the DSU Plan.
3. Except in the case of Mr. Lambert who had no minimum Deferred Share participation due to his holdings of Common Shares which significantly exceeds the minimum ownership guidelines for non-management Directors.
4. Mr. Lambert had no minimum Deferred Share participation with respect to his Board Chair base retainer. See Note (3).
5. Paid to Directors (other than the Board Chair) who are required to travel to attend Board or Committee meetings held outside the Director's city of residence. The Board Chair received this fee only if required to travel to attend Board or Committee meetings held outside his city of residence more than five times per year.
6. Directors are also reimbursed for reasonable expenses incurred while traveling to / from Board or Committee meetings.

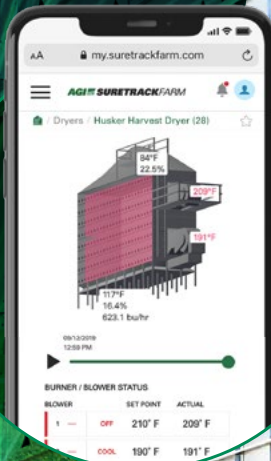
Tim Close, being an Officer of the Company, does not receive any compensation for serving as a Director.

In early 2022, the HRC Committee, with the assistance of Hugessen, undertook a review of AGI's approach to compensation for its non-management directors in light of AGI's adoption in 2022 of a new pay comparator group to provide competitive market data to support decision-making on pay levels and mix for senior management (see "Benchmarking Pay Comparator Group and Pay Positioning" (Item 7.5) for further details on the companies comprising the comparator group). As a result of this review, with effect from January 1, 2022, the HRC Committee recommended, and the Board approved, a new compensation program for non-management directors consisting of the following:

- a flat fee structure (i.e. no meeting fees) payable in U.S. dollars to all Directors;
- an annual retainer fee of US\$250,000 for the Chair of the Board (Mr. Lambert is not required to receive a portion of his retainer in DSUs given his holdings of Common Shares which significantly exceeds the minimum ownership guidelines for non-management Directors);
- an annual retainer fee for each Director (other than the Chair of the Board) of US\$170,000 (US\$80,000 payable in cash and US\$90,000 payable in DSUs);
- an annual retainer fee for the Chair of each Board committee (US\$30,000 for the Chairs of the Audit Committee and the HRC Committee and US\$20,000 for the Chairs of the GS&SR Committee and the EH&S Committee);



AGI NECO



AGI NECO



- an annual retainer fee for each member of a Board committee (other than the Committee Chair) of US\$7,500; and
- each non-management Director has the right to elect to receive any portion of his or her cash compensation in the form of DSUs.

## 6.1

### Directors' Summary Compensation Table

The following table provides information regarding compensation paid to the non-management Directors of the Company for the year ending December 31, 2021.

#### REMUNERATION IN YEAR

	Cash	Share-based Awards <sup>(2)</sup>	All Other Compensation <sup>(3)</sup>	Total
ANNE DE GREEF-SAFFT	\$224,595 <sup>(4)</sup>	\$44,703	\$2,632	\$271,930
MIKE FRANK	\$64,137 <sup>(4)</sup>	\$37,293	NIL	\$101,430
JANET GIESSELMAN	\$251,075 <sup>(4)</sup>	\$44,703	\$5,686	\$301,464
BILL LAMBERT	\$168,103	\$61,897	\$11,769	\$241,769
BILL MASLECHKO	\$61,462	\$118,538	\$23,602	\$203,602
MALCOLM (MAC) MOORE	\$206,131 <sup>(4)</sup>	\$42,984	\$5,181	\$254,296
CLAUDIA ROESSLER	\$178,133 <sup>(4)</sup>	\$41,264	\$1,154	\$220,551
DAVID WHITE	\$225,031 <sup>(4)</sup>	\$42,984	\$7,913	\$275,928

1. The Company ceased granting Deferred Shares under the DDCP in the third quarter of 2021 because all of the Common Shares reserved for issuance under the DDCP had been allocated. As a result, a portion of the directors' compensation that would have been paid with the grant of Deferred Shares was paid in cash. This column includes a total of \$252,064 (Ms. De Greef-Safft - \$20,297; Mr. Frank - \$64,137; Ms. Giesselman - \$20,297; Mr. Lambert - \$28,103; Mr. Maslechko - \$61,462; Mr. Moore - \$19,516; Ms. Roessler - \$18,736; and Mr. White - \$19,516) that was paid in cash in lieu of the grant of Deferred Shares.
2. Participation in the DDCP. The Company did not grant DSUs under the DSU Plan in 2021.
3. Amounts in this column are cash payments made to the Directors in amounts equivalent to the dividends that would have been paid on the Common Shares underlying the Deferred Shares granted to the Directors under the DDCP.
4. Non-management Directors resident in the United States are paid their annual retainer, Chair and meeting fees in U.S. dollars, which amounts have been converted into Canadian dollars for the purposes of the table at an exchange rate of approximately U.S.\$1.00:CDN\$1.2677, being the weighted average exchange rate for the dates of payment of the fees.

## 6.2

### Directors' Outstanding Share-Based Awards

The following table sets forth for each of the non-management Directors, all share-based awards outstanding as at December 31, 2021. The Company does not grant nor have any outstanding option-based awards to non-management Directors. [NTD: Some of the Deferred Share numbers below (total of columns 2 and 4 for each director) do not match the table in section 5, which indicates: (i) Anne has 4,669; (ii) Janet has 9,758; (iii) Bill L. has 19,969; (iv) Bill M. has 40,253; (v) Mac has 8,895; (vi) David has 13,337]

	Number of Common Shares that have not vested under the DDCP	Market value of Common Shares that have not vested <sup>(1)</sup>	Number of Common Shares that have vested but have not been issued	Market value of Common Shares that have vested but not been issued <sup>(1)</sup>
GARY ANDERSON	NIL	NIL	NIL	NIL
ANNE DE GREEF-SAFFT	4,192	\$132,803	477	\$15,111
MIKE FRANK	1,011	\$32,028	NIL	NIL
JANET GIESSELMAN	4,349	\$137,776	5,409	\$171,357
BILL LAMBERT	6,018	\$190,650	13,951	\$441,968
BILL MASLECHKO	13,381	\$423,910	26,872	\$851,305
MALCOLM (MAC) MOORE	4,158	\$131,725	4,737	\$150,068
CLAUDIA ROESSLER	2,210	\$70,013	NIL	NIL
DAVID WHITE	4,158	\$131,725	9,289	\$294,276
<b>TOTAL</b>	<b>39,477</b>	<b>\$1,250,631</b>	<b>60,735</b>	<b>\$1,924,085</b>

1. Based on the closing price of the Common Shares on the TSX on December 31, 2021 of \$31.68.

## 6.3

### Directors' Incentive Plan Awards – Value Vested During the Year

The Company maintains ownership guidelines for its non-management Directors to further align Director and Shareholder interests as set out in AGI's Director and Executive Share Ownership Policy (the "Share Ownership Policy"). The minimum Common Share ownership guideline for the non-management Directors is to meet and maintain ownership of a minimum value of Common Shares representing at least three (3) times the cash portion of the Director's Annual Base Retainer. For the purposes of the Share Ownership Policy, Common Shares owned, directly or indirectly, by the Director or his or her immediate family members residing in the same household and any Deferred Shares owned by the Director are included in the total value of Common Shares owned. Non-management Directors have five years from the date of their election or appointment to the Board to accumulate the minimum number of Common Shares.

Directors are deemed to have satisfied the ownership guidelines if either (i) the aggregate price paid or deemed to be paid by the Director for the Common Shares held equals or exceeds the relevant multiple of the cash portion of his or her current Annual Base Retainer, or (ii) the market value of the Common Shares based on the trading price of the Common Shares on the TSX at the time of calculation equals or exceeds such amount.

	Share-based awards - value vested during the year <sup>(1)</sup>
ANNE DE GREEF-SAFFT	NIL
MIKE FRANK	NIL
JANET GIESSELMAN	\$26,778
BILL LAMBERT	\$40,088
BILL MASLECHKO	\$73,872
MALCOLM (MAC) MOORE	\$25,561
CLAUDIA ROESSLER	NIL
DAVID WHITE	\$25,561
<b>TOTAL</b>	<b>\$191,860</b>

1. Based on the closing prices of the Common Shares on the TSX on the applicable vesting dates.

## 6.4

### Director Share Ownership Guidelines

The Company maintains ownership guidelines for its non-management Directors to further align Director and Shareholder interests as set out in AGI's Director and Executive Share Ownership Policy (the "Share Ownership Policy"). The minimum Common Share ownership guideline for the non-management Directors is to meet and maintain ownership of a minimum value of Common Shares representing at least three (3) times the cash portion of the Director's Annual Base Retainer. For the purposes of the Share Ownership Policy, Common Shares owned, directly or indirectly, by the Director or his or her immediate family members residing in the same household and any Deferred Shares owned by the Director are included in the total value of Common Shares owned. Non-management Directors have five years from the date of their election or appointment to the Board to accumulate the minimum number of Common Shares.

Directors are deemed to have satisfied the ownership guidelines if either (i) the aggregate price paid or deemed to be paid by the Director for the Common Shares held equals or exceeds the relevant multiple of the cash portion of his or her current Annual Base Retainer, or (ii) the market value of the Common Shares based on the trading price of the Common Shares on the TSX at the time of calculation equals or exceeds such amount.

The following table illustrates the ownership holdings of the non-management Directors as of March 16, 2022.

	Number of Common Shares held	Number of Deferred Shares held	Value of Common Shares and Deferred Shares <sup>(1)</sup>	Multiple of Annual Retainer Value <sup>(2)</sup>
ANNE DE GREEF-SAFFT <sup>(3)</sup>	4,500	4,669	\$374,095	3.69
MIKE FRANK <sup>(4)</sup>	8,700	1,011	\$396,203	3.91
JANET GIESSELMAN	—	9,758	\$536,030	3.93
BILL LAMBERT	95,834	19,969	\$4,724,762	14.91
BILL MASLECHKO	9,000	40,253	\$2,120,458	19.81
MALCOLM (MAC) MOORE	—	8,895	\$438,682	3.58
CLAUDIA ROESSLER <sup>(4)</sup>	—	2,210	\$90,168	0.89
DAVID WHITE	4,107	13,447	\$791,969	7.06

1. Based on the closing price of the Common Shares on the TSX on March 16, 2022 of \$40.80.
2. Value of Common Shares and Deferred Shares divided by the cash portion of the Director's annual base retainer, being US\$250,000 (C\$316,925) in the case of Mr. Lambert and US\$80,000 (C\$101,416) in the case of the other Directors. The U.S. dollar retainer amounts have been converted into Canadian dollars for the purposes of the table at an exchange rate of U.S.\$1.00:CDN\$1.2677, being the exchange rate on March 16, 2022.
3. Includes 4,500 Common Shares acquired after March 16, 2022.
4. Ms. Roessler was appointed a Director in March 2020, and therefore has until March 2025, to satisfy our Director share ownership guidelines.

## 6.5

### Directors' and Officers' Liability Insurance

The Company has purchased directors' and officers' liability insurance policies for the benefit of the Directors and Officers of the Company against liabilities, including legal costs, incurred by them in their capacity as Directors or Officers, subject to the terms and conditions of such policies. The aggregate amount of premiums related to the year ended December 31, 2021 incurred by the Company in respect of Directors and Officers as a group was approximately \$243,750. The total limit of insurance purchased for all Directors and Officers was \$50 million per loss and in the annual aggregate, with a \$100,000 deductible amount on all claims with the exception of securities claims where the deductible is \$150,000.



## 6.6

### Summary Description of Directors' Compensation Plans

In 2012, the Company adopted with Shareholder approval a Directors' Deferred Compensation Plan (as amended with Shareholder approval in 2016, the "**DDCP**") for non-management Directors. Effective December 15, 2021, the Company adopted a Deferred Share Unit Plan (the "**DSU Plan**") for non-management Directors. The Company ceased making grants of Deferred Shares under its DDCP to non-management Directors effective December 31, 2021. Commencing January 1, 2022, the Company intends to only grant DSUs under its DSU Plan to non-management Directors. A summary description of the DDCP and the DSU Plan are set out below.

#### *Directors' Deferred Compensation Plan*

The principal purpose of the DDCP is to encourage the ownership of Common Shares by non-management Directors. During 2021, the DDCP provided that a minimum of \$60,000 (and an additional \$5,000 and \$2,500 in the case of the Chairs of the HRC Committee and the other Board Committees, respectively) of the annual remuneration of non-management Directors would be paid in Deferred Shares. A Director also had the right to elect to receive a greater amount of his or her remuneration in the form of Deferred Shares. A Director is entitled to receive the Deferred Shares granted under the DDCP on the earlier of the third anniversary of the date of grant and the date the Director ceases to be a Director. All Deferred Shares to which a Director is entitled shall be issued to him or her immediately prior to a change of control as defined in the DDCP. A Director shall have no right to receive Deferred Shares granted to him or her that have not been issued on the date that is 10 years following the date of grant. The price to be used for determining the number of Deferred Shares to be granted is the weighted average trading price of the Common Shares on the TSX for the 10 trading days preceding the last day of the Company's financial quarter in respect of which the grant of Deferred Shares is made.

Pursuant to the DDCP, the number of Deferred Shares which are issuable pursuant to a grant of Deferred Shares shall be increased on the second business day following each date on which a cash dividend or other distribution is paid to holders of Common Shares by an amount equal to the product of the number of the Deferred Shares which remain issuable and the fraction which has as its numerator the cash dividend or other distribution paid, expressed as an amount per Common Share and which has as its denominator the weighted average trading price of the Common Shares on the TSX for the 10 trading day period ending on the third trading day preceding the record date for such dividend or distribution.

Except for the right of a Director, with the consent of the Company, to assign the Director's right to receive Deferred Shares pursuant to the DDCP to an entity controlled by the Director or to a registered retirement savings plan or registered retirement income fund of the Director and for the right of the executor or administrator of the estate of a Director to exercise the Director's right to receive Deferred Shares pursuant to the DDCP following the death of the Director, no assignment, sale, transfer, pledge or charge of a right to receive Deferred Shares pursuant to the DDCP, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such right to receive Deferred Shares pursuant to the DDCP whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such right to receive Deferred Shares pursuant to the DDCP shall terminate and be of no further force or effect.

The aggregate number of Common Shares issuable pursuant to the DDCP is 120,000 (approximately 0.64% of the outstanding Common Shares). The aggregate number of Deferred Shares granted to any single Director may not exceed 5% of the issued and outstanding Common Shares. In addition: (i) the number of Common Shares issuable to insiders at any time, under all security based compensation arrangements of the Company, may not exceed 10% of the issued and outstanding Common Shares; and (ii) the number of Common Shares issued to insiders, within any one year period, under all security based compensation arrangements of the Company, may not exceed 10% of the issued and outstanding Common Shares. No fractional Common Shares may be issued under the DDCP and any entitlement to a fractional Common Share will be rounded down and no amount of money will be payable by the Company in respect of such fractional interest.

The DDCP and any Deferred Shares granted pursuant to the DDCP may, subject to any required approval of the TSX, be amended, modified or terminated by the Company without the approval of Shareholders. Any amendments to the DDCP are subject to the prior consent of any applicable regulatory bodies, including the TSX, if required. For greater certainty, the Company may amend the DDCP and any Deferred Shares granted thereunder, without Shareholder approval, including, without limitation, amendments (a) of a "housekeeping" nature; (b) to change the vesting provisions of any Deferred Shares; and (c) to change the termination or exercise provisions of any Deferred Shares which does not entail an extension beyond the original expiry date and provided that the period during which a grant of Deferred Share is exercisable does not exceed 10 years from the date the grant of Deferred Shares was made. Notwithstanding the foregoing, the Company will not be entitled to amend the DDCP in respect of the following matters without Shareholder approval: (i) increase the maximum number of Common Shares issuable pursuant to the DDCP; (ii) extend the term of any Deferred Shares; and (iii) amend the amending provision of the DDCP. Any amendment to the DDCP takes effect only with respect to Deferred Shares granted after the effective date of the amendment, provided that it may apply to any outstanding Deferred Shares with the mutual consent of the Company and the Director to whom such grant of Deferred Shares has been made.

As at December 31, 2021, 100,212 Deferred Shares (approximately 0.53% of the outstanding Common Shares) had been granted and remain outstanding under the DDCP, 19,788 Common Shares had been issued in satisfaction of Deferred Shares, and nil Deferred Shares remained available for grant under the DDCP. As noted above, the Company ceased granting Deferred Shares under the DDCP on December 31, 2021. The burn rate for the DDCP for the fiscal years ended December 31, 2021, 2020 and 2019, being defined as the total number of Deferred Shares granted under the DDCP in the applicable fiscal year divided by the weighted average number of Common Shares outstanding for such fiscal year, was approximately 0.04%, 0.13% and 0.05%, respectively.

#### *Deferred Share Unit Plan*

The purpose of the DSU Plan is to attract, retain and motivate highly qualified and experienced individuals to act as non-employee Directors of the Company, to allow them to participate in the long-term success of the Company and to promote a greater alignment of interests between non-employee Directors and the Shareholders. Subject to the Committee obtaining approval of the Board for certain matters, the DSU Plan is administered by the HRC Committee

Except as otherwise determined by the Board, each non-management Director (other than the current Board Chair) shall be paid US\$90,000 of the base annual retainer payable to such Director in respect of a calendar year (the **"Minimum Deferred Compensation"**) in the form of DSUs, each of which is a unit equivalent in value to a Common Share. In addition, a non-management Director has the right, but not the obligation, to elect to receive greater than the Minimum Deferred Compensation in the form of DSUs.

In connection with any increase in a Director's annual retainer made during a calendar year that is to be effective in that calendar year, the Board may direct all or a portion of such increase to be received by the Director in the form of DSUs. Further, the Board may, in its discretion, award DSUs to non-management Directors on such terms and conditions as it determines, including vesting and the treatment of unvested DSUs upon the Director ceasing to serve as such.

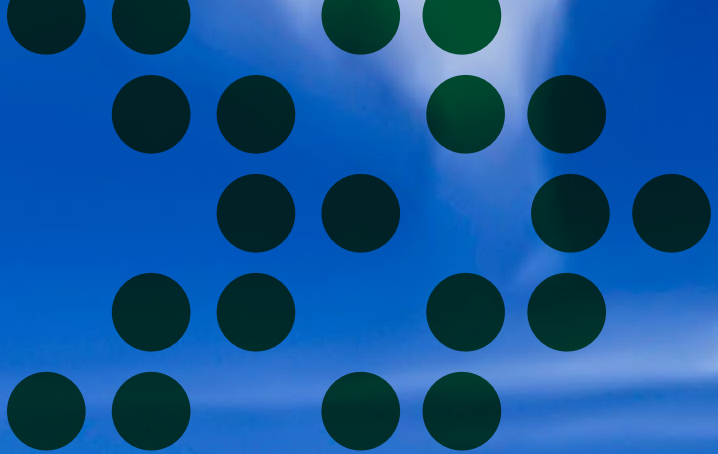
The number of DSUs (including fractional DSUs) to be credited to a Director shall be determined by dividing (i) the amount to be credited in DSUs on a particular date by (ii) the volume weighted average of the prices at which the Common Shares traded on the TSX for the ten trading days on which the Common Shares traded on the TSX immediately preceding such date (the **"Fair Market Value"**). A Director shall be credited with dividend equivalents in the form of additional DSUs on each dividend payment date in respect of which ordinary course cash dividends are paid on the Common Shares. Such dividend equivalents shall be computed by dividing: (i) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of DSUs held by the Director on the date for the payment of such dividend, by (ii) the Fair Market Value of a Common Share as at the dividend payment date.

The Company will redeem all DSUs held by a Director on the Director's **"Redemption Date"**, which is: (1) for a Director who is not a U.S. Director, the date elected by the Director which shall not be earlier than the date the Director ceases to be a director and which shall not be later than December 15 of the year following the year in which the Director ceases to be a director; and (2) for a U.S. Director, the 30th day following the day on which the U.S. Director ceases to be a director. Upon the death of a Director, AGI will redeem all the DSUs held by such Director.

DSUs will be redeemed for a cash amount (the **"Deferred Share Unit Amount"**) equal to: (1) the number of DSUs held by the Director on the Redemption Date multiplied by (2) the Fair Market Value of a Common Share as at the date immediately preceding the Redemption Date minus (3) applicable withholding taxes. The Deferred Share Unit Amount will be paid as a lump-sum by AGI within ten business days of the Redemption Date, but in any event no later than December 31 of the year following the year in which the Director ceased to be a director.

Except as required by law or as permitted by the Board, the rights of a Director under the DSU Plan are not capable of being assigned or transferred. Any hedging activities by Directors in respect of their rights under the DSU Plan or any DSUs credited to them are prohibited. In the event of the declaration of any stock dividend, a subdivision, consolidation, reclassification, exchange, or other change with respect to the Common Shares, or a merger, consolidation, spin-off, or other distribution (other than ordinary course cash dividends) of the Company's assets to its Shareholders, the issued and outstanding DSUs will be adjusted in such manner, if any, as the Board may in its discretion deem appropriate to reflect the event. The Board may amend the DSU Plan as it deems necessary or appropriate, but no such amendment shall, without the consent of a Director or unless required by law, adversely affect the rights of the Director with respect to DSUs then held by the Director. The Board may terminate the DSU Plan at any time, but no such termination shall, without the consent of a Director or unless required by law, adversely affect the rights of the Director with respect to DSUs then held by the Director.







## COMPENSATION DISCUSSION & ANALYSIS

### Compensation and Human Resources Committee Letter to Shareholders

Dear Shareholder,

On behalf of the Board, the Compensation and Human Resources Committee (HRC Committee) oversees AGI's approach to executive compensation, including compensation decisions for the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and other members of the Senior Operations Team (SOT). These executives participate in the executive compensation program, which is designed to retain and reward executives for successfully executing the Company's strategy, and for delivering long-term value to Shareholders. The HRC Committee is pleased to provide you with an overview of AGI's performance in 2021 and a summary of our approach to determining the compensation for our NEOs.

#### 2021 Performance

Amid a difficult operating environment, AGI was able to generate record financial results in 2021, demonstrating the benefits of our diversified and resilient business model as well as the ability of the management team to adapt to rapidly changing conditions. Demand for AGI products and services was robust with all segments reporting double-digit sales growth for the year, enabling AGI to deliver record adjusted earnings before interest, taxes, depreciation and amortization ("**adjusted EBITDA**").

In response to large crop yields and low dealer inventories, particularly in the U.S. and Brazil, strong demand for both portable and storage equipment helped drive results for the Farm segment and offset the challenges of a regional drought in Western Canada.

Our Commercial platform rebounded from 2020 as many customers who delayed ordering, installation, and delivery of equipment, due to the complexities created by the COVID-19 pandemic, released projects and resumed investment programs to accommodate rising crop sizes and trade flows.

The AGI Food platform continued its growth trajectory as our differentiated design, supply, and project management service offering resonated with both core accounts and new customers. Rising demand for both greenfield and retrofit projects helped fuel the growth of the Food platform.

Our Digital segment was able to deliver strong double-digit sales growth, despite disruption to industry tradeshows and supply chain bottlenecks, both of which restricted our capacity to sell. Throughout 2021, several production initiatives were substantially completed to help reduce costs and increase capacity. In addition, progress in developing a diversified, omni-channel sales approach continued which will provide scalability and reduce the impact of tradeshow disruptions going forward. Finally, in response to ongoing customer feedback, a new subscription model for SureTrack's IoT hardware was introduced in the fourth quarter of 2021.

#### 2021 Compensation Decisions

The factors described above were reflected in the 2021 average payout of 180% of target under our short-term incentive plan (STIP) for the NEOs. This result is based on adjusted EBITDA for compensation purposes<sup>1</sup> performance of \$181 million, which was 13% above our 2021 targets, cash flow performance of \$124 million, which was 23% above our 2021 targets, and our NEOs' achievements against their strategic objectives for the year. The 2021 STIP decisions are described in more detail under "Short-Term Incentive Plan" (Item 7.8).

As described in more detail under "Equity Incentive Award Plan" (Item 7.9), in 2019 the HRC Committee undertook a review of the effectiveness of the EIAP. As a result of this review, the HRC Committee adopted several changes to the design of the Awards granted under the EIAP in the context of a multi-year transition to a program with annual grants of three-year cliff vested Awards. As part of this transition, 2021 Performance Awards were granted with a three year term and will vest ratably, with 20% vesting in 2021, 40% in 2022, and 40% in 2023 based on Company adjusted EBITDA and return on invested capital ("**ROIC**") performance. Commencing in 2022, Awards will continue to have a three-year term and will generally be cliff vested.

As described in more detail under "Equity Incentive Award Plan" (Item 7.9), the HRC Committee also awarded SureTrack Performance Awards<sup>3</sup> to the NEOs and other employees. For the SOT, these awards are 3-year cliff vested and tied to ambitious revenue targets for the Company's Digital segment. The purpose of these awards is to drive performance of the Company's strategically important Digital segment.

1. "adjusted EBITDA for compensation purposes" is a non-International Financial Standards ("IFRS") financial measure and is defined as AGI's earnings before interest, income taxes, depreciation and amortization, as may be adjusted and determined by the HRC Committee. See "Non-IFRS and Other Financial Measures" for a reconciliation of "adjusted EBITDA for compensation purposes" in 2021 to profit (loss) before income taxes, which is the most directly comparable financial measure disclosed in our financial statements.

2. "cash flow" is a non-IFRS financial measure and is defined for these purposes as adjusted EBITDA less interest expense, plus non-cash interest, less cash taxes, less maintenance capital expenditures, as may be adjusted and determined by the HRC Committee. See "Non-IFRS and Other Financial Measures" for a reconciliation of cash flow in 2021 to cash provided by operations, which is the most directly comparable financial measure disclosed in our financial statements.
3. "SureTrack Performance Awards" are Performance Awards granted under our EIAP or deferred cash equivalents that contain performance measures that are designed to reward the performance of the Company's Digital segment.

### 2022 Priorities

The HRC Committee will continue to ensure AGI's executive compensation programs and outcomes appropriately align with the strategic and financial performance of the Company. This will be accomplished through tracking of ongoing activities and metrics which drive critical financial objectives including growth of the North American and International business platforms; infrastructure and product optimization; growth in the Digital segment; and critical ESG performance. As leaders, AGI's executives are expected to lead and to drive a culture of diversity and inclusion by demanding a clear focus on creating opportunities and development for all employees.

### Shareholder Engagement

Our Board welcomes constructive engagement with our Shareholders and the HRC Committee welcomes feedback on our approach to corporate governance and executive compensation, which is one of the reasons that the Board has determined to introduce AGI's inaugural "Say on Pay" non-binding advisory vote at the 2022 annual general meeting. We invite you to write to us at [AGIHRC@aggrowth.com](mailto:AGIHRC@aggrowth.com) should you have any questions.

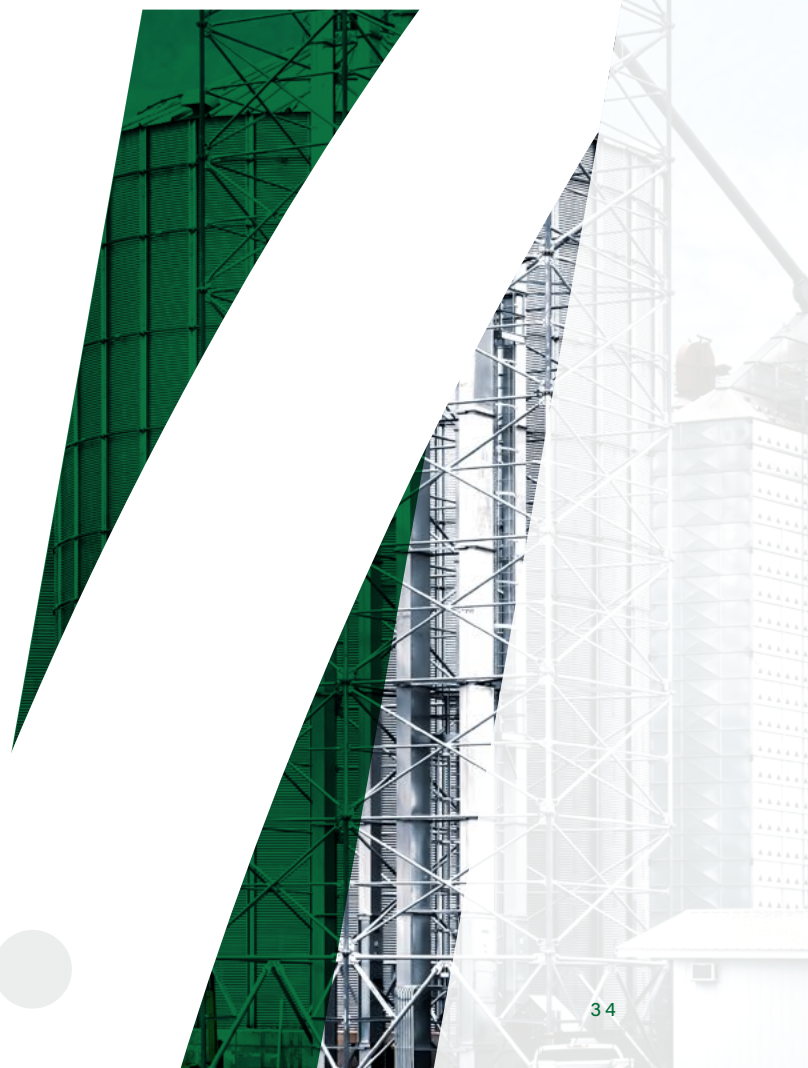
On behalf of the HRC Committee, I would like to thank you for your continuing support.

Sincerely,



**JANET GISSELMAN**

Chair, Compensation and Human Resources Committee



## 7.1

### Introduction

This Compensation Discussion and Analysis describes our compensation strategy, the compensation programs provided to our Named Executive Officers ("NEOs") and the decision-making process followed in setting compensation levels for our NEOs during 2021. This discussion should be read in conjunction with the tables and related narratives in the section entitled "Compensation of Our Named Executive Officers" (Item 8). Our NEOs for the financial year ended December 31, 2021, being our Chief Executive Officer and Chief Financial Officer and our other three most highly compensated Executive Officers whose total compensation for the year exceeded \$150,000, are:

- Tim Close, President and Chief Executive Officer
- Jim Rudyk, Chief Financial Officer
- Paul Householder, Chief Operating Officer
- David Postill, Senior Vice President, Marketing and Customer Experience
- Scott McKernan, Senior Vice President, USA

The Board has ultimate responsibility for compensation matters at AGI. The HRC Committee assists the Board in conducting a detailed review of proposed executive pay parameters and corporate policies related to compensation matters, and in providing oversight of the Company's overall compensation framework applicable to all employees. The mandate of the HRC Committee includes reviewing and making recommendations to the Board concerning the appointment of officers of the Company and the hiring, compensation, benefits and termination of senior officers and all other key employees of the Company. Each year, the Governance, Sustainability and Social Responsibility Committee assesses the skills, experience and credentials held by each HRC Committee member to ensure that the HRC Committee's members are fully qualified.

## 7.2

### Composition of the Compensation and Human Resources Committee

The HRC Committee is comprised of Janet Giesselman (Chair), Anne De Greef-Safft, Mike Frank, Malcolm (Mac) Moore and David White, each of whom is independent within the meaning of section 1.4 of National Instrument 52-110 – Audit Committees. Each of these Directors has worked in leadership roles and has specific experience in compensation matters, with an appropriate mix of experience in corporate strategy, financial and accounting matters. Further details of each HRC Committee member's relevant experience are set out below.

Janet Giesselman is a corporate director and currently serves on the board of directors of the following companies: GCP Applied Technologies, Inc. (a public Massachusetts based

construction, chemicals and materials products company), where she serves as Chair of the Compensation Committee and also serves as a member of the Governance Committee; Twin Disc, Inc. (a public Wisconsin based marine and heavy duty, off highway power transmission equipment company), where she is Chair of the Compensation and Executive Development Committee and is also a member of both the Audit and Nominating and Governance committees; Corteva Inc. (a public Wilmington based agricultural chemical and seed company) where she is a member of the Governance and the Science and Sustainability committees; and McCain Foods Limited (a private New Brunswick based frozen food produce and transportation company) where she serves as Chair of the Safety and Sustainability and Management Resources committees and is a member of the Audit Committee. Ms. Giesselman previously served on the Board of Directors of Omnova Solutions Inc. (a public Beechwood based global provider of emulsion chemicals and decorative and functional surfaces) until it was acquired by Synthomer plc in April 2020. Ms. Giesselman has over 30 years of U.S. and international agriculture, energy and specialty chemicals industry experience, having led multiple global businesses. From 2001 to 2010, she held numerous senior leadership positions with the Dow Chemical Company including Business Vice President Dow Latex, President and General Manager Dow Oil and Gas and Vice President Dow AgroSciences. Before joining Dow, Ms. Giesselman held various business leadership positions with the Rohm and Haas Company.

She holds a B.Sc., Biology from Pennsylvania State University and a Masters in Plant Pathology from the University of Florida.

**Anne De Greef-Safft** is an independent member of the boards of directors of Benchmark Electronics, Inc. (NYSE:BHE), a provider of engineering, manufacturing, and technology solutions across the entire product life cycle, and of Ambarella, Inc. (NASDAQ:AMBA) whose AI (Artificial Intelligence) semiconductor solutions are used in a wide variety of human and computer vision applications. She also provides strategic and operational consulting services to private equity firms and their portfolio companies, a role she has had since 2018. From 2015 until 2017, Anne was Group President of the Food Service Equipment Group of Standex International Corporation (NYSE:SXI). Prior to 2015, Anne held four successive positions at Danaher Corporation (NYSE:DHR) as President of increasingly complex, global operating companies over a period of 12 years. Before joining Danaher, she held various leadership positions in engineering, marketing, sales, and business development for global manufacturing companies. Anne received her MBA from Babson College in Wellesley, Massachusetts, and her Bachelor's and Master's degrees in Electronics Engineering from the Catholic University of Louvain (KU Leuven) in Belgium.

**Mike Frank** has been the President and Chief Operating Officer of UPL Corporation, a global provider of sustainable agriculture products and solutions, since January 2022. Prior thereto, Mr. Frank was Executive Vice President and CEO, Nutrien Ag Solutions at Nutrien Ltd. from 2017 to 2021, which is the world's



largest agriculture retail organization. In addition, he spent 25 years at Monsanto, with his initial years in sales, marketing and business strategy roles. He then had several general manager roles, including leading Monsanto business in China as well as the global crop protection business. In 2011, he was chosen to lead Monsanto's Global Manufacturing Operations with 90 sites in 24 countries. In 2013, Mr. Frank led all operations for Monsanto's international business and then from 2014 to 2017, he served as Senior Vice President and Chief Commercial Officer of Monsanto, leading their global commercial operations. Mr. Frank holds an MBA from Kellogg Graduate School of Management, Northwestern University and a bachelor degree in agricultural engineering from University of Saskatchewan.

**Malcolm (Mac) Moore** is the retired Executive Vice President and Chief Operating Officer of Twin Disc, Incorporated (a publicly held Wisconsin based manufacturer of marine and heavy duty, off-highway power transmission equipment). He has also served as the President and Chief Executive Officer of Gehl Company, a manufacturer and distributor of construction and agricultural equipment. In his 11 years with Gehl Company, Mac held a series of senior positions including President since 2003 and culminating with his appointment as Chief Executive Officer in 2009. Mac is also the former President and Chief Executive Officer of Digi-Star Investments LLC, a provider of specialized monitoring and electronic control systems for precision agriculture. Mac serves on the board of directors of FreightCar America, Inc. (a public Illinois based railroad car manufacturing company), where he is a member of the Compensation, Audit, and Nominating and Governance committees. Mac holds a B.S., International Business, from American University and an M.B.A. from the J. L. Kellogg Graduate School of Management-Northwestern University.

**David White** is a corporate director and currently the General Partner of First Call Services LLC, a private holding company and advisory firm. He also serves as the Chief Executive Officer of American Student Transportation Partners, an operator of a transportation services platform that partners with and provides liquidity or growth capital to student transportation operators. David has held a number of senior financial and operating positions with John Labatt Limited, Lawson Mardon Group Inc., and Laidlaw Inc., and was Chief Executive Officer of TransCare Inc., a medical transportation company, and President and Chief Operating Officer of Student Transportation of America, formerly a TSX-listed company. David is a member of the board of directors of Art's Way Manufacturing Company, Inc. (a public Iowa based diversified, international manufacturer and distributor of equipment serving agricultural, research and steel cutting needs), where he serves on the Audit Committee and chairs the Compensation Committee. David has been a Canadian Chartered Accountant since 1978, and holds a BA from the University of Western Ontario and an MBA from the University of Toronto. In 2013, David received the ICD.D designation from the Institute of Corporate Directors.

In addition to the HRC Committee's collective experience in compensation matters, HRC Committee members stay informed of developments and trends in compensation matters and applicable legal and regulatory requirements.

## 7.3

### Independent Compensation Consultant - Executive Compensation - Related and Other Fees

In March 2016, the HRC Committee formally retained Hugessen Consulting Inc. ("Hugessen") to provide it with advice on the competitiveness and effectiveness of compensation programs for the Company's top Executive Officers. In 2021, Hugessen's executive compensation services included providing the HRC Committee with: Hugessen's views on talent and compensation in the context of the Company's business; a review of the Company's proxy circular; results of executive pay benchmarking for the NEOs against comparator group companies; results of director compensation benchmarking; support with a review of the design of AGI's incentive programs; CEO performance feedback; and support with year-end pay decision making in respect of 2021. While the HRC Committee considered the information and recommendations provided by Hugessen, it ultimately relied upon its own judgement and experience in making compensation decisions.

Hugessen also provided Board effectiveness consulting services to the GS&SR Committee through a team that is separate and distinct from the Hugessen executive compensation team. These fees are shown below under "All Other Fees."

**Executive Compensation-Related Fees** – The Company paid Hugessen approximately \$312,680 and \$241,416 in fees in the 2021 and 2020 financial years, respectively, for services related to determining compensation for the Company's Executive Officers.

**All Other Fees** – The Company paid Hugessen \$101,356 and \$15,890 in the 2021 and 2020 financial years, respectively. Such fees in 2021 were related to the Board effectiveness review conducted for the GS&SR Committee as noted above, and in 2020 were related to work undertaken by Hugessen for AGI management related to executive coaching and development.

## 7.4

### Compensation Strategy

In 2021, the Company's executive compensation program was composed of: base salaries and benefits; short-term incentives in the form of bonuses under the short-term incentive plan (the "STIP"); long-term incentives in the form of the grant of restricted share awards ("Restricted Awards") and performance share awards ("Performance Awards") and together with the Restricted Awards, "Awards") under the Company's Equity Incentive Award Plan ("EIAP"); and participation in the Company's deferred profit sharing plan. Although the Company adopted a share option plan ("Option Plan") in 2021, the Company has not granted any share options ("Options") to-date.

AGI believes in paying for performance. The Company's executive compensation program is designed to link compensation to the achievement of AGI's short and medium-term corporate objectives as well as the advancement of longer-term corporate strategies. The compensation strategy for the Company is intended to accomplish the following principal objectives:

- attract Executive Officers who have demonstrated superior leadership and management skills;
- retain the services of valued members of the senior leadership team;
- link the interests of the Executive Officers with those of Shareholders including by encouraging Common Share ownership;
- motivate Executive Officers to achieve excellence within their respective areas of responsibility by rewarding performance;
- ensure that the compensation program is sufficiently flexible to adapt to unexpected developments; and
- mitigate excessive risk taking.

A combination of fixed and variable compensation is used to motivate executives to achieve overall corporate goals. Fixed salary comprises a portion of the total cash compensation; however, annual bonus incentives and long-term share- based compensation generally represent compensation that is "at risk" and thus may or may not be paid to the respective Executive Officer depending on: (i) achievements of applicable targets, including targets for adjusted EBITDA, return on invested capital ("ROIC"), and cash flow; (ii) achievement of certain non-financial objectives; and (iii) market performance of the Common Shares.

## 7.5

### Benchmarking Pay Comparator Group and Pay Positioning

The Company uses a pay comparator group to provide competitive market data to support decision making on pay levels and mix. For 2021, the comparator group was comprised of a blend of Canadian, U.S. and European companies that the HRC Committee believed reflected AGI's business model and global business scope and talent needs and which were sized within 1/3x to 3x the Company's total enterprise value or total assets at the time of initially developing the group in 2019. The peer selection process emphasized companies with a strong growth profile and with comprehensive service offerings (supply chain integration), product diversity, global diversification and, where possible, operations in the agricultural or food processing industries:

- Harsco Corporation
- Hillenbrand, Inc.
- NFI Group Inc.
- The Andersons, Inc.
- ESCO Technologies Inc.
- Interroll Holding AG
- Wesco Aircraft Holdings, Inc.
- ATS Automation Tooling Systems Inc.
- Intertape Polymer Group Inc.
- Badger Daylighting Ltd.
- Polypipe Group plc
- Ameresco, Inc.
- Bossard Holding AG
- TPI Composites, Inc.
- Thermon Group Holdings, Inc.
- Lindsay Corporation
- Tyman plc
- ForFarmers N.V.
- Ducommun Incorporated
- CanWel Building Materials Group Ltd.
- Exel Industries Societe Anonyme
- Wajax Corporation
- Rocky Mountain Dealerships Inc.
- Argan, Inc.

In late 2021, the HRC Committee, with the assistance of Hugessen, undertook a review of AGI's compensation peer group approach in light of the significant expansion and evolution of the Company's business since 2019. As a result of this review, a new comparator group comprised of a blend of U.S. (18) and Canadian (3) companies that the HRC Committee believes aligns with AGI's core business competencies, reflects the current and anticipated future direction of AGI's business, and represents the primary labour market for executive talent was developed for decisions on pay levels and mix in 2022 and beyond. European peers were excluded from the comparator group because the HRC Committee believes that, based on recent hiring practices, Europe is not a key market for senior management talent at the NEO-level for AGI nor for North American-based senior management roles generally. The pay comparator group is comprised of the following companies, all of which were sized within 1/3x to 3x the Company's total enterprise value or total revenue at the time of initially developing the group (sixteen of which were sized within both of these metrics). The peer selection process emphasized companies that are comparable in terms of size and scope, business activity (one or more of agriculture, machinery, construction and engineering, and electrical equipment and technology), labour market and geographic footprint:

- Visteon Corporation
- NFI Group Inc.
- Benchmark Electronics, Inc.
- Arcosa, Inc.
- TPI Composites, Inc.
- Wabash National Corporation
- The Manitowoc Company, Inc.
- Titan International, Inc.
- Park-Ohio Holdings Corp.
- ATS Automation Tooling Systems Inc.
- National Instruments Corporation
- IES Holdings, Inc.
- Alamo Group Inc.
- CIRCOR International, Inc.
- Matrix Service Company
- Lindsay Corporation
- NN, Inc.
- Allied Motion Technologies Inc.
- Westport Fuel Systems Inc.
- ChannelAdvisor Corporation
- Veritone, Inc.

In identifying these comparator and reference groups, the HRC Committee acknowledges that no one company is entirely comparable with AGI in terms of size, scope, industry, complexity and products and services provided. The comparator group provides the HRC Committee and the Board relevant context during their decision-making regarding market compensation levels and practices.

The HRC Committee reviews comparator group benchmark data for external market context and considers pay comparator group medians as a point of reference, but does not target executive compensation to a fixed percentile relative to the pay comparator group.

## 7.6

### Compensation Risk Assessment

As part of its oversight of the Company's compensation program, one of the HRC Committee's objectives is to ensure that the Company's compensation program provides Executive Officers with adequate incentives to achieve both short-term and long-term corporate objectives, without motivating them to take inappropriate or excessive risks. In order to minimize excessive risk-taking, the Company observes the following processes:

- AGI follows a formal process for making executive compensation decisions. After a comprehensive review by the HRC Committee, senior leadership team compensation recommendations are considered and must be approved by the full Board. No individual, or group of individuals, has undue influence on the determination of executive compensation.
- The HRC Committee retains an independent consultant to support its review of Executive Officer and Director compensation levels, pay program design and governance programs.
- A significant portion of executive compensation is at-risk (not guaranteed) and is variable year-over-year.
- The financial performance objectives of the STIP and the Performance Awards are reviewed and approved by the HRC Committee and the Board annually.
- Achievement of financial targets and other goals under the STIP and Performance Awards are reviewed and approved by the HRC Committee, the Audit Committee and the Board prior to payout.
- The STIP consists of multiple strategic and financial performance objectives, thus lessening the focus on any one in particular.
- Short and long-term incentive payouts are capped for all participants.
- Awards under the EIAP have been designed such that: they generally have a term of three years; Performance Awards vest only upon achievement of annual or three-year cumulative financial targets; and Restricted Awards generally "cliff" vest

after three years; therefore encouraging sustainable Common Share price appreciation and reducing the risk of actions which may only have short-term benefits.

- Restricted Awards and Performance Awards are granted on an annual basis, which helps to ensure that executives remain exposed to the long term risks of their decision making.
- All executives participate in the same compensation plans.
- All executives are expected to own Common Shares or Common Share equivalents representing at least one times their annual salary (two times for senior vice presidents and above and three times in the case of the CEO).
- AGI has an anti-hedging policy which ensures that executives cannot participate in speculative activity related to the Common Shares to protect themselves against declines in share price.
- The Company has in place a formal recoupment or "clawback" policy that can require the return of bonus and other incentive compensation (including Awards and Options) in the event of the restatement of the Company's financial statements due to material non-compliance with applicable financial reporting requirements.

The HRC Committee has not identified any significant areas of risk arising from the Company's compensation policies and practices that would be reasonably likely to have a material adverse effect on the Company.

### Anti-Hedging Policy

The Company's trading policy prohibits Directors and Officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Common Shares held, directly or indirectly, by the director or officer, including short sales, puts and calls.

### Share Ownership Guidelines

AGI maintains ownership guidelines for its executives to further align executive and Shareholder interest as set out in AGI's Share Ownership Policy. The minimum Common Share ownership guideline is to meet and maintain ownership of a minimum value of Common Shares representing at least: for the CEO, three (3) times base salary; for executive and senior vice presidents including the chief operating officer, two (2) times base salary; and for vice presidents, one (1) times base salary. For the purposes of the Share Ownership Policy, Common Shares owned, directly or indirectly, by the executive or his or her immediate family members residing in the same household, any Common Shares acquired and held through AGI's Registered Retirement Savings Plan and Deferred Profit Sharing Plan, and any Restricted Awards (but not unvested Performance Awards) granted under the EIAP are included in the total value of Common Shares owned. Executives have five years from the date of their appointment to their executive position at AGI to accumulate the minimum number of Common Shares.



Executives are deemed to have satisfied the ownership guidelines if either (i) the aggregate price paid or deemed to be paid by the executive for the Common Shares held equals or exceeds the relevant multiple of his or her current annual base salary, or (ii) the market value of the Common Shares based on the trading price of the Common Shares on the TSX at the time of calculation equals or exceeds such amount.

The following table illustrates the ownership holdings of the NEOs as of March 16, 2022.

	Number of Common Shares held	Number of Restricted Awards held	Value of Common Shares, Performance Awards, and Restricted Awards <sup>(1)</sup>	Multiple of Base Salary Value Represents <sup>(2)(3)</sup>
TIM CLOSE	203,068	36,814	\$9,787,186	12.23
JIM RUDYK <sup>(4)</sup>	215	11,226	\$466,793	0.93
PAUL HOUSEHOLDER	5,091	40,647	\$1,866,110	4.39
DAVID POSTILL <sup>(5)</sup>	8,477	7,231	\$640,886	1.83
SCOTT MCKERNAN <sup>(6)</sup>	1,531	9,134	\$435,132	1.18

1. Based on the closing price of the Common Shares on the TSX on March 16, 2022, of \$40.80.
2. Figures for Mr. Householder and Mr. McKernan have been converted into Canadian dollars at an exchange rate of U.S. \$1.00 : CDN \$1.2678, being the exchange rate in effect on December 31, 2021.
3. Figures for Mr. Householder and Mr. McKernan have been converted into Canadian dollars at an exchange rate of U.S. \$1.00 : CDN \$1.2678.
4. Mr. Rudyk has until September 2025 to meet the minimum share ownership guidelines as his employment with AGI commenced in September 2020.
5. Mr. Postill has until October 2022 to meet the minimum share ownership guidelines as his employment with AGI commenced in October 2017.
6. Mr. McKernan has until October 2024 to meet the minimum share ownership guidelines as his employment with AGI commenced in October 2019.

### Clawback Policy

AGI has in place a formal recoupment or "clawback" policy on executive incentive compensation including, without limitation, bonuses under the STIP, Awards under the EIAP and Options under the Option Plan that may be awarded or granted to our CEO, CFO, COO, Executive Vice Presidents and Senior Vice President, Legal when: (i) there is a restatement (a "Restatement") of the Company's financial statements due to AGI's material non-compliance with any applicable financial reporting requirement under securities laws; (ii) the executive received incentive compensation calculated on the achievement of those financial results; and (iii) the incentive compensation received would have been lower had the financial statements been properly reported. The policy provides that when there is a Restatement, the Board may, in its discretion, on the recommendation of the HRC Committee, require the executive to repay the amount of incentive compensation relating to the year(s) subject to the Restatement (or received upon exercise or payment of incentive compensation in or following the year(s) subject to the Restatement) that is in excess of the incentive compensation the executive would have received if the incentive compensation had been computed in accordance with the results as restated, calculated on an after-tax basis.

## 7.7

### Base Salary and Benefits

Base salaries for each NEO for the financial year ended December 31, 2021 were based on an assessment of factors including current competitive market conditions, comparable compensation levels and the particular skills of the NEO, such as leadership ability, management effectiveness, and the experience, responsibility and proven or expected performance of the NEO.

The following table sets forth the annualized base salaries for each of the NEOs for the financial year ended December 31, 2021.

NEO	Annualized Base Salary
TIM CLOSE	\$800,000
JIM RUDYK	\$500,000
PAUL HOUSEHOLDER	USD \$335,000
DAVID POSTILL	\$350,000
SCOTT MCKERNAN	USD \$291,740

Base salary and benefits for the CEO, the CFO, and the COO are determined by the Board on the recommendation of the HRC Committee (having regard to the recommendations made by the CEO in the case of the CFO and COO) and for the other NEOs are determined by the CEO, subject to the review and approval of the HRC Committee and the Board. Base salary and benefits are targeted to approximate comparable programs in other companies of comparable market capitalization and operations to the Company including in particular the pay comparator group described above. The Board, the HRC Committee and the CEO have made use of both internal and third-party compensation studies to assist in their determination of the appropriate levels of compensation. Salaries and benefits are generally reviewed annually and adjustments are made when determined appropriate.

## 7.8

### Short-Term Incentive Plan

The NEOs, together with other key employees, participate in the STIP that provides for annual bonus payments as a percentage of base salary. The STIP is intended to align the annual bonus payable to the NEOs with the Company's financial and operational performance and strategic objectives.

In 2021, the target STIP weighting established by the Board was as follows for each of the NEOs:

- 50% for the achievement of the following corporate financial objectives
  - adjusted EBITDA (40%);
  - cash flow (10%); and
- 50% for the achievement of individual objectives, which are directed at the Company's strategic objectives and operational priorities. Individual objectives are determined by the HRC Committee relative to strategic initiatives assigned to each executive as well as other individual objectives.

The following table sets forth the 2021 corporate financial targets for the STIP<sup>4</sup>.

STIP FINANCIAL OBJECTIVE	Target		
	50% PAYOUT	100% PAYOUT	200% PAYOUT
ADJUSTED EBITDA FOR BONUS PURPOSES (40%)	\$140 million	\$160 million	\$185 million
CASH FLOW FOR BONUS PURPOSES (10%)	\$82 million	\$101 million	\$125 million

In 2021, our adjusted EBITDA achievement used to determine STIP awards of \$181 million resulted in a score of 184% for this metric (weighted at 40%), and cash flow achievement of \$124 million resulted in a score of 195% for this metric (weighted at 10%).

The remaining 50% of our NEOs' STIP outcomes were tied to the Individual Performance Score, which is evaluated based on achievement of individual objectives.

NEO	Individual Performance Score
TIM CLOSE	150%
JIM RUDYK	200%
PAUL HOUSEHOLDER	200%
DAVID POSTILL	175%
SCOTT MCKERNAN	200%

Entering 2021, we were coming off a challenging year as the pandemic presented many new and unforeseen obstacles to operating our business. However, given the efforts of the team across AGI, and our Preparation with Progress plan, we were still able to generate strong sales and adjusted EBITDA in 2020, broadly in-line with 2019 levels. Given the proven resilience of our business model, and strength of our backlog entering 2021, we again established ambitious STIP targets entering the year. We had confidence our targets were possible given our strong competitive position in the Farm segment, rising customer appetite to increase capacity in our Commercial platform, robust demand visibility in our Food platform, and growing customer awareness within the Digital segment. In addition, we were optimistic about the strength and momentum in our International geographies – particularly Brazil, EMEA, and India – where our recent investments to support growth and profitability were continuing to build momentum.

- Corporate financial targets were used to calculate STIP achievement for Mr. Close, Mr. Rudyk, Mr. Householder, and Mr. Postill. Mr. McKernan's STIP achievement was tied to adjusted EBITDA targets for our North America region (10%) and US Farm segment (40%).

However, 2021 brought further obstacles for the team to overcome. Ongoing challenges related to the pandemic created significant supply chain and procurement issues. In particular, steel markets were characterized by extreme volatility in pricing and availability, creating unprecedented challenges for our operations. As a critical input to many AGI products, an unpredictable steel market posed significant challenges to production, product delivery, and our overall margin profile. Our team reacted swiftly, implementing new procedures and practices to minimize the impact of escalating steel cost inflation, along with rising costs for several other key inputs. Our ability to effectively manage operations, mitigate cost pressure, and achieve adjusted EBITDA margins approximately in-line with 2020 was a major achievement and a testament to our resilient business model.

In addition, Western Canada faced significant drought conditions throughout 2021. Several years ago, regional events such as

this would have created a more pronounced impact on consolidated AGI results. Due to our multi-year, strategic focus to diversify our business across product lines, end markets, and geographies, we were able to manage the situation in Western Canada without impacting AGI as a whole. For example, AGI Brazil became a meaningful contributor in 2021, representing approximately 10% of total sales, and served to support AGI's growth profile as well as helping to offset the situation in Western Canada. The strong results of our other regions, notably U.S., India, and EMEA, provided further growth and stability to overall results as well.

Despite the challenges throughout 2021, AGI generated record sales of \$1.2 billion as well as record adjusted EBITDA of \$176 million, while holding adjusted EBITDA margins approximately in-line with 2020. The agile decision making throughout the pandemic, along with the benefits of a diversified business model, has proven to be incredibly resilient and capable of finding ways to thrive amid extremely challenging conditions.

In addition to the above factors, the HRC Committee considered the following accomplishments by the Company and the NEOs in evaluating AGI's performance in 2021:

- Completed the acquisition of Farmobile, Inc., a vital component of our Digital segment offering
- Record year in both sales volume (\$1.2 billion), adjusted EBITDA (\$176 million) and backlog (up 47% over the same time last year) despite the challenges caused by pandemic-related project delays, logistics, and significant supply chain disruption
- Accelerating success in international regions with 20% sales growth in 2021, doubling the 10% growth from 2020
- Managed an unprecedented steel and supply chain environment, with significant volatility in both pricing and availability of critical inputs, without significant impact to margins or profitability
- Significant momentum and growth in our Brazilian business, with sales now approximately 10% of total AGI sales and a margin profile that is rapidly closing the gap to global corporate averages
- Continued progress in building the management team with the creation of the COO role and staffing of several key global leadership positions including VP, Product Management and VP, Manufacturing
- Opened a Center of Excellence for Commercial and Farm segment project work in Chicago, IL with supporting teams established for applications engineering, customer success, global production management, and sales execution
- Mitigated the impact of the pandemic by establishing detailed health and safety protocols including personal protection equipment and physical distancing mandates, stringent cleaning practices, and robust tracing and tracking activities

The following table sets out for the NEOs the STIP target as a percentage of salary, achievement level and payout for 2021.

NEO	Target % of Base Salary	STIP Achievement	STIP Payout
TIM CLOSE	100%	168%	\$1,345,069
JIM RUDYK	80%	193%	\$772,537
PAUL HOUSEHOLDER <sup>(5)</sup>	80%	193%	\$1,056,089
DAVID POSTILL	80%	181%	\$505,777
SCOTT MCKERNAN	60%	197%	\$436,375

5. This value includes a C\$400,000 supplementary payment in recognition of Mr. Householder's strong performance as COO throughout 2021, including his contributions to AGI's 2021 financial achievement and progression of key strategic objectives.

## 7.9

### Equity Incentive Award Plan

Individual key employees of the Company are chosen by the Board on the recommendation of the HRC Committee and the CEO to receive grants of Awards under the EIAP. In each case, individual allocations of Awards are determined based on a number of factors including each individual's position, level of responsibility, and overall Company, division and individual performance, as well as the individual's receipt in previous years of share-based compensation awards and the individual's existing shareholdings in the Company.

In 2019 the HRC Committee undertook a review of the effectiveness of the EIAP. As a result of this review, the HRC Committee adopted



several changes to the design of the Awards granted under the EIAP in the context of a multi-year transition to a program with annual grants of three-year cliff vested Awards. As part of this transition, 2021 Performance Awards were granted with a three year term and will vest ratably (as described below). Commencing in 2022, Awards will continue to have a three-year term and will generally be cliff vested.

## Performance Awards

### Corporate Performance Awards

In 2021, each of the NEOs received a grant of Performance Awards that vest ratably with 20% vesting in 2021, 40% in 2022, and 40% in 2023 based on the level of the Company's adjusted EBITDA (50% weighting) and return on invested capital (50% weighting) during each of the three annual performance periods.

Under the terms of the Performance Awards, the NEOs, including the CEO, may receive no payout if minimum adjusted EBITDA thresholds are not achieved.

### SureTrack Performance Awards<sup>6</sup>

In 2021, each of the NEOs received a grant of SureTrack Performance Awards which are 3-year cliff vested and tied to ambitious Digital segment (including SureTrack) revenue targets. The purpose of these awards is to drive performance of the Company's strategically important Digital segment. Under the terms of the SureTrack Performance Awards, the NEOs, including the CEO, may receive no payout if minimum performance thresholds are not achieved.

6. "SureTrack Performance Awards" are Performance Awards granted under our EIAP or deferred cash equivalents that contain performance measures that are designed to reward the performance of the Company's Digital segment.
7. The CEO, CFO, and COO's SureTrack Performance Awards were awarded through a special deferred cash award, the structure of which is substantially similar to the SureTrack Performance Awards described above (i.e., three-year cliff vested and tied to ambitious Digital segment (including SureTrack) revenue targets).

## Restricted Awards

In 2021, each of the NEOs received a grant of Restricted Awards that "cliff" vest as to 100% at the end of their three-year term.

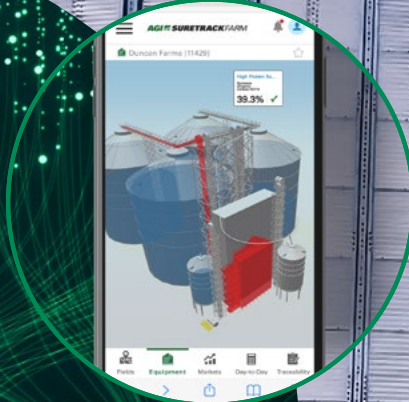
See "Compensation of Our Named Executive Officers – Summary Compensation Table" (Item 8.2), "Compensation of Our Named Executive Officers – Outstanding Share-Based Awards" (Item 8.3) and "Compensation of Our Named Executive Officers – Incentive Plan Awards – Value Vested or Earned During The Year" (Item 8.4) for more information on the Awards granted to and held by the NEOs and "Compensation of Our Named Executive Officers – Summary Description of Equity Incentive Award Plan" (Item 8.6) for additional information on the EIAP and the Awards.

The following table sets forth for each NEO the EIAP Awards granted in 2021.

	Share Based Awards					
	Equity Incentive Award Plan					
	Number of Restricted Awards	Grant Value of Restricted Awards <sup>(1)</sup>	Number of Performance Awards	Grant Value of Performance Awards <sup>(1)</sup>	Number of SureTrack Performance Awards	Grant Value of Performance Awards
TIM CLOSE	13,280	\$528,000	19,920	\$792,000	NA <sup>(2)</sup>	\$400,000 <sup>(2)</sup>
JIM RUDYK	7,545	\$300,000	5,030	\$200,000	NA <sup>(2)</sup>	\$125,000 <sup>(2)</sup>
PAUL HOUSEHOLDER	6,572	\$261,300	4,381	\$174,200	NA <sup>(2)</sup>	\$108,570 <sup>(2)</sup>
DAVID POSTILL	4,131	\$164,239	2,754	\$109,493	1,761	70,000
SCOTT MCKERNAN	3,434	\$136,534	2,289	\$91,023	1,908	75,852

1. The grant value of Awards was based on the closing price of the Common Shares on the TSX on the last trading day before the date that the number of Awards to be granted were determined, being \$39.76 for the grant of Restricted Awards and \$39.76 for the grant of Performance Awards.
2. The SureTrack Performance Awards for these executives were awarded through a special deferred cash award, the structure of which is substantially similar to the SureTrack Performance Awards granted to the other NEOs.
3. In recognition of his promotion to COO, Mr. Householder was also granted an additional 12,575 Restricted Awards in 2021, with 7,545 vesting at the end of 2021, and the remaining 5,030 vesting at the end of 2022.







### Deferred Profit Sharing Plan

The Company sponsors a group Registered Retirement Savings Plan (the "Group RRSP") and a group Deferred Profit Sharing Plan (the "DPSP"). Eligible employees may make voluntary contributions to the Group RRSP of up to 5% of the employee's base salary, which the Company matches with contributions to the DPSP. All NEOs are eligible to participate in the Group RRSP/DPSP. All Company contributions to the DPSP vest immediately and there are no restrictions on employee withdrawals.

## 7.10

### Employee Share Purchase Plan

The Company has an employee share purchase plan pursuant to which eligible employees may contribute a maximum of 3% of their base salary to purchase Common Shares. Participants receive a Company contribution equal to 25% of their contributions. The trustee under the plan acquires Common Shares at market price for the benefit of participants through the facilities of the TSX using monies contributed to the plan. Employees who receive grants of Performance Awards, which includes all of the NEOs, are not eligible to participate in the plan.

## 7.11

### 2021 CEO Compensation

#### Determination of Target Total Direct Compensation

The HRC Committee reviews compensation on a target total direct compensation or "TDC" basis. In 2021, target TDC consisted of: (i) base salary, (ii) target STIP awards, and (iii) Awards granted under the EIAP.

#### 2021 CEO Target Total Direct Compensation and Positioning

In the normal course, the HRC Committee and the Board reviewed market pay levels and Mr. Close's performance in the CEO role in 2021. The Board was very satisfied with the CEO's performance in 2021 with strong corporate and individual performance results. With 2022 representing Mr. Close's seventh full year in the CEO role, and taking other relevant factors into account, the HRC Committee and the Board approved a 2021 target annualized TDC of \$3.3 million for the CEO (which represents a 14% increase from his target annualized TDC of \$2.9 million in 2020). The increase in Mr. Close's compensation was provided in the form of his grant of SureTrack Performance Awards, as described in "Equity Incentive Award Plan" (Item 7.9) above. This target positioned his compensation, on a target TDC basis, slightly above median of the 2021 peer group. In order to achieve this target TDC of \$3.3 million, the HRC Committee (i) maintained the CEO's base salary at \$800,000, (ii) maintained the CEO's target STIP at 100% of base salary, and (iii) increased the CEO's target annual EIAP value to 215% of base salary, which was delivered approximately 46% in Performance Awards, approximately 23% in SureTrack Performance Awards (for a combined 69% in Performance Awards and/or deferred cash equivalents), and 31% in Restricted Awards.

The table below illustrates the CEO's 2021 target TDC as contemplated by the Board.

Compensation Element	2021 Target Total Direct Compensation (Annualized)
SALARY	\$800,000
STIP	\$800,000
EIAP <sup>(1)</sup>	\$1,720,000
TOTAL DIRECT COMPENSATION	\$3,320,000

1. Consists of \$792,000 in Performance Awards, \$528,000 in Restricted Awards, and \$400,000 in SureTrack Performance Awards.

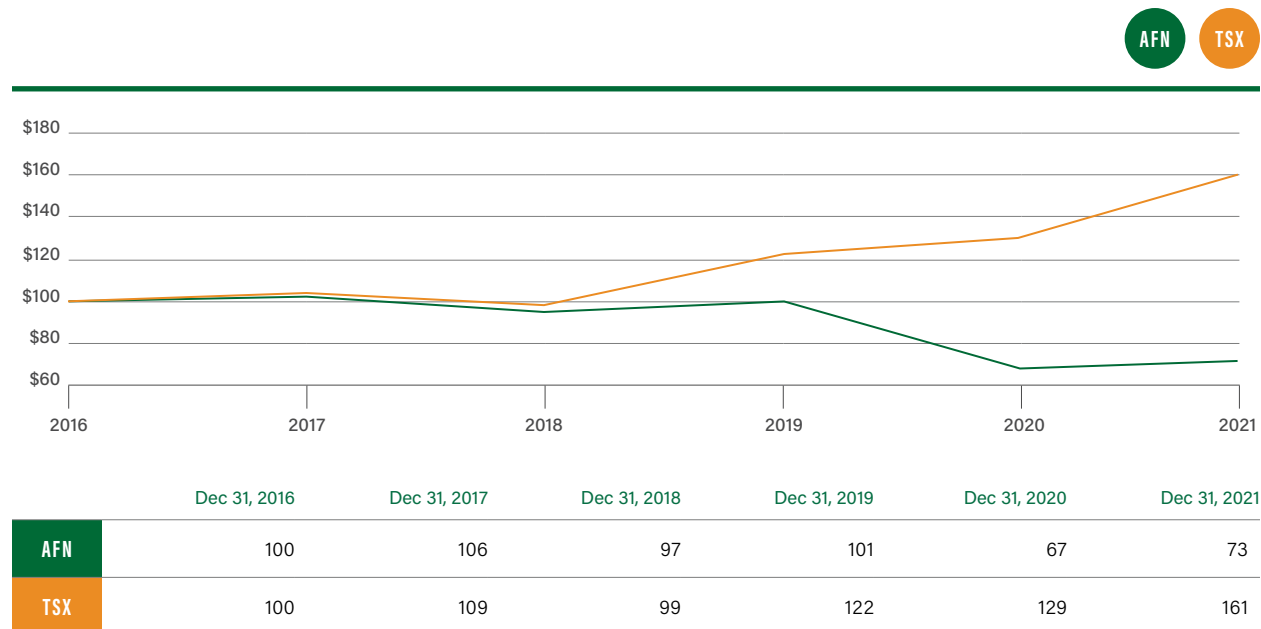


## COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

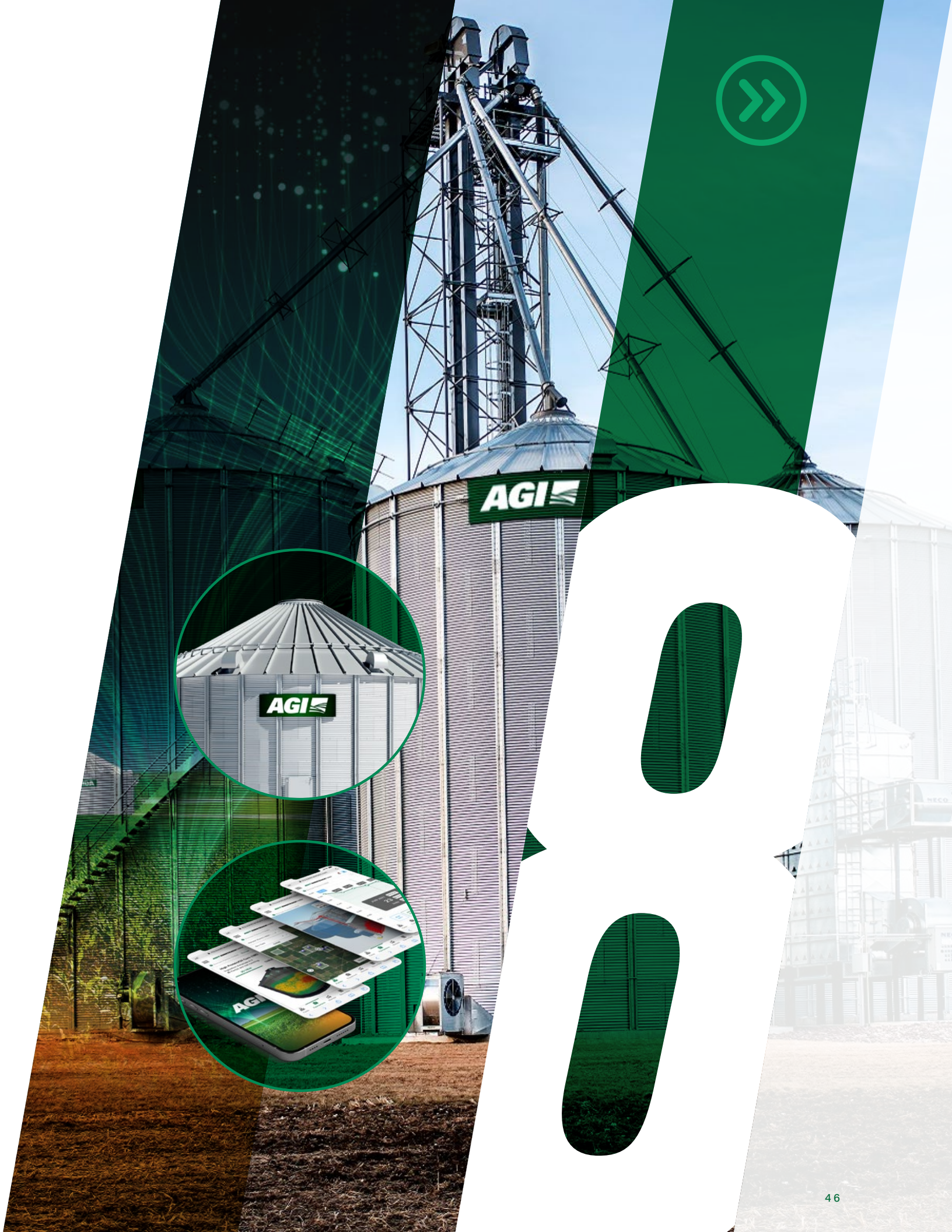
### 8.1

#### Performance Graph

The following graph compares the cumulative total Shareholder return from an investment of \$100 in Common Shares of the Company made at January 1, 2017 (and assuming all dividends are reinvested) with the cumulative total return of a similar investment in the group of issuers comprising the S&P/TSX Composite Index:



During the period from January 1, 2017 to December 31, 2021, the total cumulative return on the Common Shares was approximately (27%), compared to approximately 55% for the S&P/TSX Composite Index. During the same period, the average compensation of the NEOs increased by approximately 46%. From December 31, 2016 to December 31, 2021, the size and complexity of the Company grew substantially: total assets – 87% increase; adjusted EBITDA – 76% increase; sales – 125% increase; and number of employees – 124% increase.



## 8.2

### Summary Compensation Table

The following table sets out compensation related to the fiscal year ended December 31, 2021. Included are: the President and Chief Executive Officer and the Chief Financial Officer of the Company; the other three most highly compensated Executive Officers, other than the Chief Executive Officer and Chief Financial Officer, that served as Executive Officers of AGI during the year ended December 31, 2021 and whose total compensation for the year exceeded \$150,000.

Name and Principal Position	Year	Salary	Share Based Awards <sup>(1)</sup>	Option Based Awards <sup>(2)</sup>	Non-equity Incentive Plan Compensation			Total Compensation
					Annual Incentive Plans <sup>(3)</sup>	Long-term Incentive Plans	All Other Compensation <sup>(4)</sup>	
TIM CLOSE President and CEO	2021	\$800,000	\$1,720,032	NIL	\$1,345,069	NIL	\$23,515	\$3,888,616
	2020	\$800,000	\$1,144,270	NIL	\$600,000	NIL	\$23,215	\$2,567,485
	2019	\$800,000	\$1,060,960 <sup>(5)</sup>	NIL	\$480,000	NIL	\$13,250	\$2,354,210
JIM RUDYK <sup>(6)</sup> Chief Financial Officer	2021	\$500,000	\$624,982	NIL	\$772,537	NIL	\$33,115	\$1,930,634
	2020	\$138,462	\$152,324	NIL	\$83,077	NIL	\$6,613	\$380,476
PAUL HOUSEHOLDER <sup>(7)(8)</sup> Chief Operating Officer	2021	\$424,713	\$1,044,043 <sup>(10)</sup>	NIL	\$1,056,089	NIL	\$133,251	\$2,658,096
	2020	\$362,805	\$417,795	NIL	\$217,683	NIL	NIL	\$998,283
	2019	\$177,961	\$1,130,625 <sup>(5)</sup>	NIL	\$85,421	NIL	NIL	\$1,394,006
DAVID POSTILL SVP, Marketing & Customer Experience	2021	\$350,000	\$343,748	NIL	\$505,777	NIL	\$13,915	\$1,213,440
	2020	\$350,000	\$140,882	NIL	\$210,000	NIL	\$13,615	\$714,497
	2019	\$300,000	\$324,240	NIL	\$67,170	NIL	\$15,000	\$706,410
SCOTT MCKERNAN <sup>(8)(9)</sup> SVP, USA	2021	\$369,868	\$303,399	NIL	\$436,375	NIL	\$11,373	\$1,121,016
	2020	\$358,827	\$149,047	NIL	\$161,472	NIL	\$1,656	\$671,002
	2019	\$45,058	\$234,889	NIL	NIL	NIL	NIL	\$279,947

- Amounts are based on the grant date fair value of the Awards granted under the EIAP, which were calculated by multiplying the number of Awards granted to the applicable NEO by the closing price of the Common Shares on the TSX on the last trading day before the date that the number of Awards to be granted were determined, being: (i) \$46.32 for the grant of all Awards made to the NEOs (other than Mr. Householder) in 2019; (ii) \$54.27 for the grant of Awards made to Mr. Householder in 2019; (iii) \$22.55 for the grant of Restricted Awards and \$30.17 for the grant of Performance Awards made to the NEOs (other than Mr. Rudyk) in 2020; (iv) \$27.62 for the grant of Awards made to Mr. Rudyk in 2020; and (v) \$39.76 for the grant of all Awards made to the NEOs in 2021. The actual value realized upon the vesting and payment in respect of such Awards may be greater or less than the grant date fair value indicated. See also note (10) below.
- The Company does not have any outstanding option-based awards.
- Represents amounts paid under the Company's STIP. See "Compensation Discussion & Analysis – Short-Term Incentive Plan" (Item 7.8).
- Represents matching contributions made by the Company for each of the NEOs under the Deferred Profit Sharing Plan or, in the case of Mr. Close, the matching contribution made by the Company to his registered retirement savings plan. See "Compensation Discussion & Analysis – Deferred Profit Sharing Plan" (Item 7.10). Other perquisites and personal benefits of the NEOs aggregate less than \$50,000 or 10% of the NEO's total salary.
- The amount in the table reflects the grant date fair value of the Awards granted to the NEO in 2019 after giving effect to the cancellation of two-thirds of the Performance Awards granted to the NEO in 2019, which was done in the context of transitioning to an annual EIAP granting approach. The grant date fair value of the Awards granted to Messrs. Close and Householder, before giving effect to such cancellation was \$2,475,572 and \$1,546,695 respectively.
- Mr. Rudyk's employment with AGI commenced in September 2020. His annualized salary in 2020 was \$500,000, with \$138,462 being the salary earned in 2020.
- Mr. Householder's employment with AGI commenced in June 2019, and he was promoted to COO in March 2021.
- Figures for Mr. Householder and Mr. McKernan have been converted from U.S. dollars into Canadian dollars at an exchange rate of U.S. \$1.00 : CDN \$1.2678, being the exchange rate on December 31, 2021.



9. Mr. McKernan's employment with AGI commenced in October 2019.
10. The SureTrack Performance Awards granted to these executives in 2021 (Mr. Close-\$400,000; Mr. Rudyk-\$125,000; Mr. Householder-\$108,570) were awarded through a special deferred cash award, the structure of which is substantially similar to the SureTrack Performance Awards described in "Equity Incentive Award Plan – Performance Awards" (Item 7.9) (i.e., three-year cliff vested and tied to ambitious Digital segment (including SureTrack) revenue targets). These deferred cash awards are not included in the table, but rather will be reported if and when they vest.

## 8.3

### Outstanding Share-Based Awards

The following table sets forth for each NEO all share-based awards outstanding as at December 31, 2021. The Company does not have any outstanding option-based awards.

	Share Based Awards	
	Equity Incentive Award Plan	
	Number of Common Shares that have not vested	Market value of Common Shares that have not vested <sup>(1)</sup>
TIM CLOSE	52,750	\$1,671,120
JIM RUDYK	15,250	\$483,120
PAUL HOUSEHOLDER	44,152	\$1,398,729
DAVID POSTILL	9,434	\$298,875
SCOTT MCKERNAN	10,965	\$347,378

1. Based on the closing price of the Common Shares on the TSX on December 31, 2021 of \$31.68 and assuming a payout multiplier of 100% in the case of Common Shares underlying unvested Performance Award

## 8.4

### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each NEO the value of share-based awards which vested during the year ended December 31, 2021 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2021. The Company does not have any outstanding option-based awards.

	Value Vested or Earned During the Year	
	Share-based awards <sup>(1)</sup>	Non-equity incentive plan compensation <sup>(2)</sup>
TIM CLOSE	\$536,581	\$1,345,069
JIM RUDYK	\$18,145	\$772,537
PAUL HOUSEHOLDER	\$59,344	\$1,056,089
JIM VIS	\$149,734	\$367,268
GEORGE VIS	\$149,734	\$322,780
DAVID POSTILL	\$171,231	\$505,777
SCOTT MCKERNAN	\$20,771	\$436,375

1. Represents Common Shares issued upon the vesting of Awards granted under the EIAP that vested in 2021 based on the closing price of the Common Shares on the TSX on the applicable vesting date.
2. Annual cash bonus payments earned under the STIP.

## 8.5

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out information in respect of securities authorized for issuance under the Company's equity compensation plans as at December 31, 2021.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (including Deferred Shares and Awards)	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (including Awards and Options)
Equity compensation plans approved by security holders	618,370 <sup>(1)</sup>	NA	652,571 <sup>(1)</sup>
Equity compensation plans not approved by security holders	NIL	NA	NIL
<b>TOTAL</b>	<b>618,370</b>	<b>NA</b>	<b>652,571</b>

- As at December 31, 2021: (i) a total of 120,000 Common Shares had been approved for issuance under the DDCP, 19,788 of which had been issued, 100,212 of which were reserved for issuance pursuant to outstanding Deferred Shares granted under the DDCP, and nil of which were available for issuance pursuant to future grants of Deferred Shares; (ii) a total of 1,565,000 Common Shares had been approved for issuance under the EIAP, 894,271 of which had been issued, 518,158 of which were reserved for issuance pursuant to outstanding Awards granted under the EIAP, and 152,571 of which were available for issuance pursuant to future grants of Awards; and (iii) a total of 500,000 Common Shares had been approved for issuance under the Option Plan, all of which were available for issuance pursuant to future grants of Options (at December 31, 2021, no Options had been granted under the Option Plan).

## 8.6

### Summary Description of Equity Incentive Award Plan

The principal purposes of the Equity Incentive Award Plan, which was originally approved by Shareholders in 2012 and amended in 2016, 2018, 2020 and 2021, are: (i) to retain and attract qualified service providers that the Company and its affiliates require; (ii) to promote a proprietary interest in the Company by such service providers and to encourage such persons to remain in the employ or service of the Company and its affiliates and put forth maximum efforts for the success of the business of the Company and its affiliates; and (iii) to focus management of the Company and its affiliates on operating and financial performance and the growth and profitability of the Company.

Incentive-based compensation such as the EIAP is an integral component of compensation for the NEOs and other senior management. The attraction and retention of qualified senior management has been identified as one of the key risks to the Company's long-term strategic growth plan. The EIAP is intended to maintain the Company's competitiveness to facilitate the achievement of its long-term goals. In addition, this incentive-based compensation is intended to reward senior management for meeting certain pre-defined operational and financial goals which have been identified for increasing long-term total Shareholder return.

Under the terms of the EIAP, any service provider may be granted Restricted Awards or Performance Awards. In determining the service providers to whom Awards may be granted ("Grantees"), the number of Common Shares underlying each Award, the number of Awards granted, and the allocation of the Awards between Restricted Awards and Performance Awards, the HRC Committee may take into account such factors as it shall determine in its sole discretion, including any one or more of the following factors:

- compensation data for comparable benchmark positions among the Company's peer comparison group or among other comparison groups;
- the duties, responsibilities, position and seniority of the Grantee;
- corporate performance measures for the applicable period compared with internally established performance measures approved by the HRC Committee and/or similar performance measures of members of the Company's peer comparison group or among other comparison groups for such period;
- the individual contributions and potential contributions of the Grantee to the success of the Company;

- e. any bonus payments paid or to be paid to the Grantee in respect of his or her individual contributions and potential contributions to the success of the Company; and
- f. the market value or current market price of the Common Shares at the time of such Award.

**Restricted Awards and Performance Awards:** The Company may grant Restricted Awards and Performance Awards that, at the option of the Company, either: (a) entitle the holder on vesting to be issued the number of Common Shares designated in the Restricted Award or Performance Award, as applicable; or (b) entitle the holder on vesting to receive an amount equal to the value of the Restricted Award or Performance Award, as applicable, (being an amount equal to the number of Awards multiplied by the fair market value of the Common Shares), which amount will in the sole and absolute discretion of the Company (and without the consent of the Grantee), be settled in (i) cash, (ii) Common Shares acquired by the Company on the TSX, (iii) Common Shares issued from the treasury of the Company, or (iv) any combination of the foregoing. In the case of Performance Awards, the number of Common Shares issuable or the value of the Award, as applicable, is multiplied by a payout multiplier. The payout multiplier is determined by the HRC Committee based on an assessment of the achievement of pre-defined corporate performance measures in respect of the applicable period as determined by the HRC Committee. The payout multiplier may not be less than 0% or more than 200%.

See "Compensation Discussion & Analysis - Equity Incentive Award Plan" (Item 7.9) for information on the principal terms of the Restricted Awards and Performance Awards granted to the NEOs.

**Dividend Equivalents:** At the discretion of the Board, the EIAP provides for cumulative adjustments to the number of Common Shares to be issued pursuant to Awards on each date that dividends are paid on the Common Shares by an amount equal to a fraction having as its numerator the amount of the dividend per Common Share and having as its denominator the price, expressed as an amount per Common Share, paid by participants in the Company's Dividend Reinvestment Plan, if any, to reinvest their dividends in additional Common Shares on the applicable dividend payment date, provided that if the Company has suspended the operation of such plan or does not have such a plan, then the reinvestment price shall be equal to the fair market value of the Common Shares on the trading day immediately preceding the dividend payment date. Under the EIAP, in the case of a non-cash dividend, including Common Shares or other securities or property, the HRC Committee will, in its sole discretion and subject to the approval of the TSX, determine whether or not such non-cash dividend will be provided to the Grantee and, if so provided, the form in which it shall be provided.

**Limitation on Common Shares Reserved and Burn Rate:** The EIAP provides that the maximum number of Common Shares reserved for issuance from time to time and that may be issued pursuant to Awards shall not exceed 1,565,000 Common Shares,

being approximately 8.3% of the outstanding Common Shares.

As at December 31, 2021, 894,271 Common Shares (approximately 5% of the outstanding Common Shares) had been issued pursuant to Awards granted under the EIAP, 518,158 Common Shares (approximately 3% of the outstanding Common Shares) remained issuable pursuant to outstanding Awards, and 152,571 Common Shares (approximately 1% of the outstanding Common Shares), remained available for issuance pursuant to new grants of Awards. The burn rate for the EIAP for the fiscal years ended December 31, 2021, 2020 and 2019, being defined as the total number of Awards granted, net of cancellations, forfeitures and modifications, in the applicable fiscal year divided by the weighted average number of Common Shares outstanding for such fiscal year, was approximately 1.01%, 0.61% and 1.68%, respectively.

**Limitations on Awards:** The aggregate number of Common Shares issuable pursuant to Awards granted to any single service provider shall not exceed 5% of the issued and outstanding Common Shares, calculated on an undiluted basis and assuming all Awards will be settled in Common Shares. In addition: (i) the number of Common Shares issuable to insiders at any time, under all security based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares; and (ii) the number of Common Shares issued to insiders, within any one year period, under all security based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares. Awards may not be granted to non-management Directors.

**Black-out Periods:** If a Grantee is prohibited from trading in securities of the Company as a result of the imposition by the Company of a trading blackout (a "Blackout Period") and the issue or payment date of the Common Shares underlying an Award held by such Grantee falls within the Blackout Period, then the issue or payment date of such Common Shares shall be extended to the date that is ten business days following the end of such Blackout Period; provided that if the expiry date of the Awards would occur as a result of such extension, the Awards will be settled on the expiry date in cash rather than Common Shares.

**Change of Control:** In the event of a Change of Control of the Company (as defined in the EIAP), unless otherwise determined by the HRC Committee, the issue date(s) applicable to the Awards will be accelerated such that the Common Shares to be issued pursuant to such Awards will be issued immediately prior to the date upon which the Change of Control is completed and the payout multiplier applicable to any Performance Awards shall be determined by the HRC Committee.

**Early Termination Events:** Pursuant to the EIAP, unless otherwise determined by the HRC Committee or unless otherwise provided in an award agreement pertaining to a particular Award or any written employment or consulting agreement governing a Grantee's role as a service provider, the following provisions shall apply in the event that a Grantee ceases to be a service provider:



- a. **Death** - If a Grantee ceases to be a service provider as a result of the Grantee's death, the issue date for all the Common Shares awarded to such Grantee under any outstanding Awards shall be accelerated to the cessation date, provided that the President and Chief Executive Officer of the Company in the case of a Grantee who is not an Officer, and the HRC Committee in all other cases, taking into consideration the performance of such Grantee and the performance of the Company since the date of grant of the Award(s), may determine in its sole discretion the payout multiplier to be applied to any Performance Awards held by the Grantee.
- b. **Termination for Cause** - If a Grantee ceases to be a service provider as a result of termination for cause, effective as of the cessation date all outstanding Awards, whether Restricted Awards or Performance Awards, shall be immediately terminated and all rights to receive Common Shares thereunder shall be forfeited by the Grantee.
- c. **Voluntary Resignation** - If a Grantee ceases to be a service provider as a result of a voluntary resignation, effective as of the day that is fourteen (14) days after the cessation date, all outstanding Awards of such Grantee, whether Restricted Awards or Performance Awards, shall be terminated and all rights to receive Common Shares thereunder shall be forfeited by the Grantee.
- d. **Other Termination** - If a Grantee ceases to be a service provider for any reason other than as provided for in clauses (a), (b) and (c) above, effective as of the date that is thirty (30) days after the cessation date and notwithstanding any other severance entitlements or entitlement to notice or compensation in lieu thereof, all outstanding Awards of such Grantee, whether Restricted Awards or Performance Awards, shall be terminated and all rights to receive Common Shares thereunder shall be forfeited by the Grantee.

**Assignment:** Except in the case of death, the right to receive Common Shares pursuant to an Award granted to a service provider may only be exercised by such service provider personally. Except as otherwise provided in the EIAP, no assignment, sale, transfer, pledge or charge of an Award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such Award shall terminate and be of no further force or effect.

**Rights as a Shareholder:** Until the Common Shares granted pursuant to any Award have been issued in accordance with the terms of the EIAP, the Grantee to whom such Award has been made shall not possess any incidents of ownership of such Common Shares including, for greater certainty and without limitation, the right to receive dividends on such Common Shares and the right to exercise voting rights in respect of such Common Shares. Such Grantee shall only be considered a Shareholder in respect of such Common Shares when such issuance has been entered upon the records of the duly authorized transfer agent of the Company.

**Amendment and Termination of EIAP:** The EIAP and any Awards granted pursuant thereto may, subject to any required approval of the TSX, be amended, modified or terminated by the Board without the approval of Shareholders. Without limitation of the foregoing, such amendments include, without limitation:

- a. amendments of a "housekeeping nature";
- b. amending Awards under the EIAP, including with respect to the expiry date (provided that the term of the Award does not exceed ten years from the date the Award is granted and that such Award is not held by an insider), vesting period, and effect of termination of a Grantee's employment or cessation of the Grantee's service;
- c. accelerating vesting; or
- d. amendments necessary to comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed.

Notwithstanding the foregoing, the EIAP or any Award may not be amended without Shareholder approval to: (a) increase the number of Common Shares reserved for issuance pursuant to Awards in excess of the limit currently prescribed; (b) extend the vesting date of any Awards beyond the latest vesting date specified in the applicable Award agreement (other than as permitted by the terms and conditions of the EIAP); (c) extend the expiry date of any Award granted to an insider (other than as permitted by the terms and conditions of the EIAP); (d) permit a grantee to transfer Awards to a new beneficial holder other than for estate settlement purposes; (e) reduce the limitations on the number of Awards (or underlying Common Shares) that may be granted to any one individual or to the insiders of the Company or to permit grants of Awards to non-management Directors; and (f) modify or delete any of clauses (a) through (e) above.

## 8.7

### Summary Description of Share Option Plan

**Purpose:** The principal purposes of the Option Plan, which was originally approved by Shareholders in May 2021, are to: retain and attract qualified Service Providers that the members of the AGI Group (as defined in the Option Plan) require; to promote a proprietary interest in AGI by such Service Providers and to encourage such persons to remain in the employ or service of the AGI Group and put forth maximum efforts for the success of the affairs and business of the AGI Group; and focus management of the AGI Group on operating and financial performance and the growth and profitability of AGI.

**Administration:** The Option Plan is administered by the HRC Committee, provided that the Board has the authority to appoint itself or another committee of the Board to administer the Option Plan.

**Eligible Participants:** The HRC Committee may designate the eligible Service Providers to the AGI Group to whom Options may be granted and the number of Common Shares

to be optioned to each. "Service Provider" means an officer or employee of, or a person or company engaged by, one or more of the entities comprising the AGI Group to provide services for an initial, renewable or extended period intended to be twelve months or more, but does not include a non-management Director.

**Plan Limitations and Burn Rate:** Notwithstanding any other provision of the Option Plan: (a) the maximum number of Common Shares that may be issued on exercise of Options under the Option Plan is limited to 500,000 Common Shares; (b) the number of Common Shares (i) issued to insiders of AGI, within any one year period, and (ii) issuable to insiders of AGI, at any time, under the Option Plan, or when combined with all of AGI's other security based compensation arrangements, cannot exceed 10% of AGI's total issued and outstanding Common Shares, respectively; and (c) non-management Directors are not entitled to participate in the Option Plan (collectively, the "Plan Limitations"). Options that are terminated or expire prior to their exercise shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options. As at December 31, 2021, AGI had not granted any Options.

**Vesting:** The HRC Committee may, in its sole discretion, determine: (i) the time during which Options will vest; (ii) the method of vesting; (iii) performance conditions to vesting, if any; or (iv) that no vesting restriction will exist. In the absence of any determination by the HRC Committee to the contrary, Options will vest and be exercisable as to one-third (1/3) of the total number of Common Shares subject to the Options on each of the first, second and third anniversaries of the date of grant. Notwithstanding the foregoing, the HRC Committee may, at its sole discretion at any time, accelerate or provide for the acceleration of vesting of Options previously granted (including by waiving any performance conditions that have not been met in full or in part).

**Exercise Price:** The exercise price of Options granted under the Option Plan are fixed by the HRC Committee when granted, provided that the exercise price of Options cannot be less than the Market Price of the Common Shares at the time an Option is granted. "Market Price" means the closing price of the Common Shares on the TSX on the last trading day on which Common Shares traded prior to the date of grant.

**Option Term:** The period during which an Option is exercisable will, subject to the other provisions of the Option Plan, be such period, not in excess of ten years, as may be determined from time to time by the HRC Committee, but subject to the rules of the TSX or other regulatory body having jurisdiction, and in the absence of any determination to the contrary will be seven years from the date of grant (the "Termination Date").

**Cessation of Service Provider Relationship:** Unless AGI or another member of the AGI Group and an Option holder (an "Optionee") agree otherwise in an option agreement or other written agreement, each Option will provide that:

- upon the death of the Optionee: (i) the Option will terminate on the date determined by the HRC Committee, which will not be more than 12 months from the date of death and, in the absence of any determination to the contrary, will be 12 months from the date of death (subject to earlier termination on the Termination Date); and (ii) the number of Common Shares that the Optionee's heirs or successors will be entitled to purchase until the Termination Date will be the number of Common Shares that the Optionee was entitled to purchase on exercise of vested Options on the date of death (and all unvested Options held by the Optionee will terminate);
- if the Optionee ceases to be a Service Provider to the AGI Group by reason of termination for Cause (as defined in the Option Plan), the Option will terminate immediately on such termination for Cause (whether or not the Option has vested as of such date of termination for Cause);
- if the Optionee ceases to be a Service Provider to the AGI Group by reason of the Optionee's voluntary resignation: (i) the Option will terminate on the expiry of the period not in excess of 180 days following the date that the Optionee resigns, and in the absence of any determination to the contrary by the HRC Committee at the time of grant, will terminate 14 days following the date that the Optionee resigns (subject to earlier termination on the Termination Date); and (ii) the number of Common Shares that the Optionee will be entitled to purchase until the Termination Date will be the number of Common Shares that the Optionee was entitled to purchase on exercise of vested Options on the date that the Optionee resigned (and all unvested Options held by the Optionee will terminate); and
- if the Optionee ceases to be a Service Provider to the AGI Group for any reason other than as described above (including by reason of termination of the Optionee without Cause): (i) the Option will terminate on the expiry of the period that is not less than 60 days and not in excess of 180 days following the date that the Optionee is terminated or otherwise ceases to be a Service Provider, and in the absence of any determination to the contrary by the HRC Committee at the time of grant, will terminate 60 days following the date that the Optionee is terminated or otherwise ceases to be a Service Provider (subject to earlier termination on the Termination Date); and (ii) the number of Common Shares that the Optionee will be entitled to purchase until the Termination Date will be the number of Common Shares that the Optionee is entitled to purchase on exercise of vested Options on the date that the Optionee is terminated or otherwise ceases to be a Service Provider (and all unvested Options held by the Optionee will terminate).

**Leave of Absence:** It will not be considered a termination of the Service Provider relationship if an Optionee is placed on a leave of absence ("Leave") which is considered by the HRC Committee as continuing intact the Service Provider relationship. In such a case, the Service Provider relationship will be continued until the later of (i) the date when the Leave equals 90

days, and (ii) the date when an Optionee's right to re-employment is no longer guaranteed either by applicable laws or by contract; provided that in the event that active employment or service provision is not renewed at the end of the Leave, the Service Provider relationship will be deemed to have ceased at the beginning of the Leave. If an Optionee takes a Leave for a period of time that is greater than 90 days, the Committee may, in its sole discretion, modify or change the vesting terms of any Options granted to such Optionee in order to take into account the period of the Leave.

**Black-Out Periods:** If the normal expiry date of any Options falls within any Black Out Period (as defined in the Option Plan) or within 10 business days following the end of any Black-Out Period (the "**Restricted Options**"), then the expiry date of all Restricted Options will be extended to the date that is 10 business days following the end of the Black-Out Period.

**Exercise; Cashless Exercise; Surrender Offer:** An Option may be exercised by delivery to AGI of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Common Shares then being purchased. If permitted by the HRC Committee, an Optionee may elect to exercise an Option by surrendering such Option in exchange for the issuance of a number of Common Shares equal to the number determined by dividing the Market Price (calculated as at the date of exercise) into the difference between the Market Price and the exercise price of such Option (a "cashless" exercise). In addition, an Optionee may make an offer (the "**Surrender Offer**") to AGI for the disposition and surrender by the Optionee to AGI of any Options held by the Optionee for an amount (not to exceed the Fair Market Value of the Common Shares less the exercise price of the Options) specified in the Surrender Offer by the Optionee, and AGI may, but is not obligated to, accept the Surrender Offer, subject to any regulatory approval required. If the Surrender Offer is accepted, the Options in respect of which the Surrender Offer relates shall be cancelled upon payment of the amount of the agreed Surrender Offer by AGI to the Optionee. AGI will not provide financial assistance to Optionees (such as a loan) to facilitate the exercise of Options.

**Alteration in Common Shares:** In the event: (i) of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; (ii) that any rights are granted to all Shareholders of AGI to purchase Common Shares at prices substantially below Fair Market Value; or (iii) that, as a result of any recapitalization, merger, consolidation or other transaction, the Common Shares are converted into or exchangeable for any other securities or property; subject to any required approval of the TSX, the HRC Committee may make such adjustments to the Option Plan, Options and option agreements as the HRC Committee may, in its sole discretion, consider appropriate to prevent dilution or enlargement of the rights granted to Optionees and/or to provide for the Optionees to receive such other securities or property in lieu of Common Shares. If AGI fixes a record date

for a distribution to Shareholders of cash or other assets (other than a dividend in the ordinary course of business), subject to any required approval of the TSX, the HRC Committee may, in its sole discretion, make an adjustment to the exercise price of any Options outstanding on the record date for such distribution.

**Mergers and Sales:** Except in the case of a transaction that is a Change of Control (as defined in the Option Plan) and to which the Change of Control provisions described below apply, if AGI enters into any transaction (a "**Transaction**") whereby AGI or all or substantially all of the assets of the AGI Group would become the property of any other person (a "**Successor**"), AGI and the Successor will do such things as are necessary to establish that upon the consummation of such Transaction the Successor will assume the covenants and obligations of AGI under the Option Plan on consummation of such Transaction. Alternatively, AGI will have the right to satisfy any obligations to the Optionee in respect of any Options outstanding by paying to the Optionee, in cash, and as proceeds of disposition for an Optionee's Options, the difference between the exercise price of all unexercised Options granted and the fair market value of the securities to which the Optionee would be entitled upon exercise of all unexercised Options.

**Change of Control:** Except as may be set forth in an employment agreement or other agreement between a member of the AGI Group and an Optionee:

- In the event of a Change of Control, if the employment of an Optionee with the AGI Group is terminated without Cause or if the Optionee resigns for Good Reason (as defined in the Option Plan), in each case, within one year (or such other period as determined by the HRC Committee in its sole discretion) following a Change of Control (such date being the "**COC Termination Date**"), all of the Optionee's unvested Options will vest immediately prior to the COC Termination Date, subject to any performance conditions which shall be dealt with at the discretion of the HRC Committee. All vested Options may be exercised until 90 days (or such other period as may be determined by the HRC Committee in its sole discretion) following the COC Termination Date (but only until the normal Termination Date of such Options, if earlier). Upon the expiration of such period, all unexercised Options will terminate.
- In the event of a Change of Control, all outstanding Options will be replaced with similar options of the acquiring entity or entity resulting from the transaction on substantially the same terms and conditions as the Option Plan, unless the securities of the acquiring or resulting entity that would be subject to the options are not listed on an established securities exchange, the acquiring or resulting entity does not assume the outstanding Options or substitute similar awards for the outstanding Options, or if the HRC Committee otherwise determines in its sole discretion and subject to the applicable rules of the TSX.
- If such determination is made by the HRC Committee or the outstanding Options are otherwise not replaced with



similar options of the acquiring or resulting entity, the HRC Committee may, in its sole discretion, accelerate the vesting of any or all outstanding Options to provide that such Options will be fully vested and conditionally exercisable upon the completion of the transaction resulting in the Change of Control, provided that the Options may not be exercised beyond the Termination Date of the Options. In the event the HRC Committee accelerates the vesting of outstanding Options: (i) all vested Options, unless exercised prior to the Change of Control, will be purchased by AGI for an amount per Option equal to the Change of Control Price (as defined in the Option Plan) less the applicable exercise price (except that where the exercise price exceeds the Change of Control Price, the amount per Option will be \$0.01); and (ii) if the transaction that would result in a Change of Control is not completed, the HRC Committee may cause the acceleration of exercise periods of any Options or acceleration of the time for the fulfillment of any conditions on such exercise of Options to be retracted and the vesting of such Options to revert to the manner provided in the applicable option agreement.

**Amendments:** Subject to the restrictions set forth below, the Board may, by resolution, amend or discontinue the Option Plan and any Option granted under it (together with any related option agreement) at any time without Shareholder approval; provided however, that without the prior approval of the Shareholders (or such other approval as may be required by the TSX), the Board may not: (i) increase the maximum number of Common Shares issuable pursuant to the Option Plan as specified in the Option Plan; (ii) reduce the exercise price of an Option or cancel an Option and subsequently issue the holder of such Option a new Option or other entitlement in replacement thereof; (iii) extend the term of an Option beyond the original expiry date of such Option; (iv) make an amendment to the Option Plan or an Option that would permit an Optionee to assign or transfer an Option to a new beneficial Optionee, other than for estate settlement purposes in the case of the death of an Optionee; (v) make an amendment to the Option Plan that would add to the categories of persons eligible to participate in the Option Plan, including to permit non-management Directors to participate; (vi) make an amendment to the Option Plan to remove or amend the Plan Limitations; or (vii) make an amendment to the Option Plan to remove or amend the amendment provisions of the Option Plan. Any amendment to the Option Plan or to outstanding Options that requires approval of the TSX may not be made without the approval of the TSX. The Board may amend or discontinue the Option Plan or outstanding Options at any time without the consent of an Optionee, provided that such amendment does not adversely alter or impair any Option previously granted, except as otherwise permitted thereunder. The Committee may amend or terminate the Option Plan or any outstanding Options without the approval of the Shareholders or any Optionee whose Option is amended or terminated in order to conform the Option Plan or such Option, as the case may be, to applicable laws or the requirements of the TSX, whether or not that amendment or termination would affect any accrued rights, subject to the receipt of the approval of the TSX.

**Assignment:** Options are not assignable by the Optionee either in whole or in part and, upon any purported assignment being made in contravention of the Option Plan, such Options will become null and void.

## 8.8

### Termination and Change of Control Benefits

#### Employment Agreements

Each NEO has an employment agreement that governs the terms and conditions of the NEO's employment including base salary and other elements of total compensation.

The NEOs' employment agreements include noncompetition and non-solicitation provisions (two years in the case of the CEO, and one year in the case of the CFO and the other NEOs) as well as intellectual property and nondisclosure covenants.

**Termination by the Company for Just Cause:** The Company may terminate its employment agreement with any of the NEOs at any time for just cause and is then obligated to pay such NEO's salary (and accrued and unused vacation and reimbursable expenses) through to the termination date.

**Termination by the Company without Just Cause:** The Company may also terminate its employment agreement with any of the NEOs at any time for any reason other than just cause and is then obligated to pay to the NEO: (a) such NEO's salary (and accrued and unused vacation and reimbursable expenses) through to the termination date; (b) at the Company's sole discretion, a pro-rated STIP or bonus payment for services rendered up to and including the termination date; (c) an amount equal to two (2) times the NEO's annual base salary and bonus in the case of the CEO and one (1.0) times the NEO's annual base salary and bonus in the case of Messrs. Householder, Rudyk, Postill and McKernan; (d) an amount equal to 10% of the amount payable to the NEO in clause (c) in respect of the NEO's salary for loss of other benefits and perquisites; and (e) in the case of the CEO, (i) if the full term of the Awards granted to the CEO under the EIAP has expired in the calendar year immediately preceding the calendar year in which the termination date occurs, and (ii) the Company has not on or prior to the termination date granted the CEO Awards (or other awards under the EIAP) for the next following award term under the EIAP, an amount (the "Incentive Plan Amount") equal to the fair market value as at the termination date of (A) that number of Common Shares equal to two-thirds (2/3s) of the total number of Awards that vested in the CEO under the EIAP in the three calendar years immediately preceding the termination year, less (B) the total number of Awards that will vest in the CEO under the EIAP on or following the termination date.

**Resignation by the NEO:** The NEO may resign from the NEO's employment on 30 days advance notice and in such event the Company is obligated to pay such NEO's salary (and accrued and unused vacation and reimbursable expenses) through to the termination date.







**AGI**

**AGI**

**BINCHECK®**

Bluetooth System

FIELDLAB  
AGI SURETRACK

**FARMOBILE PUC5**

**AGI SURETRACK**  
Hourly Cable Readings  
OC #1 - Cable #2

Sensor	Temperature
Sensor #3	71.4°F
Sensor #2	71.4°F
Sensor #1	71.4°F



**Resignation by the NEO for Good Reason Following a Change of Control:** In the case of the CEO, the CFO, and the COO, in the event of a change of control (as described below), and within 12 months of the change of control, there is an event or series of events that constitute good reason (as described below), the NEO may, for a period of 60 days following the event or series of events that constitute good reason, elect to terminate the NEO's employment upon 30 days advance notice. In such event, the Company is obligated to pay to the NEO the amount described above under "Termination by the Company without Just Cause" as would be payable to the NEO if the NEO was terminated by the Company without just cause (adjusted in the case of the CFO and the COO to one and one-half (1.5) times their annual base salary and average bonus for the three prior years).

"good reason" is generally defined as the occurrence of (i) a material adverse change in the NEO's position, duties or responsibilities, (ii) the NEO being prevented from carrying out their duties and responsibilities, (iii) a reduction of the NEO's salary, benefits or any other form of remuneration or any material adverse change in the basis upon which the NEO's salary, benefits or any form of remuneration payable is determined, or (iv) in the case of the CEO, the change in the location of the head office of the Company more than 200 km from its present location and / or requiring the NEO to change the current arrangement of commuting to the head office from his current residence, unless the head office is relocated to within 200 km from his current residence.

A "change of control" is generally defined as (i) a transaction that results in a person or group of persons acting jointly or in concert, owning or controlling, more than 50% of the outstanding Common Shares, (ii) the sale of all or substantially all of the assets of the Company (other than pursuant to an internal reorganization), (iii) in the case of the CEO, incumbent directors (which includes successor Directors recommended or appointed by the Board) no longer constituting a majority of the Board; or (vi) any determination by the Board that a change of control has occurred; unless in any case a majority of the Board determines that a change of control was not intended to occur in the circumstances

**Death:** In the event of the NEO's death, the Company is obligated to pay the NEO's salary (and accrued and unused vacation and reimbursable expenses) through to the date of death.

#### **EIAP**

Each of the NEOs has been granted Performance Awards and Restricted Awards under the EIAP.

#### **Performance Awards**

Unvested Performance Awards granted to an NEO under the EIAP: (a) in the event of termination for cause or resignation without good reason, terminate and are forfeited; (b) in the event of death, termination without cause or resignation for good reason, vest on a proportionate basis based on the

portion of the term of the Award elapsed at the date of death, termination or resignation with (i) Awards for any completed performance period(s) vesting based on the adjusted EBITDA and ROIC achievement levels for such period(s), and (ii) any remaining Awards vesting at the "Target" percentage of 100%; and (c) except in the case of the CEO whose Awards fully vest on a change of control at the percentages determined below, in the event of a change of control, (i) may be assumed by the successor entity, and (ii) if not assumed by the successor entity, vest on a proportionate basis based on the portion of the term of the Award elapsed at the date of the change of control, with (A) Awards for any performance period(s) completed prior to the change of control vesting based on the adjusted EBITDA and ROIC achievement levels for such period(s), and (B) any remaining Awards vesting at the greater of (I) the "Target" percentage of 100%, and (II) the applicable percentage(s) for the level of Adjusted EBITDA and ROIC that would be achieved during the uncompleted performance period(s) assuming that the level of adjusted EBITDA and ROIC for the abbreviated performance period(s) was achieved over the remaining term of such performance periods, all as determined by the HRC Committee; provided that any Awards that do not vest in accordance with the foregoing will vest immediately if the NEO is terminated without cause, or voluntarily resigns for good reason in connection with or following the change of control.

#### **Restricted Awards**

Unvested Restricted Awards granted to an NEO under the EIAP: (a) in the event of termination for cause or resignation without good reason, terminate and are forfeited; (b) in the event of death, termination without cause or resignation for good reason, vest on a proportionate basis based on the portion of the term of the Award elapsed at the date of death, termination or resignation; and (c) in the case of the CEO in the event of a change of control, vest on a proportionate basis based on the portion of the term of the Award elapsed at the date of the change of control, provided that any unvested Restricted Awards fully vest if the NEO is terminated without cause or resigns for good reason in connection with the change of control. In the cases of Messrs. Rudyk, Householder, Postill, and McKernan, none of their Restricted Awards vest on a change of control.

The following table provides details regarding the estimated incremental payments by the Company to each of the NEOs in the following circumstances: (i) termination without cause, (ii) resignation for good reason, (iii) a change of control, (iv) resignation for good reason following a change of control, and (v) death, in each case assuming a triggering event occurred on December 31, 2021. No incremental payments are due on termination for just cause or resignation without good reason (including retirement).

	Triggering Event <sup>(1)</sup>	Severance Payment <sup>(2)</sup>	Vesting of Performance and/or Restricted Awards <sup>(3)</sup>	Total
TIM CLOSE	Termination Without Cause	\$3,360,000	\$1,350,620	\$4,710,620
	Resignation for Good Reason	NIL	\$1,350,620	\$1,350,620
	Change of Control	\$3,360,000	\$1,522,561	\$4,882,561
	Termination Without Cause or Resignation for Good Reason Following a Change of Control	\$3,360,000	\$1,745,805	\$5,105,805
	Death	NIL	\$1,350,620	\$1,350,620
JIM RUDYK	Termination Without Cause	\$1,425,000	\$328,197	\$1,753,197
	Resignation for Good Reason	NIL	\$328,197	\$328,197
	Change of Control	\$1,425,000	\$328,197	\$1,753,197
	Termination Without Cause or Resignation for Good Reason Following a Change of Control	\$1,425,000	\$493,374	\$1,918,374
	Death	NIL	\$328,197	\$328,197
PAUL HOUSEHOLDER	Termination Without Cause	\$1,210,432	\$1,270,305	\$2,480,737
	Resignation for Good Reason	NIL	\$1,270,305	\$1,270,305
	Change of Control	NIL	\$75,320	\$75,320
	Termination Without Cause or Resignation for Good Reason Following a Change of Control	\$1,210,432	\$1,463,195	\$2,673,627
	Death	NIL	\$1,270,305	\$1,270,305
DAVID POSTILL	Termination Without Cause	\$630,000	\$227,431	\$857,431
	Resignation for Good Reason	NIL	\$227,431	\$227,431
	Change of Control	NIL	\$47,348	\$47,348
	Termination Without Cause or Resignation for Good Reason Following a Change of Control	\$630,000	\$310,191	\$940,191
	Death	NIL	\$227,431	\$227,431
SCOTT MCKERNAN	Termination Without Cause	\$591,789	\$220,273	\$812,062
	Resignation for Good Reason	NIL	\$220,273	\$220,273
	Change of Control	NIL	\$39,353	\$39,353
	Termination Without Cause or Resignation for Good Reason Following a Change of Control	\$591,789	\$360,322	\$952,110
	Death	NIL	\$220,273	\$220,273

1. "Good Reason" does not include voluntary retirement.
2. See "Termination By the Company Without Just Cause" for a description of how "Severance Payment" is calculated.
3. Based on the closing price of the Common Shares on the TSX on December 31, 2021 of \$31.68, and includes an amount equivalent to the dividends that would have been paid on the Common Shares underlying the NEO's Performance Awards and Restricted Awards.

## CORPORATE GOVERNANCE PRACTICES

The Board is responsible for managing or supervising the management of the business and affairs of the Company in accordance with the requirements of the *Canada Business Corporations Act*.

### 9.1

#### Board of Directors

##### A.

##### **Disclose the identity of Directors who are independent.**

Anne De Greef-Safft, Mike Frank, Janet Giesselman, Bill Lambert, Bill Maslechko, Mac Moore, Claudia Roessler and David White are independent.

With respect to Mr. Maslechko, although the law firm of which he is a partner provides certain legal services to the Company from time to time, the Governance, Sustainability and Social Responsibility Committee and Board have determined that he is independent after considering such matters as: the magnitude of his personal holdings of Common Shares, Deferred Shares and DSUs; the annual billings of his law firm to us; that he has no involvement in the choice of firms to provide legal services to the Company, that decision resting with the Company's senior management including the CEO and the Senior Vice President, Legal and General Counsel; that the Company regularly uses numerous other law firms depending on the nature and jurisdiction of the legal services required; the annual billings of his law firm to us relative to the total annual billings of all firms that we use; and his tenure on the Board and his demonstrated independence from management at, among other things, Board and committee meetings over that period.

##### B.

##### **Disclose the identity of Directors who are not independent, and describe the basis for that determination.**

Tim Close is not independent because he is the President and Chief Executive Officer of the Company.

##### C.

##### **Disclose whether or not a majority of Directors are independent. If a majority of Directors are not independent, describe what the Board of Directors (the Board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.**

The majority of Directors (8 of 9) are independent.

##### D.

##### **If a Director is presently a Director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Director and the other issuer.**

See "About the Nominated Directors" (Item 5).

##### E.

##### **Disclose whether or not the independent Directors hold regularly scheduled meetings at which members of management are not in attendance. If the independent Directors hold such meetings, disclose the number of meetings held during the preceding 12 months. If the independent Directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Directors.**

In 2021, the independent Directors met without management at the end of all regularly scheduled board meetings – 17 times in total.

##### F.

##### **Disclose whether or not the Chair of the Board is an independent Director. If the Board has a Chair or lead Director who is an independent Director, disclose the identity of the independent Chair or lead Director, and describe his or her role and responsibilities. If the Board has neither a Chair that is independent nor a lead Director that is independent, describe what the Board does to provide leadership for its independent Directors.**

The Chair of the Board is Bill Lambert, an independent Director. See Item 9.3(A) below.

##### G.

##### **Disclose the attendance record of each Director for all Board meetings held since the beginning of the issuer's most recently completed financial year.**

See "About the Nominated Directors" (Item 5).

### 9.2

#### **Board Mandate - Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.**

The terms of reference for the Board are attached as "Schedule A" to this Circular (Item 11). A quorum for the transaction of business at any meeting of the Board is a majority of the directors holding office. The Board Chair does not have a second or casting vote at Board meetings in the event of a tie vote.

#### **2021 Board Activities Highlights**

The Board met formally 17 times in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the Board:

- regularly discussed strategic initiatives and the risks and challenges facing the Company with the CEO and other members of senior management including acquisitions and other growth opportunities, technology opportunities, organizational change, the impact of the economic



environment and the significant risks facing the Company, including strategic, financial, operational, environmental, information security and reputational risks;

- reviewed the three-year business plan and reviewed and approved the annual budget;
- reviewed and approved the acquisitions of Farmobile, Inc. and Eastern Fabricators;
- reviewed and approved the issue of \$115,000,000 principal amount of 5.00% convertible unsecured subordinated debentures of the Company;
- reviewed and approved the dividend declaration proposals;
- reviewed and approved the interim condensed consolidated financial statements and associated management's discussion and analysis, the audited annual consolidated financial statements and the associated management's discussion and analysis, the annual report, the annual information form, and the earnings and declaration of dividends press releases;
- approved the appointment and compensation of the independent auditor;
- assessed the CEO's performance by comparing financial results against annual objectives and key performance indicators and approved the objectives for the following year;
- received the CEO's report on the performance of the other members of senior management and approved their compensation;
- approved changes to the Performance Awards granted in 2021 including the design and grant of the SureTrack Performance Awards and deferred cash equivalents and the associated performance targets;
- assessed and approved the achievement of performance targets for 2021 under the Performance Awards;
- approved the Option Plan;
- received and reviewed regular reports from the Audit, HRC, GS&SR, EH&S and former Ad Hoc Strategic Initiatives Committees;
- received and reviewed regular reports from the CEO and other members of senior management including with respect to operations, strategy, business development, marketing, human resources, capital allocation, investor relations, the Company's response to the COVID-19 pandemic and significant risks facing the Company, including strategic, financial, operational, environmental, information security and reputational risks;
- reviewed the formal succession plans for the CEO and other members of senior management;
- reviewed and approved the appointments of new members of senior management, including the promotion of Paul Householder to Chief Operating Officer;
- reviewed and approved the Management Proxy Circular and the proxy form for the annual meeting of Shareholders;
- reviewed and approved revisions to the Audit, HRC, GS&SR, and EH&S Committees' terms of reference and annual calendars of activities including revisions to the GS&SR Committee's terms of reference to allocate responsibility to the GS&SR Committee for Environmental, Social, and Governance ("ESG") and Enterprise Risk Management ("ERM") matters;
- reviewed and approved governance policies including the Board's terms of reference and annual calendar of activities.



### 9.3

#### Position Descriptions

##### A.

**Disclose whether or not the Board has developed written position descriptions for the Chair and the Chair of each Board Committee. If the Board has not developed written position descriptions for the Chair and / or the chair of each Board Committee, briefly describe how the Board delineates the role and responsibilities of each such position.**

Written position descriptions have been developed for the Chair and the Chair of each Board Committee.

The Chair of the Board is accountable to the Board and has the duties of a member of the Board as set out in applicable law and in the Company's by-laws. The Chair is responsible for the management, development and effective performance of the Board and leads the Board to ensure that it fulfills its duties as required by law and as set out in the terms of reference for the Board.

The Committee Chairs are responsible to lead and oversee the applicable Committee to ensure it fulfills its mandate as set out in its terms of reference.

##### B.

**Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.**

The Board and the CEO have developed a written position description for the CEO. The primary responsibility of the CEO is to lead the Company in meeting its short-term operational and long-term strategic goals. While the Board is responsible for supervising the management of the business and affairs of the Company, the CEO is responsible for the executive leadership and operational management of the Company.

### 9.4

#### Orientation and Continuing Education

##### A.

**Briefly describe what measures the Board takes to orient new Directors regarding:**

##### I. the role of the Board, its Committees and its Directors, and

The Board Chair, other Committee Chairs, the CEO and other officers, as required, meet with each new Director to provide orientation with respect to the structure of the Board, its Committees and its Directors.

##### II. the nature and operation of the issuer's business.

The Board Chair and the CEO meet with each new Director

to provide orientation with respect to the operation of the Company. New Directors are also offered the opportunity to attend at Company offices and facilities and meet with other members of senior management to further familiarize themselves with the Company's operations.

##### B.

**Briefly describe what measures, if any, the Board takes to provide continuing education for its Directors. If the Board does not provide continuing education, describe how the board ensures that its Directors maintain the skill and knowledge necessary for them to meet their obligations as Directors.**

The senior management team makes regular presentations to the Board on matters with significant impact on the Company's business and on relevant legal developments as they arise. Board meetings are periodically held at Company manufacturing or other facilities to provide the Directors the opportunity to see the Company's operations.

Board members are encouraged to attend and participate in agricultural trade shows. In 2021, Ms. Roessler attended five such events, including as keynote speaker or panelist.

In addition, prior to each regularly scheduled meeting, the Board meets informally to discuss current events and issues facing the Company. All Directors are invited to and generally do attend meetings of each Board Committee on which they are not a member to further deepen their knowledge and understanding of the issues facing the Company. Directors have access to reference documents outlining their duties and responsibilities.

The Company encourages directors to participate in professional development programs offered by various organizations including the Institute of Corporate Directors of which a number of Directors are members. Board members are free to participate in the activities of their choice. The Chair of the Board may authorize the reimbursement of expenses incurred for such programs.

To help Directors stay current with recent developments in the areas of audit, human resources, governance, and environment, health, safety and sustainability they always have access to documentation submitted to Board Committees on which they are not members. In addition, the Corporate Secretary from time to time provides Directors with various articles and publications relevant to the performance of their duties.

Directors regularly attend information and training sessions offered by the Company's auditors with respect to audit committee and corporate governance issues.

### 9.5

#### Ethical Business Conduct

##### A.

**Disclose whether or not the Board has adopted a written code for its Directors, Officers and employees.**

The Board has adopted a written code for its Directors, Officers, and employees.

If the Board has adopted a written code:

- I. **disclose how an interested party may obtain a copy of the written code;**

A copy of the written code has been filed on [www.sedar.com](http://www.sedar.com) and is available on the Company's website at [www.aggrowth.com](http://www.aggrowth.com).

- II. **describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board ensures compliance with its code;**

The Code of Business Ethics is reviewed annually by the GS&SR Committee. The Code is disseminated to all employees and certain employees are required to certify that they have read and understand the Code. In addition, the Company has advised employees that violations of the Code can be reported to the Chair of the Audit Committee and has provided contact information for the Chair. Any violations would be communicated to the Audit Committee.

- III. **provide a cross-reference to any material change report(s) filed within the preceding 12 months that pertains to any conduct of a Director or Executive Officer that constitutes a departure from the code.**

Not applicable.

**B. Describe any steps the board takes to ensure Directors exercise independent judgment in considering transactions and agreements in respect of which a Director or Executive Officer has a material interest.**

Directors are required to disclose any actual or potential conflicts of interest. Directors that have an interest in a matter coming before the Board declare that interest and abstain from voting on the matter. In addition, the Directors are able to request in-camera sessions to discuss such matters without the presence of the interested Director or Executive Officer and, if necessary, the Board is able to convene a special committee composed of disinterested Directors to consider the applicable issue. The Board is also able to engage outside advisors at the Company's expense to assist Directors in discharging their responsibility to exercise independent judgment.

**C. Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.**

The Board has approved the Code of Business Ethics, a Whistleblower Policy, a Disclosure Policy and an Insider Trading Policy. These policies have been disseminated throughout the organization and certain employees are required to certify their receipt and understanding of the Code of Business Ethics and the Insider Trading Policy. Management clearly demonstrates ethical behavior and sets the tone from the top for a culture of ethical business conduct.

## 9.6

### Nomination of Directors

**A. Describe the process by which the Board identifies new candidates for Board nomination.**

The Board, on the recommendation of the GS&SR Committee, considers the skills and attributes that would be required of a new Director. Current Directors and senior management are requested to advise both the Chair of the Board and of the GS&SR Committee of potential candidates and the GS&SR Committee also retains the services of external "search" firms to provide professional assistance in identifying suitable candidates. Once candidates are identified, the Chair of the Board and of the GS&SR Committee, alone or with other Directors, interviews the individuals and the GS&SR Committee is provided with the results of the interviews. The GS&SR Committee considers the reports together with the resumes of the candidates and the requirements of the Board and makes a recommendation on a candidate to the Board for its approval.

**B. Disclose whether or not the Board has a Nominating Committee composed entirely of independent Directors. If the Board does not have a Nominating Committee composed entirely of independent Directors, describe what steps the Board takes to encourage an objective nomination process.**

The Board has a Nominating Committee, being the GS&SR Committee, which is comprised entirely of independent Directors: Mr. Moore (Chair), Ms. Anne De Greef-Safft, Ms. Giesselman and Mr. White.

**C. If the Board has a Nominating Committee, describe the responsibilities, powers and operation of the Nominating Committee.**

The GS&SR Committee shall:

- identify and review with the Board the appropriate skills and characteristics required of Board members, taking into consideration the Board's short-term needs and long-term succession plans;
- develop and update a long-term plan for the Board's composition that takes into consideration the characteristics of independence, age, skills, experience, diversity and availability of service of its members, as well as the opportunities, risks, and strategic direction of the Company;
- in consultation with the Board Chair, identify and recommend to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board;
- identify and recommend to the Board individual Directors to serve as members and Chairs of Board Committees;
- review, monitor and make recommendations regarding the



initial orientation and education of new Board members, and the ongoing education of Directors;

- upon a significant change in a Board member's principal occupation or upon a member assuming any significant outside commitments, review the continued Board membership of such individual;
- establish criteria for, and implement, an evaluation process for the Board, the Board Chair, each Committee of the Board, and individual Directors in order to assess the effectiveness of the Board as a whole, the Board Chair, each committee of the Board, and the contribution of individual Directors;
- oversee the Company's policies relating to sustainability and the Company's progress toward achieving its goals relating to climate change risks, broader sustainability topics, corporate social responsibility, and the overall execution of the Company's ESG strategy;
- report to the Board on ESG policies and significant activities of the Company relating to ESG matters, and on the state of compliance by the Company with applicable law and adherence to the relevant policies of the Company as it relates to ESG; and
- review, monitor, report and, where appropriate, provide recommendations to the Board on the Company's risk governance framework, including the policies, procedures and controls management uses to identify, assess, mitigate and, where required, report key risks to which the Company is exposed, including oversight of the Company's ERM program including information security risks.

#### **2021 Governance, Sustainability and Social Responsibility Committee Activities Highlights**

The GS&SR Committee met formally four times in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the GS&SR Committee:

- conducted the required annual formal evaluation of the effectiveness of the Board, the Board Chair, the Committee Chairs, each Board Committee and individual Directors;
- conducted an annual review of the methods and processes by which the Board fulfills its duties and responsibilities including the number and content of meetings, resources available to the Board, Director orientation and education, and communication between the Board and management;
- verified the independence of the Directors and reviewed and approved outside board memberships;
- recommended to the Board the proposed Director nominees to the Board;
- reviewed and recommended to the Board the appointment of the Board Chair, the composition of the Board Committees, and the appointment of committee members and their Chairs;

- reviewed changes to regulatory requirements and governance practices and recommended to the Board changes to the Company's governance practices;
- reviewed and approved various proposals regarding the functioning of the Board and its committees with a view to improving their effectiveness;
- reviewed the composition of the Board, Board diversity, the skills and experience of the Board including the Board skills matrix, and assessed potential director nominees;
- reviewed and recommended that the Board approve the Management Proxy Circular for the annual meeting of Shareholders;
- oversaw management's ongoing development of the Company's ESG strategy;
- reviewed key Company policies including policies relating to information security; and
- reviewed the terms of reference and calendar of activities of all Board Committees and the terms of reference of the Board Chair, Committee Chairs and Directors including the review and recommendation to the Board for approval of revisions to the Audit, HRC, GS&SR, and EH&S Committees' terms of reference and annual calendars of activities including revisions to the GS&SR Committee's terms of reference to allocate responsibility to the GS&SR Committee for ESG and ERM matters.

## **9.7**

### **Compensation**

#### **A.**

#### **Describe the process by which the Board determines the compensation for your Company's Directors and Officers.**

Compensation for Directors and Officers is mandated to the Compensation and Human Resources Committee (the "**HRC Committee**"). The HRC Committee reviews and makes recommendations to the Board with respect to the compensation of the Company's Directors and Officers to ensure that the compensation is appropriate and adequately reflects their responsibilities. In doing so, among other things, the HRC Committee utilizes external benchmarking of comparative companies and industry participants prepared with the assistance of its external advisor, Hugessen Consulting. See "Director Compensation" (Item 6), "Compensation Discussion & Analysis" (Item 7) and "Compensation of our Named Executive Officers (Item 8) for further details.

#### **B.**

**Disclose whether or not the Board has a Compensation Committee composed entirely of independent Directors. If the Board does not have a Compensation Committee composed entirely of independent Directors, describe what steps the Board takes to ensure an objective process for determining such compensation.**

The Board has a Compensation Committee, the HRC Committee, composed entirely of independent Directors: Ms. Giesselman (Chair), Ms. De Greef-Safft, and Messrs. Frank, Moore and White.

**C.**  
**If the Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.**

**Director Compensation**

The HRC Committee reviews and makes recommendations to the Board with respect to the compensation of the Company's Directors to ensure that the compensation is appropriate and adequately reflects their responsibilities.

**Compensation Guidelines and Agreements**

The HRC Committee reviews and recommends to the Board a comprehensive statement of compensation philosophy, strategy, and principles for the Company's senior management and administers the executive compensation and benefits program in accordance with the statement approved by the Board. The statement takes into account all applicable laws, rules and guidelines regarding executive compensation and accountability. The HRC Committee is also responsible for reviewing and recommending to the Board certain matters relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs.

**Chief Executive Officer Evaluation and Compensation**

The HRC Committee reviews and approves the use of corporate goals and objectives relevant to the total compensation package of the Chief Executive Officer, recommends a performance evaluation process for the Chief Executive Officer, evaluates the performance of the Chief Executive Officer in light of these goals and objectives and using this process, and determines and approves, and recommends to the Board for approval, the Chief Executive Officer's compensation level based on this evaluation.

In determining the long-term incentive component of the compensation of the Chief Executive Officer, the HRC Committee considers such factors as it determines appropriate in the circumstances.

**Other Executive Compensation and Oversight**

In consultation with the Chief Executive Officer, the HRC Committee oversees the evaluation of the Company's senior management (including Executive Officers) other than the Chief Executive Officer and makes recommendations to the Board with respect to the total compensation package for the senior management other than the Chief Executive Officer.

**Equity Compensation Review**

The HRC Committee reviews periodically, and makes recommendations to the Board regarding, incentive compensation or equity plans, programs or similar arrangements that the Company establishes for, or makes available to its

employees and consultants, including the designation of the employees and consultants who may participate, the share availability and the administration of share purchases.

In addition, the HRC Committee reviews periodically the extent to which these forms of compensation are meeting their intended objectives, and makes recommendations to the Board regarding modifications that will more accurately relate such compensation to employee performance.

**Management Resources and Plans for Executive Development**

The HRC Committee reviews existing management resources and plans, including recruitment, training and evaluations, to ensure that qualified personnel will be available for succession to senior management positions at the Company. The HRC Committee also periodically discusses with the Chief Executive Officer his or her views as to a successor for the position of Chief Executive Officer. The HRC Committee reports on this matter to the Board at least once a year.

In 2021, the HRC Committee reviewed the formal succession plans for the President and Chief Executive Officer and the other Executive Officers, and was actively involved in and reviewed and approved the recruitment and appointments of new Executive Officers.

**Retirement Matters**

The HRC Committee: reviews and recommends for approval by the Board any material changes in the Company's retirement plans; where appropriate, gives direction concerning retirement program matters to the management committee that supervises the Company's retirement programs; and where appropriate, receives reports from management on any retirement program matters that may be of concern to the Board and report to the Board on such matters.

**Pension Plans**

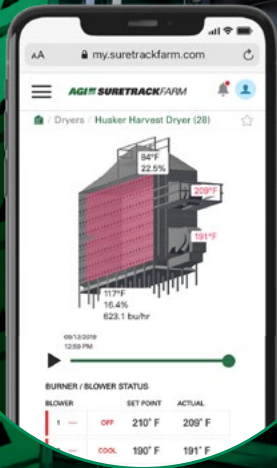
The HRC Committee: receives periodic reports from management on compliance with applicable pension legislation; reviews and evaluates recommendations from management on the appointment and termination of service providers respecting the pension plans; and approves material changes to the pension plans.

**HRC Committee Report**

The HRC Committee reviews and approves the Statement of Executive Compensation (including the Compensation Discussion and Analysis) required to be included in the Company's Management Information Circular for its Annual General Meeting of Shareholders by applicable securities laws, rules and regulations.

**2021 HRC Committee Activities Highlights**

The HRC Committee met formally seven times in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the HRC Committee:







**AGI**  **NECO**

- reviewed and recommended for Board approval the target total direct compensation of the CEO, CFO and other NEOs and key employees including base salary and benefits, STIP base salary percentage levels and financial and individual objectives, and Restricted and Performance Award grants;
- reviewed and recommended for Board approval changes to the Performance Awards granted in 2021 including the design and grant of the SureTrack Performance Awards and deferred cash equivalents and the associated performance targets;
- developed and recommended for Board approval the annual performance objectives for the CEO;
- assessed the CEO's performance based on annual financial results and strategic objectives and reviewed the CEO's assessment of the performance of the CFO and other NEOs and key employees;
- assessed and recommended to the Board for approval the achievement of financial and individual objectives under the STIP of the CEO, the CFO and other NEOs and key employees;
- assessed and recommended to the Board for approval the achievement of performance targets in 2021 under the Performance Awards;
- reviewed the formal succession plans for the CEO, CFO and other key employees and reviewed senior personnel reorganization, recruitment and human resources organizational initiatives undertaken by senior management;
- reviewed and approved the recruitment and appointment of new Executive Officers, including the appointment of Paul Householder as Chief Operating Officer;
- reviewed, with the assistance of an external consulting firm, the Company's executive compensation peer group approach and developed a new pay comparator group to provide competitive market data to support decision-making on pay levels and mix for senior management for 2022;
- reviewed, with the assistance of an external consulting firm, the Company's non-management Director compensation program and initiated the development of a new compensation program for non-management Directors for 2022;
- oversaw the formulation of, with the assistance of an external consulting firm and external counsel, the new Option Plan of the Company, and recommended the approval of the same to the Board;
- received reports on human resources ESG initiatives being undertaken by management including with respect to diversity and inclusion;
- reviewed a report on the Company's pension and retirement plans;
- reviewed and approved revisions to its terms of reference and annual calendar of activities; and

- reviewed and approved the Compensation Discussion & Analysis and Executive Officer compensation disclosure in the Management Proxy Circular.

## 9.8

### Other Board Committees

**If the Board has standing Committees other than the Audit, Compensation and Nominating Committees, identify the Committees and describe their function.**

#### Environmental, Health & Safety Committee

The Board has an Environmental, Health & Safety Committee comprised of Ms. De Greef-Safft (Chair) and Mr. Moore and Ms. Roessler.

The mandate of the Environmental, Health & Safety Committee is to:

- periodically review and recommend to the Board for approval significant policies, programs, systems and procedures with respect to environmental, health and safety matters affecting the Company; oversee the implementation of, and, as appropriate, recommend to the Board changes to, such policies, programs, systems and procedures; and monitor the Company's compliance with such policies, programs, systems and procedures;
- receive and review regular environmental, health and safety performance summaries prepared by management including with respect to significant incidents and/or compliance issues, and any other outstanding performance issues;
- review actions taken by the Company with respect to significant environmental, health and safety incidents and/or compliance matters and any performance issues;
- review the sufficiency of resources available for carrying out the actions and activities recommended by the Committee with respect to environmental, health and safety matters;
- review the status of any remediation projects and any significant legal and regulatory developments respecting environmental, health and safety matters which may have a significant impact on the Company's operations;
- review the risks related to environmental, health and safety matters;
- review the annual or longer term objectives and strategy to improve environmental, health and safety matters;
- review periodically with management the environmental, health and safety emergency response planning processes;
- in the event of the occurrence of a material environmental, health or safety incident, which occurrence is required to be reported to regulatory authorities, receive and review as soon as reasonably practicable, a report from management detailing the nature of the incident and describing the



remedial action being taken;

- review progress and lead the target setting process on specific ESG objectives;
- receive and review, from time to time, reports from the Company's senior legal officer on any material civil or criminal proceedings involving the Company which relate to environmental, health and safety matters; and
- report to the Board on environmental, health and safety policies and significant activities of the Company relating to environmental, health and safety matters, and on the state of compliance by the Company with applicable law and adherence to the relevant policies of the Company.

### **2021 Environmental, Health and Safety Committee Activities Highlights**

The Environmental, Health and Safety Committee met formally two times in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the Environmental, Health and Safety Committee:

- developed its priorities for 2021, including overseeing management's ongoing response to the COVID-19 pandemic;
- reviewed the Company's Environmental, Health and Safety programs;
- reviewed the Company's Environmental, Health and Safety key performance indicators;
- oversaw the conduct of a safety survey to assist the Company in further developing its Environmental, Health and Safety initiatives;
- reviewed management's quarterly reports on key performance indicators, significant incidents and related matters and management's ongoing response to the COVID-19 pandemic;
- received and reviewed reports from management on safety priorities and plans; and
- reviewed and approved its terms of reference and annual calendar of activities.

### **Ad Hoc Strategic Initiatives Committee**

The Board established an ad hoc Strategic Initiatives Committee to assist the Board in fulfilling its oversight responsibilities relating to certain significant operational strategic initiatives that may be undertaken by the Company from time to time comprised of Ms. De Greef-Safft (Chair) and Messrs. Moore and White in 2020. In March 2021, the Strategic Initiatives Committee determined that in light of, among other things, the progress being made by management on current strategic initiatives it would be appropriate that responsibility for oversight of such initiatives be returned to the Board and recommended that the Strategic Initiatives Committee be terminated. On the recommendation of the Strategic Initiatives Committee, the

Board terminated the Strategic Initiatives Committee in March 2021.

### **2021 Strategic Initiatives Committee Activities Highlights**

The Strategic Initiatives Committee met formally one time in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the Strategic Initiatives Committee:

- developed its priorities for 2021;
- received reports from management with respect to ongoing operational strategic initiatives and reported to the Board thereon;
- reviewed and approved its terms of reference and annual calendar of activities; and
- determined that in light of, among other things, the progress being made by management on current strategic initiatives it would be appropriate that responsibility for oversight of such initiatives be returned to the Board and recommended that the Strategic Initiatives Committee be terminated.

### **Audit Committee**

The Audit Committee is comprised of Mr. White (Chair), Ms. Giesselman, Mr. Frank and Mr. Moore. See "Audit Committee Information" in the Company's annual information form for the year ended December 31, 2021 for additional information regarding the Audit Committee, including the disclosure mandated by National Instrument 52-110 – *Audit Committees* and Form 52-110F1 – *Audit Committee Information Required in an AIF*, and for a copy of the Audit Committee's terms of reference.

### **2021 Audit Committee Activities Highlights**

The Audit Committee met formally four times in 2021 to fulfill the responsibilities set out in its mandate. Among other things, the Audit Committee:

- reviewed and recommended that the Board approve the interim condensed consolidated financial statements and associated management's discussion and analysis, the audited annual consolidated financial statements and the associated management's discussion and analysis, the annual report, the annual information form, and the earnings and declaration of dividends press releases;
- reviewed the proposals to declare dividends and made recommendations to the Board;
- reviewed the independent auditor's conclusions on the annual consolidated financial statements and discussed the annual and interim condensed consolidated financial statements with the independent auditor;
- recommended the appointment and compensation of the independent auditor;
- reviewed and approved the independent audit plan;



- carried out the annual assessment of the effectiveness of the independent auditor, verified its independence, and recommended to the Board that its services as independent auditor be proposed;
- monitored the services provided by the independent auditor and the pre-approval of certain mandates;
- reviewed and approved the annual internal audit plan and received and reviewed quarterly reports on the internal audit;
- reviewed regular reports on internal controls over financial reporting;
- reviewed and updated audit policies, as appropriate;
- in conjunction with the HRC Committee, assessed the performance of the CFO and other senior finance personnel and reviewed the formal succession plan of the CFO and other senior finance personnel;
- reviewed quarterly reports on reserves, loan covenant compliance, related party transactions, capital expenditures, professional fees, and litigation involving the Company and its subsidiaries and received quarterly confirmation of compliance with statutory remittances and compliance with laws and regulations;
- received and reviewed quarterly reports on financial risks and risk management plans including hedging programs and policies;
- received and reviewed reports on the Company's enterprise risk management process;
- received and reviewed reports on the adequacy of the Company's insurance programs; and
- reviewed and approved its terms of reference and annual calendar of activities.

## 9.9

### Assessments

**Disclose whether or not the Board, its Committees and individual Directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that it, its committees, and individual Directors are performing effectively.**

The Board is regularly assessed with respect to its effectiveness and contribution. Directors receive a questionnaire on a periodic basis and upon completion return the questionnaire to independent counsel who compiles the results and reviews them with the Chair of the GS&SR Committee. The GS&SR Committee considers the results of the assessment and a report is made to the Board.

See Item 9.6 for additional detail on the most recent annual assessment conducted by the GS&SR Committee.

## 9.10

### Director Term Limits and Other Mechanisms of Board Renewal

**Disclose whether or not the issuer has adopted term limits for the Directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of Board renewal. If the issuer has not adopted director term limits or other mechanisms of Board renewal, disclose why it has not done so.**

The Company has a retirement policy for Directors pursuant to which Directors must retire by age 73, except where otherwise agreed by the Board, but does not otherwise impose term limits on Directors. The GS&SR Committee and the Board are of the view that term limits are an arbitrary mechanism that may force valued Directors, who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole, off of the Board solely because of length of service, thus depriving the Company of their knowledge, skills, qualifications and contributions.

As an alternative to Director term limits and to foster Board renewal, the GS&SR Committee annually assesses the effectiveness of the Board, its Committees and individual Directors in determining whether to recommend Directors for re-election. In these reviews, consideration is given to each Director's level of engagement and participation in Board activities and his or her ability to continue to make a meaningful contribution to the Board. The GS&SR Committee and the Board believe this flexible approach allows the Board to consider each Director individually as well as the Board composition generally to determine if the appropriate balance is being achieved. See Item 9.9 above, "Assessments", for more information on the annual assessment process.

The Board most recently added Mr. Frank in May 2021, Ms. Roessler in March 2020 and Ms. De Greef-Safft in December 2018 as Directors, in each case following a comprehensive search for candidates conducted by the GS&SR Committee with the assistance of an external search firm. Mr. Close was added as a Director in March 2016 in conjunction with his appointment as CEO of the Company and the Board also added two new Directors in 2013 following a comprehensive search for candidates conducted by the GS&SR Committee with the assistance of an external search firm. Mr. Gary Anderson, who had served on the Board since 2006, retired from the Board in 2020.

## 9.11

### Policies Regarding the Representation of Women on the Board of Directors

**A.**

**Disclose whether the issuer has adopted a written policy relating to the identification and nomination of Women Directors. If the issuer has not adopted such a policy, disclose why it has not done so.**

Yes, the Company has adopted a written policy relating to the identification and nomination of women Directors.

**B.**

**If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy.**

In furtherance of Board diversity, AGI aspires to maintain a Board composition in which at least 25% of the Directors are women. Currently, three of the Company's nine Directors (33.3%) are women.

AGI annually assesses the expertise, experience, skills and backgrounds of its Directors in light of the needs of the Board, including the extent to which the composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds, including an appropriate number of women directors.

Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be directed to include diverse candidates generally, and multiple women candidates in particular.

Annually, the Board or the GS&SR Committee will review the Board diversity policy and assess its effectiveness in promoting a diverse Board, which includes an appropriate number of women directors.

**9.12**

**Consideration of the Representation of Women in the Director Identification and Selection Process**

**Disclose whether and, if so, how the Board or nominating Committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer's reasons for not doing so.**

The GS&SR Committee considers, among other things, the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. The GS&SR Committee believes that having a diverse Board, including gender diversity, enhances Board effectiveness, and as such diversity is among many factors that the GS&SR

Committee considers when evaluating the composition of the Board.

Three of the Company's nine Directors (33.3%) are women.

See Item 9.11 above, "Policies Regarding the Representation of Women on the Board of Directors."

**9.13**

**Consideration Given to the Representation of Women in Executive Officer Appointments**

**Disclose whether and, if so, how the issuer considers the level of representation of women in Executive Officer Positions when making Executive Officer appointments. If the issuer does not consider the level of representation of women in Executive Officer positions when making Executive Officer appointments, disclose the issuer's reasons for not doing so.**

The Company considers, among other things, the level of representation of women in Executive Officer positions when making executive officer appointments. The Company believes that having diversity in its Executive Officers, including gender diversity, enhances management effectiveness, and as such diversity is among many factors that the Company considers when evaluating the composition of its Executive Officers. As reflected in Company policies, the Company is committed to a workplace environment where employees are treated with dignity, fairness and respect, that provides equal employment opportunities and is free of discriminatory practices and harassment including on the basis of gender, race, national or ethnic origin, colour, religion, age, sexual orientation, marital status, family status, disability, political beliefs or a conviction for which a pardon has been granted.

**9.14**

**Issuer's Targets Regarding the Representation of Women on the Board of Directors and in Executive Officer Positions**

**A.**

For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's Board or in Executive Officer positions of the issuer by a specific date.

**B.**

**Disclose whether the issuer has adopted a target regarding women on the issuer's Board. If the issuer has not adopted a target, disclose why it has not done so.**

The Company has adopted a target of women on the Board representing a minimum of 25% of the Directors.

**C.**

**Disclose whether the issuer has adopted a target regarding women in Executive Officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.**

The Company has not adopted a target regarding women in Executive Officer positions of the Company. The Company considers diversity, including gender diversity, when making Executive Officer appointments as described in section 9.13 above.

**D.**

**If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.**

The Company has achieved its target of women on the Board representing 25% of the Directors. Currently, three of the Company's nine Directors (33.3%) are women.

**9.15**

**Number of Women on the Board of Directors and in Executive Officer Positions**

**A.**

**Disclose the number and proportion (in percentage terms) of Directors on the issuer's board who are women.**

Three of the Company's nine Directors (33.3%) are women.

**B.**

**Disclose the number and proportion (in percentage terms) of Executive Officers of the issuer, including all major subsidiaries of the issuer, who are women.**

None.

**Additional Diversity Matters – Designated Groups**

A requirement to disclose diversity with respect to "designated groups" was recently implemented under the Canada Business Corporations Act. As defined, "designated groups" includes women, Aboriginal peoples, persons with disabilities and members of visible minorities. Although no policy or target on the representation of designated groups on the Board or among Executive Officers has been established to date, except in the case of women (See "Policies Regarding the Representation of Women on the Board of Directors" (Item 9.11)), as noted above, the Company believes that having diversity in its Board and Executive Officers enhances Board and management effectiveness, and as such diversity is among many factors considered when evaluating the composition of the Board and the Company's Executive Officers. As the Company continues to evolve its approach to diversity, the GS&SR Committee will consider whether policies or aspirational targets should be implemented for the other designated groups.

With respect to the designated groups, three of our nine Directors are women (33.3%). Each Board Committee has at least one female member and the Chairs of each of the Compensation and Human Resources Committee, the Environmental, Health & Safety Committee and the former Ad Hoc Strategic Initiatives Committee are female. No member of the Board has self-identified as an Indigenous person, a person with a disability or a member of a visible minority.

**9.16**

**Additional Governance Matters**

**Communications with Shareholders and Stakeholders.**

The Board believes in the importance of giving Shareholders opportunities to comment on Company-related matters and has implemented measures designed to gather comments, understand concerns expressed, and respond as required.

The Company responds to questions from Shareholders, investors, financial analysts and the media through its senior management and its registrar and transfer agent.

In 2021, members of the Company's management team, in particular the CEO and CFO, met on numerous occasions with representatives of institutional investors.

The activities through which the Company interacts with Shareholders and other stakeholders include:

- presentations by senior management to institutional investors throughout the year at which the Company provides publicly available information about its activities, operations, and initiatives;
- investment dealer-sponsored conferences at which senior management makes presentations to and meets with institutional investors and analysts providing publicly available information about the Company and its operations;
- quarterly conference calls by senior management attended by investors and analysts in which the Company presents and comments on its most recent published operating and financial results;
- press releases issued to the media and authorized by the Board and senior management throughout the year to report any major change involving the Company;
- meetings, calls and discussions between senior management and brokers, institutional and retail investors, and analysts in which the Company provides publicly available information about its financial results and operations; and
- at our 2022 annual general meeting, Shareholders will have the opportunity to vote on AGI's inaugural "Say on Pay" non-binding advisory resolution regarding our approach to executive compensation.



Anyone wishing to contact the Board, a Board Committee, the Chair of the Board, a Chair of a Board Committee, or a Director, including an independent Director, may do so by email to [AGIBoard@aggrowth.com](mailto:AGIBoard@aggrowth.com) or by mail c/o Corporate Secretary, Ag Growth International Inc., 198 Commerce Drive, Winnipeg, MB R3P 0Z6.



## **ADDITIONAL INFORMATION**

### **10.1**

#### **Indebtedness of Directors and Executive Officers**

##### **Aggregate Indebtedness**

Other than “routine indebtedness”, there is no indebtedness outstanding on the date of this Circular owed to (i) the Company or any of its subsidiaries, or (ii) another entity where that indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, by any present or former Directors, executive officers and employees, as applicable, of the Company or its subsidiaries.

##### **Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs**

Since the commencement of the Company’s most recently completed financial year, there has been no indebtedness (other than routine indebtedness) owed to (i) the Company or any of its subsidiaries, or (ii) another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, by any individual who is, or at any time during the Company’s most recently completed financial year was, a Director or executive officer of the Company, each proposed nominee for election as a Director, and each associate of any such Director, executive officer or proposed Director that is outstanding on the date of this Circular.

### **10.2**

#### **Interest of Informed Persons in Material Transaction**

No “informed person” or proposed Director of the Company, nor any associate or affiliate of any informed person or proposed Director, has any material interest, direct or indirect, in any transaction since the commencement of the Company’s last financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### **10.3**

#### **Interest of Certain Persons or Companies in Matters to be Acted Upon**

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or nominee for Director, or executive officer of the Company or anyone who has held office as such since the beginning of the Company’s last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of Directors.

### **10.4**

#### **Particulars of Other Matters to be Acted Upon**

The Board of Directors knows of no matters to come before the Meeting other than those referred to in the Notice of 2022 Annual Meeting accompanying this Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons designated in the accompanying form of proxy to vote the same in accordance with their best judgment of such matters.

### **10.5**

#### **Shareholder Proposals for 2023 Annual Meeting**

Any shareholder’s proposal that meets the provisions of the Canada Business Corporations Act and is intended to be presented at the 2023 Annual Meeting of Shareholders, must be received by the Company no later than 90 days before the anniversary date of the Notice of 2022 Annual Meeting.







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## 10.6

### Additional Information

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.aggrowth.com](http://www.aggrowth.com). Financial information is provided in the Company's audited consolidated financial statements and management's discussion and analysis for the Company's most recently completed financial year. A copy of the Company's financial statements and management's discussion and analysis is available upon written request to the Corporate Secretary, 198 Commerce Drive, Winnipeg, MB R3P 0Z6.

This Circular makes reference to "cash flow". "Cash flow" is a non-IFRS financial measure and is defined for these purposes as adjusted EBITDA for compensation purposes less interest expense, plus non-cash interest, less cash taxes, less maintenance capital expenditures, as may be adjusted and determined by the HRC Committee. See below for a reconciliation of "cash flow" in 2021 to cash provided by operations, which is the most directly comparable financial measures disclosed in our financial statements.

	Year Ended December 31 2021
[thousands of dollars]	\$
Cash provided by operations	82,762
Items not involving current cashflows	(73,379)
<b>Profit (loss) before income taxes</b>	<b>9,383</b>
Combined adjustments to Adjusted EBITDA for compensation purposes <sup>[1]</sup>	171,629
<b>Adjusted EBITDA for compensation purposes<sup>[1]</sup></b>	<b>181,012</b>
Interest expense	(43,599)
Non-cash interest	6,034
Cash taxes	(9,226)
Maintenance capital expenditures	(10,374)
<b>Cash flow</b>	<b>123,847</b>

1. See reconciliation of profit (loss) before income taxes to Adjusted EBITDA for compensation purposes table below

This Circular makes reference to "adjusted EBITDA for compensation purposes". "Adjusted EBITDA for compensation purposes" is a non-IFRS financial measure and is defined for these purposes as AGI's profit (loss) before income taxes before finance costs, depreciation and amortization, share of associate's net loss, gain on remeasurement of equity investment, gain or loss on foreign exchange, non-cash share based compensation expenses, gain or loss on financial instruments, M&A expenses, change in estimate on variable considerations, other transaction and transitional costs, net loss on the sale of property, plant & equipment, gain or loss on settlement of right-of-use assets, gain on disposal of foreign operation, equipment rework and remediation, impairment and permitted acquisition results adjustments as may be adjusted and determined by the HRC Committee. See below for a reconciliation of "adjusted EBITDA for compensation purposes" in 2021 to profit (loss) before income taxes, which is the most directly comparable financial measure disclosed in our financial statements.

The following table reconciles profit (loss) before income taxes to Adjusted EBITDA for compensation purposes.

	Year Ended December 31 2021
[thousands of dollars]	\$
<b>Profit (loss) before income taxes</b>	<b>9,383</b>
Finance costs	43,599
Depreciation and amortization	62,049
Share of associate's net loss <sup>[1]</sup>	1,077
Gain on remeasurement of equity investment <sup>[1]</sup>	(6,778)
Loss (gain) on foreign exchange <sup>[2]</sup>	2,992
Share-based compensation <sup>[3]</sup>	8,551
(Gain) loss on financial instruments <sup>[4]</sup>	(1,382)
M&A expense <sup>[5]</sup>	3,035
Change in estimate on variable considerations <sup>[6]</sup>	11,400
Other transaction and transitional costs <sup>[7]</sup>	12,058
Net loss on disposal of property, plant and equipment	23
Loss (gain) on settlement of right-of-use assets	(17)
Gain on disposal of foreign operation	(898)
Equipment rework and remediation <sup>[8]</sup>	26,100
Impairment charge <sup>[9]</sup>	5,074
Permitted acquisition adjustments <sup>[10]</sup>	4,747
<b>Adjusted EBITDA for compensation purposes</b>	<b>181,012</b>

1. See "Share of associate's net loss (gain) and revaluation gains" in our Management's Discussion and Analysis for the year ended December 31, 2021 ("MD&A").
2. See "Note 25 [e] - Other expenses (income)" in our audited annual consolidated financial statements for the year ended December 31, 2021 ("Financial Statements").
3. The Company's share-based compensation expense pertains to our EIAP and DDCP. See "Note 24 - Share-based compensation plans" in our Financial Statements.
4. See "Equity swap" in our MD&A.
5. Transaction costs associated with completed and ongoing mergers and acquisitions activities.
6. The result of a change in management estimate on variable considerations for a one-time sales concessions related to previous sales contracts.
7. Includes restructuring and other acquisition related transition costs, as well as the accretion and other movement in contingent consideration and amounts due to vendors.
8. See "Remediation costs and equipment rework" in our MD&A.
9. See "Note 12 - Property, plant and equipment" and "Note 15 - Intangible assets" in our Financial Statements.
10. Acquisition related adjustments determined and approved by the HRC Committee.

#### DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the Board.



#### RYAN KIPP

Senior Vice President Legal, General Counsel and Corporate Secretary

Winnipeg, MB

April 1, 2022

## **SCHEDULE A - BOARD OF DIRECTORS TERMS OF REFERENCE**

### **11.1**

#### **Introduction**

The Board of Directors (the "Board") of Ag Growth International Inc. ("AGI" or the "Corporation") is responsible for managing or supervising the management of the business and affairs of the Corporation. Management is responsible for the day-to-day conduct of the business and affairs of the Corporation within the strategic direction approved by the Board. The Board's fundamental objective is to enhance and preserve long-term shareholder value. The Board also considers the legitimate interests of the Corporation's other stakeholders such as employees, customers and communities.

### **11.2**

#### **Underlying Principles**

The following are the principles underlying the corporate governance policies established by the Board:

- a. Representation – The Board represents the Corporation and its shareholders, whose best interests must be paramount at all times.
- b. Diversity – Directors are elected by the shareholders to bring special expertise and diverse points of view to Board deliberations.
- c. Independence – In order to promote objectivity, the Board will be constituted with a majority of independent Directors, as defined by applicable securities laws, rules and regulations and the rules of applicable stock exchanges. The Board will establish processes and guidelines to address the potential for conflicts of interest, including the separation of the role of Chair from that of the Chief Executive Officer.
- d. Alignment of Interests – The Board will adopt policies that promote equity ownership by Board members. Currently, independent directors participate in the Corporation's Director's Deferred Compensation Plan whereby a minimum of 20% of their remuneration is payable in Common Shares of the Corporation.

### **11.3**

#### **Organization and Procedure**

The Board has responsibility for managing its own affairs including (i) planning its composition and size; (ii) selecting its Chair; (iii) nominating candidates for election to the Board; (iv) appointing committees; (v) determining Director compensation; and (vi) assessing the effectiveness of the Board, Committees and Directors in fulfilling their responsibilities.

The Board operates by delegating certain of its authority to management and by reserving certain powers to itself. Subject to the Corporation's articles and by-laws and applicable law, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

#### **a. Number of Directors**

The Board has determined the appropriate size for the Board to be between 3 and 10 members.

#### **b. Retirement**

Directors must retire by age 73 except where otherwise agreed by the Board. Directors who retire from or otherwise change their concurrent position responsibilities do not necessarily need to retire from the Board. However, the Board should, through the Corporate Governance Committee, review the appropriateness of continued Board membership.

#### **c. Independence from Management**

The Board must be able to function independently of management of the Corporation and will meet regularly without management present.

#### **d. Meetings**

The Board will meet at least four times per year. Directors will receive meeting materials on a timely basis in advance of meetings. Presentations on specific subjects at Board meetings will only briefly summarize the material sent to Directors so that discussion can be focused on issues relevant to the material. The Chair is encouraged to invite individuals with insight into issues under discussion to participate in Board meetings.

### **11.4**

#### **Specific Duties**

The Board's principal duties and responsibilities fall into a number of categories that are outlined below.

#### **Policies, Procedures and Compliance**

The Board has the responsibility to:

- a. supervise management of the business and affairs of the Corporation; (ii) act honestly and in good faith with a view to the best interests of the Corporation; (iii) exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and (iv) act in accordance with its obligations contained in the articles and by-laws of the Corporation and the Canada Business Corporations Act;





# 1

- b. oversee management in ensuring that legal requirements applicable to the Corporation are met and documents and records are properly prepared, approved and maintained;
- c. oversee management in ensuring that the Corporation operates at all times within applicable laws and regulations and to acceptable ethical standards; and
- d. approve and monitor compliance with significant policies and procedures by which the Corporation operates

### Monitoring and Acting

The Board has the responsibility to:

- a. review the Corporation's objectives and goals and the strategies by which the Corporation proposes to achieve such goals;
- b. review progress made towards the achievement of objectives and goals established in strategic plans;
- c. monitor the Corporation's progress towards its goals and objectives and to revise and alter their direction in response to changing circumstances;
- d. take action when performance falls short of its goals and objectives or when other special circumstances warrant;
- e. oversee management in ensuring that the Corporation has implemented adequate internal control and management information systems;
- f. approve payment of dividends by the Corporation, if any; and
- g. identify material risks faced by the Corporation and take all reasonable steps to ensure that appropriate systems are implemented to manage those risks.

### Reporting and Communication

The Board has the responsibility to:

- a. adopt a communication or Disclosure Policy for the Corporation and ensure that the Corporation has in place effective communication processes with shareholders and other stakeholders (including measures to enable stakeholders to communicate with the independent Directors of the Board) and with financial, regulatory and other institutions and agencies;
- b. approve the content of the Corporation's major communications to shareholders and the investing public, including the Annual Report, the Management Proxy Circular, the Annual Information Form, any prospectuses that may be issued, and any significant information respecting the Corporation contained in any documents incorporated by reference in any such prospectuses;
- c. oversee management in ensuring that the financial results of the Corporation are properly reported to shareholders, other security holders and regulators in accordance with applicable requirements;
- d. oversee management in ensuring the reporting in

accordance with applicable requirements of any other material developments in respect of the Corporation; and

- e. report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year in accordance with applicable requirements.

### Strategy and Plans

The Board has the responsibility to:

- a. at least annually, participate with management in the development of, and ultimately approve, the strategic objectives of the Corporation, taking into account, among other things, the opportunities and risks of the business of the Corporation;
- b. approve the annual business plans that implement the strategic objectives;
- c. approve annual capital and operating budgets;
- d. approve the entering into, or withdrawing from, lines of business that are, or are likely to be, material to the Corporation;
- e. approve financial and operating objectives used in determining compensation if they are different from the strategic, capital or operating plans referred to above;
- f. approve material divestitures and acquisitions;
- g. monitor the Corporation's progress towards its strategic objectives, and revise and alter its direction through management in light of changing circumstances;
- h. conduct periodic reviews of human, technological and capital resources required to implement the Corporation's strategy and the regulatory, cultural or governmental constraints on the business; and
- i. review recent developments that may affect the Corporation's strategies, and receive advice from management on emerging trends and issues.

### Financial and Corporate Issues

The Board has the responsibility to:

- a. take reasonable steps to ensure the integrity and effectiveness of the Corporation's internal control and management information systems, including the evaluation and assessment of information provided by management and others about the integrity and effectiveness of the Corporation's internal control and management information systems;
- b. review operating and financial performance relative to budgets and objectives;
- c. approve the financial statements and notes;
- d. declare dividends, if any;
- e. approve financings, changes in authorized capital, issue and

repurchase of shares, and issue of debt securities;

- f. approve banking resolutions and significant changes in banking relationships;
- g. approve significant contracts, transactions, and other arrangements or commitments that may be expected to have a material impact on the Corporation; and
- h. approve the commencement or settlement of litigation that may be expected to have a material impact on the Corporation.

### **Business and Risk Management**

The Board has the responsibility to:

- a. oversee management in identifying the principal risks of the Corporation's businesses and implementing appropriate systems to manage these risks;
- b. review coverage, deductibles and key issues regarding corporate insurance policies;
- c. receive reports from management on matters relating to, among others, ethical conduct, environmental management, and employee health and safety; and
- d. understand the principal risks associated with the Corporation's businesses and consider the balance between risk and returns.

### **Management and Human Resources**

The Board has the responsibility to:

- a. appoint the Chief Executive Officer and provide advice and counsel to the Chief Executive Officer in the execution of the Chief Executive Officer's duties;
- b. evaluate the Chief Executive Officer's performance at least annually against agreed upon written objectives and determine and approve the Chief Executive Officer's compensation level based on this evaluation, taking into account the views and recommendations of the Compensation and Human Resources Committee;
- c. approve a comprehensive statement of compensation philosophy, strategy, and principles for the Corporation's senior management;
- d. satisfy itself as to the integrity of the Chief Executive Officer and other senior officers and satisfy itself that the Chief Executive Officer and other senior officers are creating a culture of integrity throughout the Corporation;
- e. approve certain decisions relating to senior management, including the:
- f. appointment and discharge of senior officers;
- g. compensation and benefits for senior officers;
- h. acceptance by the Chief Executive Officer of any outside directorships on public companies (other than non-

profit organizations) or any significant public service commitments; and

- i. employment, consulting, retirement and severance agreements, and other special arrangements proposed for senior officers;
- j. ensure that appropriate succession planning and management development programs are in place, including:
- k. approving the succession plan for the Chief Executive Officer;
- l. in the case of other senior officers, ensuring that plans are in place for management succession and development; and
- m. ensuring that criteria and processes for recognition, promotion, training, development, and appointment of senior management are consistent with the future leadership requirements of the Corporation;
- n. create opportunities to become acquainted with employees within the Corporation who have the potential to become members of senior management, including presentations to the Board by these employees, visits to their workplace, or interaction with them at social occasions; and
- o. approve certain matters relating to all employees, including incentive policies / programs for employees.

## **11.5**

### **Outside Consultants or Advisors**

At the Corporation's expense, the Board may retain, when it considers it necessary or desirable, outside consultants or advisors to advise the Board independently on any matter. The Board will have the sole authority to retain and terminate any such consultants or advisors, including sole authority to review a consultant's or advisor's fees and other retention terms.

## **11.6**

### **Standards of Liability**

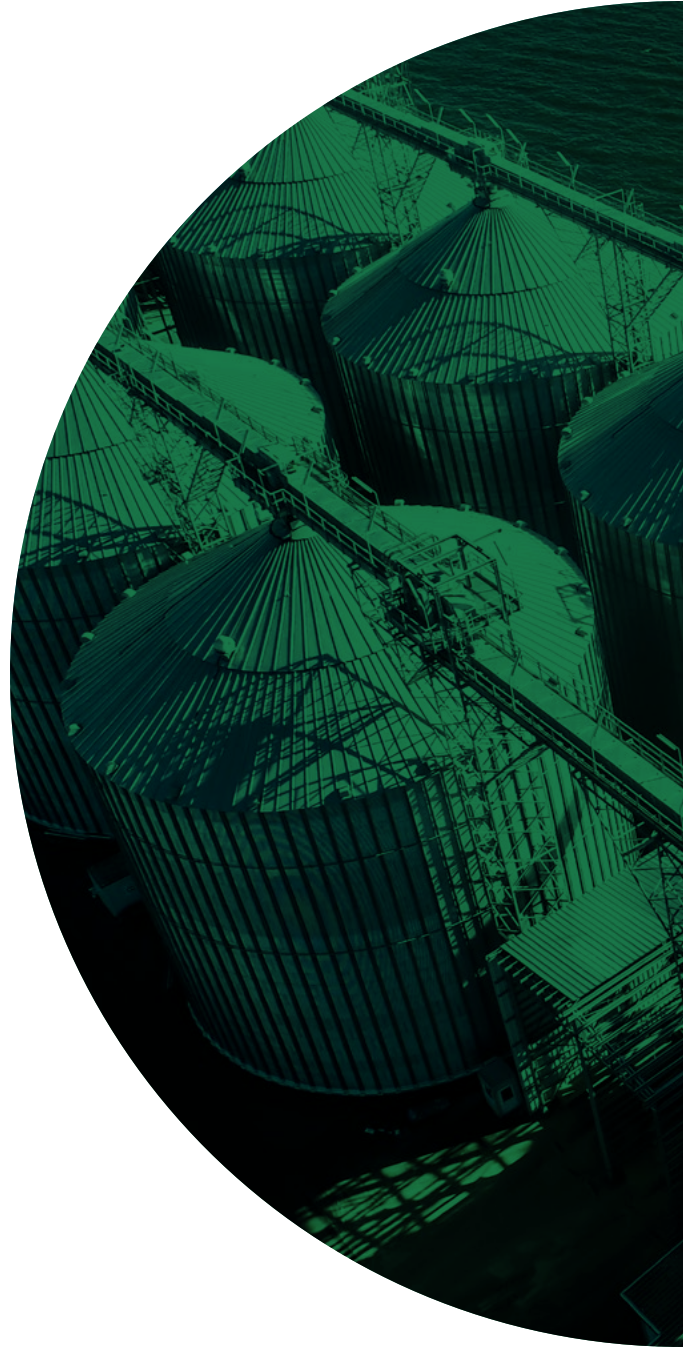
Nothing contained in these terms of reference is intended to expand applicable standards of liability under statutory, regulatory or other legal requirements for the Board. The purposes and responsibilities outlined in these terms of reference are meant to serve as guidelines rather than inflexible rules and, subject to applicable law and the articles and by-laws of the Corporation, the Board may adopt such additional procedures and standards, as it deems necessary from time to time to fulfill its responsibilities.

## **11.7**

### **Review of Board Terms of Reference**

The Board will assess the adequacy of these terms of reference and its calendar annually and will make any changes deemed necessary or appropriate.









The AGI logo is positioned in the upper left corner. It features the letters "AGI" in a bold, white, sans-serif font. To the right of the letters is a stylized graphic element consisting of three horizontal lines of varying lengths, creating a sense of motion or a wing-like shape. The background of the entire image is a photograph of several large, cylindrical metal grain silos. A diagonal overlay on the right side of the image shows a green field with two bright green laser-like beams originating from the silos and converging towards the horizon. The top left corner has a green gradient with several semi-transparent green circles of different sizes. The bottom right corner features a large green arrow pointing right, and a smaller circular icon with two right-pointing chevrons is located just above it.

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