



## CHARTER OF THE COMPENSATION, NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

This Charter establishes the objective, composition and operation, as well as the powers and responsibilities, of the Compensation, Nominating and Corporate Governance Committee (the "Committee") of ADF GROUP INC. (the "Corporation"). The roles and responsibilities described herein shall at all times be exercised in accordance with the legislation and regulations to which the Corporation and its subsidiaries are subject.

### 1. OBJECTIVE OF THE COMMITTEE

The objective of the Committee is to provide advice and recommendations to the Board of Directors of the Corporation (the "Board") on the compensation of the Chief Executive Officer, other Executive Officers and directors of the Corporation. The Committee shall also nominate candidates for the positions of director and monitor the corporate governance policies of the Corporation.

### 2. COMPOSITION AND OPERATION

- a) The Committee shall be composed of a minimum of three (3) and a maximum of five (5) directors of the Corporation who shall all be mostly independent within the meaning of the applicable regulations.
- b) The members of the Committee shall be nominated by the Board. Unless the Board should decide otherwise, the Co-Chairman of the Board and Independent Board Leader shall, ex officio, be member of the Committee.
- c) A member may resign his seat on the Committee or be removed from office and replaced at any time by the Board, and he shall cease to sit on the Committee the moment he ceases being a director of the Corporation. If this produces a vacancy on the Committee that is not filled, the remaining members shall exercise all of the powers of the Committee, provided they form a quorum.
- d) The Committee shall meet at the request of its Chairperson at least once a year, or as often as necessary, for the purposes of examining any issue submitted by the Board that falls under its responsibility.
- e) The quorum established for a meeting of any Committee meetings is a majority of its directors.
- f) The Committee shall keep minutes of its meetings, signed by the Chair of the Committee and recorded in the Corporation's book of minutes.
- g) The Committee must report to the Board on its work, activities and recommendations at the meeting of the Board following the meeting of the Committee.
- h) Subject to prior approval by the Board, when circumstances require so, the Committee or any of its members may retain the services of an external advisor at the Corporation's expenses for the purposes of adequately performing its mandate.

### 3. POWERS AND RESPONSIBILITIES

More specifically and without limiting the scope of its mandate, the Committee shall have the following responsibilities and powers:

#### 3.1 Compensation

- a) Examine and recommend to the Board the corporate objectives relevant to the Chief Executive Officer's compensation.
- b) Evaluate the performance of the Chief Executive Officer in light of these objectives.
- c) Make recommendations to the Board with regard to the total compensation for the Corporation's Chief Executive Officer.
- d) Make recommendations to the Board concerning the total compensation for Executive Officers (other than the Chief Executive Officer) of the Corporation.
- e) Make recommendations to the Board with respect to bonuses and other short-term, medium-term or long-term incentive plans for the Chief Executive Officer and other Executive Officers.



- f) Make recommendations to the Board of the Corporation regarding directors' compensation.
- g) Identify and monitor the risks associated with the Corporation's compensation policies and practices and elaborate and review the practices to detect and mitigate those that could potentially encourage the Corporation's Executive Officers to expose it to inappropriate or excessive risks.
- h) Review and approve the information that the Corporation is required to disseminate concerning executive compensation prior to its publication by the Corporation, in compliance with the applicable laws and regulations.
- i) Elaborate and review the Corporation's human resources, work relations and health and safety policies and practices and ensure that they comply with applicable laws and regulations.
- j) Review the Corporation's needs with regard to the Management succession plans and provide recommendations to the Board on this issue, where appropriate, notably with regard to appointment, training and supervision of the Executive Officers.
- k) Where the Committee or one of its members retains the services of a compensation consultant or external counsellor, at the Corporation's expenses, in accordance with paragraph 2. h) of this Charter, pre-approve the services not related to director or executive compensation that could be provided to the Corporation by this consultant or external counsellor or a member of its team, at the request of the Corporation's Executive Officers.

### 3.2 Nominating Directors

- a) Make sure that the size and general composition of the Board and its committees allow them to ensure efficient decision-making, and make recommendations to the Board in that respect, where applicable.
- b) Establish and revise specific criteria to be used when selecting candidates for the positions of director, taking into account, among others, the skills and aptitudes that the Board, taken as a whole, should possess in order to fulfill its mandate and meet Corporation needs.
- c) Evaluate periodically (at least once a year) the skills, aptitudes and other qualities of the directors in office, taken as a whole, based on the selection criteria established by the Committee, and identify the needs that new candidates could meet, where applicable.
- d) Identify candidates who have the requisite aptitudes, skills and other qualities, who are available and who have the necessary resources to become members of the Board; after consulting with the Chairman of the Board and Chief Executive Officer of the Corporation, recommend candidates (or a list of candidates) for the positions of director in order that they may be elected at the next shareholder meeting or for the purposes of filling a vacant office during the course of the year, when necessary.

### 3.3 Corporate Governance

- a) Together with the Corporation's legal counsel, ensure the Corporation complies with the laws, regulations and guidelines on corporate governance to which it is subject and, to that end:
  - Develop and periodically (at least once a year) revise the Corporation and the Board' policies and procedures, with regard to, among others, reporting, business ethics, insiders trading, and other topics concerning the Corporation and the Board's governance, based on the Corporation's needs and the applicable laws, regulations and guidelines, and recommend their adoption and updates to the Board.
  - Periodically (at least once a year) revise the Board's mandate, the Committees' charters, job descriptions of the Co-Chair of the Board and Chief Executive Officer and of the Co-Chair of the Board and Independent Board Leader based on the Corporation's needs and the applicable laws, regulations and guidelines, and make recommendations to the Board concerning amendments, if any, that should be made thereto.
  - Ensure that the policies, procedures, mandates, charters and job descriptions adopted by the Board are transmitted to the parties concerned and monitor their enforcement.



- b) Periodically (at least once a year) assess the effectiveness and contribution of the Board, its committees and each of its directors, specifically based on:
  - In the case of the Board or a Board committee, the mandate of the Board or charter of the committee at issue;
  - In the case of directors, the description of the relevant position or Board committee, the mandate of the Board or charter of the committee at issue; and
  - Make recommendations to the Board concerning any corrective measures, if necessary.
- c) Assess the Directors' information or continuing education requirements and recommend to the Board measures to meet those needs, where applicable.
- d) Examine the Corporation's transactions and contracts in which its directors or officers have a direct or indirect material interests and recommend to the Board any appropriate measure to prevent any real or perceived conflict of interest, protect the Corporation's interests and ensure the transparency of said transactions and operations.
- e) Review and approve the information that the Corporation is required to disseminate concerning corporate governance prior to its publication by the Corporation, in compliance with the applicable laws and regulations.

#### **3.4 General Provisions**

- a) The Committee can perform any other tasks conferred to it by the Board in accordance with this Charter, the Corporation's by-laws and applicable laws and regulations.
- b) The Committee's responsibilities extend to the Corporation and its subsidiaries.