



ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE CHARTER

1. ESTABLISHMENT

The Board of Directors (the “Board”) of Purolator Holdings Ltd. (the “Corporation”) has established and hereby continues the existence of a committee of the Board known as the Environmental, Social and Governance Committee (the “ESG Committee”).

2. PURPOSE

The purpose of the ESG Committee is to provide oversight and guidance on environmental, social and governance (“ESG”) issues which may pose risks or opportunities to the Corporation.

3. DUTIES

The Committee is hereby directed and empowered by the Board to provide guidance on the Corporation’s ESG policies, programs, strategies and annual reporting, and to provide oversight in respect of material ESG factors affecting the Corporation, by fulfilling the following duties:

A. Environmental

- (a) Review the Corporation’s short- and long-term decarbonization objectives, policies and reporting frameworks.
- (b) Recommend to the Board the Corporate Environmental Policy, for implementation by the Corporation’s subsidiaries and any related corporate-level policies as the Committee may determine to be appropriate from time-to-time.
- (c) Review the Corporation’s decarbonization performance, including progress towards its sustainability targets, and annual sustainability reporting.
- (d) Monitor current and emerging sustainability and climate-related standards, trends, risks, best practices and regulatory developments that may affect the Corporation.

B. Social

- (a) Review the Corporation’s Diversity, Equity and Inclusion (“DEI”) strategic plan, objectives, and policies in relation to the Corporation’s overarching ESG strategy.
- (b) Review the Corporation’s community investment objectives and policies in relation to the Corporation’s overarching ESG strategy.
- (c) Monitor developments and relevant stakeholder engagement related to social issues, including DEI, and provide guidance on risks and opportunities.

C. Governance

- (a) **Board Mandate.** Recommend to the Board for approval a mandate for the Board including recommending to the Board an appropriate governance model to discharge the Board's obligations as steward of the Corporation's ESG strategy.
- (b) **Committee Charters.** Recommend to the Board for approval a charter for each committee of the Board, including but not limited to, those committees with defined ESG oversight responsibilities.
- (c) **Committee Procedures.** Recommend to the Board for approval operating procedures that govern the conduct of the committees of the Board, including the frequency of meetings, record-keeping and reporting to the Board.
- (d) **Position Descriptions.** Recommend to the Board for approval a position description for the directors of the Corporation and each of the Board Chair, the President and Chief Executive Officer, and the Corporate Secretary.
- (e) **Board Effectiveness.** Review and approve (i) the process for assessing the effectiveness of the Board and its committees, the Board Chair and the Committee Chairs of the Corporation, and (ii) the feedback received from the assessment process.
- (f) **Board Competencies:** Review and recommend competencies and skills that the Board should possess to provide effective stewardship in respect of the Corporation, to be documented in a Skills Matrix.
- (g) **Board Training and Education:** Review the appropriateness and adequacy of the orientation program for new directors and continuing education and development opportunities available to Board members, including provision of additional ESG-related education and professional advice.
- (h) **Director Recruitment.** Recommend to the Board for nomination new directors of the Corporation, taking into account the desired mix of competencies, skills, and diverse representation, as per the Skills Matrix.
- (i) **Director Compensation.** Review the appropriateness and adequacy of:
 - (i) the form and amount of compensation paid to the directors of the Corporation; and
 - (ii) the expense reimbursement policy applicable to the directors of the Corporation.
- (j) **Delegation of Authority.** Recommend to the Board for approval a delegation of authority policy that defines the limits of the President and Chief Executive Officer's powers and authority in managing the business and affairs of the Corporation and its subsidiaries.
- (k) **Code of Conduct.** Recommend to the Board for approval a code of business conduct and ethics applicable to all of the directors, officers and employees of the Corporation and its subsidiaries and consider application to contractors, suppliers and other third parties, as appropriate.

- (l) **Certification Process.** Review the process employed to confirm compliance by the directors, officers and employees of the Corporation and its subsidiaries with the Corporation's code of business conduct and ethics.
- (m) **Governance Statement.** Review the Corporation's published corporate governance statement.
- (n) **Governance Developments.** Monitor developments in the area of corporate governance, including emerging corporate governance-related risks and/or opportunities that may affect the Corporation.

D. Other Duties.

- a) Without limiting any of the duties set out above, the ESG Committee shall perform such other duties as from time to time are assigned to the ESG Committee by the Board.