



## Board of Directors Mandate

### 1. Introduction

The Board of Directors (the “Board”) is responsible for the stewardship of Xebec Adsorption Inc. (the “Corporation”), overseeing the management of the Corporation in accordance with applicable requirements under corporate and securities regulations and jointly with Executive Management, seeks to create long-term shareholder value. The Board may discharge its responsibilities by delegating certain duties to committees of the Board and to management. The specific duties delegated to each committee of the Board are outlined in the committee charters and in the minutes of Board meetings. The Board may not delegate any matter which is required under applicable corporate or securities laws to be decided by the Board as a whole.

### 2. Meetings

- (a) The Board will hold regularly scheduled meetings in person at least once each quarter, and will hold additional meetings via teleconference periodically as required.
- (b) The Chair, with the assistance of the Corporate Secretary and the input of the Lead Director, will be responsible for the agenda for each Board meeting.
- (c) The Board encourages management to attend Board meetings, where appropriate, to provide additional insight to matters being considered by the Board.
- (d) The Board should have an in-camera session without management present, including any management directors, as a regular feature of each Board meeting.
- (e) Resolutions may not be approved by the Board during any in-camera session of a Board meeting in the absence of directors who have been excluded from such in-camera sessions but who have attended the Board meeting, unless such excluded directors have consented to such resolution being approved in their absence during the in-camera session.
- (f) The quorum necessary for the transaction of business of the directors will be a majority of the directors.

### 3. Election or Appointment of Directors

The Board should be constituted with a majority of individuals who are qualify as independent in accordance with National Policy 58-201. A director is independent is such director has no relationship with the Corporation, as defined in section 1.4 of *Regulation 52-110 respecting the Audit Committees* as amended from time to time.

The Board, following recommendation by the Corporate Governance Committee, will:

- (a) Approve the management nominees proposed for election by shareholders at annual general meetings of the Corporation;



- (b) approve candidates to fill any casual vacancy occurring on the Board; and
- (c) fix the number of directors as permitted by the Corporation's charter documents.

#### **4. Remuneration**

Members of the Board shall receive such remuneration for their services as the Board may determine from time to time, upon a recommendation of the Human Resources Committee

#### **5. Time to perform Duties and over boarding.**

Each director shall have sufficient time to devote to the performance of their duties and no member of the Board may serve, together with another member of the Board, on the board of directors of more than two public companies.

#### **6. Committees of the Board**

The Board will have the following committees and, after considering the recommendation of the Corporate Governance Committee, approve and/or modify their committee charters:

- (a) Audit Committee
- (b) Corporate Governance Committee
- (c) Human Resources Committee

The Board may establish a new standing or ad hoc committee. Not less than a majority of the members of any new standing or ad hoc committee will be Independent Directors.

Each committee will report of the Board on its meetings and each member of the Board will have access to minutes of committee meetings, regardless of whether the director is a member of such committee.

#### **7. Selection of Management**

- (a) The Board is responsible for appointing and replacing the Chief Executive Officer of the Corporation and, after considering the recommendation of the Human Resources Committee, approving the Chief Executive Officer's compensation.
- (b) Upon considering the advice of the Chief Executive Officer and the recommendation of the Human Resources Committee, the Board will approve the appointment of all officers of the Corporation.
- (c) The Board is responsible for satisfying itself as to the integrity of the Chief Executive Officer and other senior management of the Corporation, and ensuring that management creates a culture



of integrity throughout the organization.

- (d) The Board is responsible for overseeing leadership development and succession planning.
- (e) The Board shall evaluate the risks associated with the Corporation's compensation policies and practices.

## **8. Corporate Strategy**

The Board will:

- (a) annually consider and approve the Corporation's objectives and goals, its strategic plan to achieve those objectives and goals and approve any material changes thereto;
- (b) monitor and assess the resources required to implement the Corporation's strategic plan;
- (c) monitor and assess developments which may affect the Corporation's strategic plan;
- (d) evaluate and, as required, enhance the effectiveness of the strategic planning process; and
- (e) monitor and, as required, enhance the execution of the strategic plan by management and monitor corporate performance against the Corporation's objectives and goals.

## **9. Material Transactions**

Subject to delegation by the Board to management and to committees of the Board, the Board will review and approve all material transactions.

## **10. Public Reporting**

The Board is responsible for:

- (a) overseeing that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;
- (b) overseeing that the financial results are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
- (c) Reviewing the policies and procedures to ensure the timely disclosure of any other developments that have a significant and material impact on the Corporation;
- (d) providing for measures that accommodate feedback from shareholders; and,
- (e) monitoring and reviewing the application of the Corporation's Corporate Disclosure and Trading Policy.



## **11. Risks Oversight and Internal Controls**

The Board shall satisfy itself that:

- (a) Review and assess Executive Management maintains effective process to identify and mitigate the principal risks of the Corporation's business and that appropriate systems are implemented to manage and monitor these risks and mitigate or reduce their potential negative impacts; and
- (b) effective systems are in place to monitor the integrity of the Corporation's internal control and its critical management information systems.

## **12. Sustainability**

The Board oversees the Corporation's approach to health, safety and environmental policies matters as well as diversity, inclusion and corporate social responsibility practices and reporting, including the adequacy of management systems to identify and manage related risks and opportunities, adoption of appropriate standards and monitoring of the Corporation's performance and disclosure.

## **13. Procedures and Policies**

The Board establishes the overall policies for the Corporation, and monitors compliance with all significant policies and procedures by which the Corporation is operated.

## **14. Legal Requirements**

- (a) The Board will monitor compliance with all applicable laws and regulation.
- (b) The Board will strive to ensure that all corporate documents and records have been properly prepared, approved and maintained.

## **15. Evaluation**

The Board will evaluate annually the effectiveness of the Board as a whole, individual directors and committees. The Corporate Governance Committee will review such evaluations and provide a report to the Board for its consideration.

## **16. Access to Outside Advisors**

The Board and its Committees, with the approval of the Corporate Governance Committee, may retain and compensate outside legal and other advisors at the expense of the Corporation where reasonably required to assist and advise the Board and Committees in carrying out their duties and responsibilities.



## **17. Review of the Charter**

The Corporate Governance Committee shall annually review this Charter and revise it from time to time and suggest any changes to the Board for approval.