



BOARD OF DIRECTORS' MANDATE

Purolator Holdings Ltd.

1. DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors (the “**Board**”) is responsible for the stewardship of Purolator Holdings Ltd. (the “**Corporation**”). That stewardship consists primarily of the duty to manage, or supervise the management of the business and affairs of the Corporation and, where material or otherwise significant to the Corporation, the business and affairs of the Corporation’s subsidiaries.

As authorized by the *Business Corporations Act* (Ontario) (the “**OBCA**”) and for the purpose of effectively discharging the Board’s duties, the Board has:

- (a) delegated to the President and C.E.O. of the Corporation, including as set out in the *Delegation of Authority* policy as amended from time to time, many of the Board’s powers and much of the Board’s authority to manage the business and affairs of the Corporation, and
- (b) assumed the duty to supervise the President and C.E.O.’s management of the business and affairs of the Corporation.

2. STANDARD OF CONDUCT FOR DIRECTORS

As required by the OBCA¹, every director of the Corporation (a “**Director**”) shall, in discharging their duties:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Except to the extent set out in a unanimous shareholder agreement, no provision in a contract, the articles of the Corporation, the by-laws of the Corporation or a resolution shall relieve a director from the duty to act in accordance with the OBCA.²

3. PRINCIPAL RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board’s responsibility for the stewardship of the Corporation includes, among other things, responsibility for:

A. Officers of the Corporation

- (a) To the extent feasible, satisfying itself as to the integrity of the President and C.E.O. and the other executive officers of the Corporation and its subsidiaries to create a culture of integrity, and approving the Corporation’s Code of Conduct;
- (b) Approving the process for selecting and appointing the President and C.E.O; and appointing the President and C.E.O. and Corporate Secretary.
- (c) Overseeing the Corporation’s and its subsidiaries control functions, having regard to their independence and effectiveness.
- (d) Overseeing the succession planning of key executive officers of the Corporation and its subsidiaries, including satisfying itself that the President and C.E.O. is taking appropriate actions to develop and monitor the performance of all executive officers.

B. Strategy

- (a) Participating in the development of and approving the core vision and long-term strategic framework for the

¹ OBCA s. 134(1).

² OBCA s. 134(3).

Corporation, and monitoring performance of a strategic plan which is consistent with the long-term direction and takes into account, among other things, the opportunities for and risks to the business of the Corporation and its subsidiaries;

C. Enterprise Risk Management

- (a) Identifying, understanding and monitoring, with Management, the Corporation’s principal risks, and satisfying itself that the Corporation’s management is taking appropriate actions to manage those risks: and
- (b) Satisfying itself as to the adequacy of the internal controls employed by the Corporation and its subsidiaries to manage and mitigate the risks.

D. Internal Controls

- (a) Ensuring the Corporation’s financial viability by reviewing and approving the Corporation’s annual and quarterly financial statements and other disclosure documents that require Board approval.
- (b) Overseeing compliance with applicable audit, accounting and reporting requirements.
- (c) Ensuring the Corporation and its subsidiaries has the appropriate internal controls and management information systems in place, having regard for their effectiveness.

E. Corporate Governance

- (a) Oversight of the Corporation’s approach to environmental, social and governance (“ESG”) issues which may pose risks or opportunities to the Corporation;
- (b) Develop and monitor the Board’s governance model to discharge its obligations, as steward of the Corporation, as reflected through this Mandate, Standing Committee Charters and related Board governance principles, guidelines, and documents;
- (c) Overseeing the appointment, evaluation and succession of the non-executive Chair of the Board;
- (d) Setting expectations and responsibilities of directors, including attendance at, preparation for, and participation in meetings;
- (e) Ensuring that minutes of meetings of the Board are maintained by the Corporate Secretary.

F. Other Duties

Considering all matters that are material to the Corporation and its subsidiaries on a consolidated basis or that are otherwise out of the ordinary course of business.

4. COMMITTEES OF THE BOARD OF DIRECTORS

A. Establishment of Committees

As authorized by the OBCA and for the purpose of effectively discharging the Board’s duties, the Board has established the following standing committees of the Board to assist the Board carry out many of its ordinary course duties:

- (a) Audit Committee;
- (b) Environmental, Social and Governance (“ESG”) Committee; and
- (c) Human Resources and Compensation (“HRC”) Committee
(subsections a, b, and c collectively the “**Standing Committees**”)

In addition to the Standing Committees, the Board may, from time to time, establish special committees to consider any matters out of the ordinary course of business such as, but not limited to, a significant transaction.

B. Governance of Standing Committees

Each of the Standing Committees carries out the duties delegated to it by the Board as specified in such committee’s charter and governs itself in accordance with the *Operating Procedures for Board Committees*, as approved and amended by the Board from time to time.

C. Principal Duties of Standing Committees

The ordinary course duties of each of the Standing Committees can be summarized by reference to the subject areas over which they exercise oversight:

- (a) Audit Committee
 - Financial Reporting
 - External Audit Activities
 - Internal Audit Activities - Controls and Compliance
 - Enterprise Risk Management
 - Business Plan and Performance
- (b) Environmental, Social and Governance (“ESG”) Committee
 - Environmental – Objectives, Policies and Performance.
 - Social - Strategic Plan and Objectives
 - Governance – Board Governance
 - Diversity, Equity and Inclusion
- (c) Human Resources and Compensation (“HRC”) Committee
 - Management Structure
 - Compensation
 - Pension Governance
 - Employee Relations
 - Health and Safety
 - Diversity, Equity and Inclusion

When a Standing Committee is confronted with unusual circumstances, the committee shall refer the matter to the Board for consideration.

D. Composition of Standing Committees

Each of the Standing Committees shall consist of at least three Directors (collectively, the “**Members**”), one of whom shall serve as the chair of the committee (the “**Committee Chair**”). No officer (except the Board Chair) or employee of the Corporation or any of its subsidiaries may serve as a Member, regardless of whether they are also a Director.

In addition, a majority of the Members of the Audit Committee shall be unaffiliated, and every Member of the Audit Committee shall be financially literate. A Member of the Audit Committee will be considered to be:

- (a) “**unaffiliated**” if they are not an officer or employee of any affiliate (as defined in the OBCA) of the Corporation; and
- (b) “**financially literate**” if they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

The Board shall appoint, and may remove or replace, the Members and the Committee Chair of each Standing Committees, at any time and from time to time.

5. INDIVIDUAL ROLES AND RESPONSIBILITIES

(a) Directors

Each Director is, together with the other members of the Board, responsible for the stewardship of the Corporation. This entails managing, or, to the extent that the authority to manage the business and affairs of the Corporation has been delegated to the President and C.E.O., supervising the management of the business and affairs of the Corporation. To this end, a Director must devote their best efforts to the fulfillment of the Board’s responsibilities set out in this Board of Directors’ Mandate and must, in discharging their duties, fulfill the statutory duties of loyalty and care (as more particularly set out under the heading “*Standard of Conduct*”). The specific responsibilities of a Director are set out in the *Governance Position Description for Directors*, as approved and amended by the Board from time to time.

(b) Board Chairperson

The Board Chairperson is responsible for facilitating highly effective performance by the Board. The Board Chairperson is not an executive of the Corporation in the sense that the Board Chairperson is not responsible for the management of any aspect of the Corporation's business. The specific responsibilities of the Board Chairperson are set out in the *Governance Position Description for the Board Chairperson*, as approved and amended by the Board from time to time

(c) Committee Chairperson

The primary responsibility of the Chairperson of each Committee is to provide leadership to the Committee and enhance the Committee's effectiveness. Committee Chairpersons leads the Committee in meeting its responsibilities as per their respective Charters, by giving strong guidance ensuring the Committee takes the Corporation's vision, values, and long-term strategy into account in its deliberations and decisions, advice to Management, and recommendations to the Board. The specific responsibilities of the Committee Chairperson are set out in the *Governance Position Description for the Committee Chairperson*, as approved and amended by the Board from time to time

(d) President and C.E.O.

The President and C.E.O. is responsible for leading the development of the Corporation's strategic plan for approval by the Board, managing the day-to-day business and affairs of the Corporation within the boundaries established by the Board, and reporting on the business and affairs of the Corporation to the Board on a timely and regular basis. The specific responsibilities of the President and C.E.O. are set out in the *Human Resources Job Description for the President and CEO*, as approved and amended by the Board from time to time.

(e) Corporate Secretary

The Corporate Secretary is responsible for assisting the Board in gaining and maintaining reasonable assurance that the Board and the executive officers of the Corporation are complying with the Corporation's governance obligations. The specific responsibilities of the Corporate Secretary are set out in the *Governance Position Description for the Corporate Secretary*, as approved and amended by the Board from time to time.

Effective February 2025
Date of Next Review: November 2026