

## **RICHELIEU HARDWARE LTD.**

### **MAJORITY VOTING POLICY**

The Board of directors (the "Board") of Richelieu Hardware Ltd. (the "Corporation") has unanimously adopted the present Majority Voting Policy (the "Policy") on April 7<sup>th</sup>, 2016.

Pursuant to this Policy, the forms of proxy for the election of directors will permit the shareholders of the Corporation (each a "Shareholder" or, collectively, the "Shareholders") to vote in favor of, or to withhold from voting, separately, for each director nominee.

The Chair of the Board will ensure that the number of votes in favor of or withheld from voting for each director nominee is duly recorded and promptly made public after the meeting.

Should the number of proxy withheld for any particular director nominee be greater than the votes casted in favor of such nominee, said nominee shall be required to submit his or her resignation to the Chair of the Board promptly following the close of the Shareholders' meeting at which such votes were withheld, effective immediately.

Following receipt of a resignation submitted pursuant to the present Policy, the Chair of the Board shall provide a copy of said resignation to the Corporation's Human Resources and Corporate Governance Committee (the "Committee"), who shall consider whether or not to accept such resignation and recommend to the Board whether or not to accept it. In doing so, the Committee shall consider all factors deemed relevant by the members of the Committee including, without limitations, the stated reasons, if any, why the Shareholders withheld votes from said nominee, the length of service and the qualifications of the nominee whose resignation has been submitted, such nominee's past contribution to the Corporation and the Corporation's governance guidelines.

Within ninety (90) days following the applicable Shareholders' meeting, the Board shall make its decision, based on the Committee's recommendation. In considering the Committee's recommendation, the Board may rely on the factors already considered by the Committee or any other additional information and/or factors that the Board may deem to be relevant. A director who tenders his or her resignation pursuant to the present Policy shall not be permitted to participate in any meetings of the Board or Committee at which his or her resignation is to be considered.

Following the Board's decision, the Board shall publicly disclosed their decision whether to accept or not said resignation, including the reasons for rejecting same, if and as applicable. Should the resignation be accepted by the Board, the Board may, subject to any corporate law restrictions, either leave the vacancy unfilled or appoint a new director to fill such vacancy.

In the event that a number of Committee members receive a greater number of proxy votes withheld than the votes for such members in the same election such that the Committee no longer has quorum, then the remaining members of the Committee, if any, shall not consider the resignation(s) received and the Board shall consider whether or not to accept such resignation(s) without any prior recommendation from the Committee.

Similarly, in the event that a number of Board members receive a greater number of proxy votes withheld than the votes for such members in the same election, such that the Board no longer has quorum, then such directors receiving a majority withheld vote shall not be permitted to vote in any meeting of the Board at which his or her resignation is considered, provided however that he or she shall nonetheless be counted for the purpose of determining whether the Board has quorum or not.

In the event that a director who receives a greater number of proxy votes withheld than the votes in favor of such director's election does not tender his or her resignation in accordance with the present Policy, he or she will not be re-nominated by the Board.

The Committee and the Board may adopt such procedures and they see fit to assist it in their determinations with respect to this Policy.

Notwithstanding anything to the contrary, this Policy shall not apply where an election involves a proxy battle, i.e. where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board.