



## THE TORO COMPANY

### FINANCE COMMITTEE CHARTER

#### ***Purpose***

The Finance Committee is appointed by the Board of Directors of The Toro Company (the “Company”) to perform the duties and responsibilities set forth in this Charter.

#### ***Committee Membership***

The Committee shall consist of no fewer than three members. The members of the Committee shall be appointed and replaced by the Board, on the recommendation of the Nominating & Governance Committee. The Board shall designate one of the members of the Committee as Chair.

#### ***Resources***

The Committee may retain or obtain the advice of consultants, legal counsel or any other advisor as the Committee may deem appropriate in connection with the discharge of its duties. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to such consultants, legal counsel, or other advisors.

#### ***Meetings***

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. Special meetings may be convened as required. The Chair of the Committee may call meetings of the Committee. Committee members may attend meetings in person, telephonically, virtually (via video conference), or via similar communications arrangements that enable all persons participating in the meeting to hear each other. The Committee may also take action by unanimous written consent. At any meeting of the Committee, the presence of a majority of its members then in office shall constitute a quorum for the transaction of business, and the act of a majority of its members present at a meeting at which a quorum is present shall be the act of the Committee. Minutes of all meetings of the Committee shall be kept. The Committee may invite to its meetings any director, member of management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. Following each meeting, the Committee shall make a report to the Board, including all items which require Board approval.

## ***Committee Authority and Responsibilities***

### **Capital Structure**

- A. The Committee shall periodically review the capital structure of the Company and its related policies and long-range objectives.
- B. The Committee shall review, and recommend to the Board, authorization for the repurchase of the Company's equity or long-term debt.
- C. The Committee shall review, and recommend to the Board of Directors, (i) the proposed annual capital budget and (ii) capital expenditures not included in the annual capital budget that exceed the authority delegated to Management.

### **Tax Matters**

- A. The Committee shall review tax strategies and restructuring projects as developed by Management.

### **Financing**

- A. The Committee shall review the financing requirements of the Company and evaluate Management's proposals, short and long-term, to support such financing requirements and recommend, as appropriate, specific financing arrangements, such as credit arrangements and equity (other than compensation-related equity awards, which are the responsibility of the Compensation & Human Resources Committee) and long-term debt issuances, to the Board of Directors.
- B. The Committee shall evaluate the financing implications of certain proposed merger, acquisition, divestiture, joint venture and other business combination transactions or investments that exceed the authority delegated to Management, and recommend to the Board of Directors with regard to such financing implications.

### **Dividends**

- A. The Committee shall review, and recommend to the Board, the Company's cash dividend policy, annual cash dividend level and any other special dividend (including, but not limited to, any additional cash dividend, stock dividend, stock split, spin off or other cash or stock dividend).

### **Management Investment Committee**

- A. The Committee shall review areas of responsibility delegated to the Management Investment Committee, including periodic review of the Management Investment Committee Charter, financial performance of assets in the defined contribution plans and defined benefit plans, and the performance of the Management Investment Committee in the discharge of its duties, including, without limitation,

its oversight of any Investment Manager for any defined contribution or defined benefit plan.

- B. The Committee shall make recommendations to the Board concerning appointments to the Management Investment Committee.

Other Responsibilities

- A. The Committee shall periodically review the Company's use of derivative, hedging and other instruments to manage financial, currency and interest rate exposure.
- B. The Committee shall evaluate the post-acquisition financial integration and return on investment for acquisitions that were subject to review by the Board and report to the Board the financial impact of such acquisitions.
- C. The Committee shall periodically review the Company's insurance coverage.
- D. The Committee shall monitor the Company's investor relations program, including ESG engagement and disclosures.
- E. The Committee may form and delegate authority to subcommittees when appropriate.
- F. The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- G. The Committee shall periodically review its own performance.