



## **ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY COMMITTEE TERMS OF REFERENCE**

### **ESTABLISHMENT OF COMMITTEE**

#### **1. COMMITTEE**

The Environmental, Health, Safety and Sustainability Committee (the "**Committee**") is established by the Board of Directors (the "**Board**") of Ag Growth International Inc. (the "**Corporation**") to assist the Board in fulfilling its oversight responsibilities relating to environmental, health, safety and sustainability matters for the Corporation.

#### **2. COMPOSITION OF COMMITTEE**

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three Directors, provided that at least a majority of the members of the Committee shall be determined by the Board to be independent as defined by applicable securities laws, rules and regulations and the requirements of any applicable stock exchange.

#### **3. APPOINTMENT OF COMMITTEE MEMBERS**

The members of the Committee shall be appointed by the Board annually at the time of each annual meeting of shareholders, and shall hold office until the next annual meeting, or until they are removed by the Board or until they cease to be Directors of the Corporation.

### **COMMITTEE PROCEDURE**

#### **4. VACANCIES**

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

#### **5. COMMITTEE CHAIR**

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

#### **6. ABSENCE OF CHAIR**

If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

## **7. SECRETARY OF COMMITTEE**

The Committee shall appoint a Secretary who need not be a Director of the Corporation.

## **8. REGULAR MEETINGS**

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least two times per year.

## **9. SPECIAL MEETINGS**

The Chair, any two members of the Committee, or the President and Chief Executive Officer of the Corporation (the "**Chief Executive Officer**") may call a special meeting of the Committee.

## **10. QUORUM**

A majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and hear each other, shall constitute a quorum.

## **11. NOTICE OF MEETINGS**

Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

## **12. AGENDA**

The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.

## **13. DELEGATION**

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.

#### **14. ACCESS**

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation and its subsidiaries.

#### **15. ATTENDANCE OF OFFICERS AT A MEETING**

At the invitation of the Chair, one or more officers or employees of the Corporation and its subsidiaries may, and if required by the Committee shall, attend a meeting of the Committee.

#### **16. PROCEDURE, RECORDS AND REPORTING**

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

#### **17. OUTSIDE CONSULTANTS OR ADVISORS**

The Committee, when it considers it necessary or advisable, may retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and OTHER RETENTION TERMS FOR SUCH PERSONS.

#### **MANDATE OF THE COMMITTEE**

#### **18. ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY MATTERS**

The Committee shall:

- (a) periodically review and recommend to the Board for approval significant policies, programs, systems and procedures with respect to environmental, health, safety and sustainability matters affecting the Corporation; oversee the implementation of, and, as appropriate, recommend to the Board changes to, such policies, programs, systems and procedures; and monitor the Corporation's compliance with such policies, programs, systems and procedures;
- (b) receive and review regular environmental, health and safety performance summaries prepared by management including with respect to significant incidents and/or compliance issues, and any other outstanding performance issues;
- (c) review actions taken by the Corporation with respect to significant environmental, health and safety incidents and/or compliance matters and any performance issues;

- (d) review the sufficiency of resources available for carrying out the actions and activities recommended by the Committee with respect to environmental, health, safety and sustainability matters;
- (e) review the status of any remediation projects and any significant legal and regulatory developments respecting environmental, health and safety matters which may have a significant impact on the Corporation's operations;
- (f) review the risks related to environmental, health and safety matters;
- (g) review the annual or longer term objectives and strategy to improve environmental, health and safety matters;
- (h) review periodically with management the environmental, health and safety emergency response planning processes;
- (i) in the event of the occurrence of a material environmental, health or safety incident, which occurrence is required to be reported to regulatory authorities, receive and review as soon as reasonably practicable, a report from management detailing the nature of the incident and describing the remedial action being taken;
- (j) receive and review, from time to time, reports from the Corporation's senior legal officer on any material civil or criminal proceedings involving the Corporation which relate to environmental, health and safety matters;
- (k) oversee the Corporation's policies relating to sustainability and the Corporation's progress toward achieving its sustainability goals; and
- (l) report to the Board on environmental, health, safety and sustainability policies and significant activities of the Corporation relating to environmental, health, safety and sustainability matters, and on the state of compliance by the Corporation with applicable law and adherence to the relevant policies of the Corporation.

## **19. COMMITTEE REPORT AND OTHER DISCLOSURE**

The Committee shall review those portions of the Corporation's disclosure documents containing significant information relating to matters within the Committee's mandate including any report on the Committee's activities.

## **20. STANDARDS OF LIABILITY**

Nothing contained in these terms of reference is intended to expand applicable standards of liability under statutory, regulatory or other legal requirements for the Board or members of

the Committee. The purposes and responsibilities outlined in these terms of reference are meant to serve as guidelines rather than inflexible rules and, subject to applicable law and the articles and bylaws of the Corporation, the Committee may adopt such additional procedures and standards, as it deems necessary from time to time to fulfill its responsibilities.

## **TERMS OF REFERENCE AND CALENDAR**

### **21. REVIEW**

The Committee shall develop a calendar of activities to be undertaken by the Committee for each ensuing year and shall submit any recommended changes to these terms of reference and the calendar to the Board.

Approved: May 2019

