



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**- and -**

**MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT**

**FOR AN ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS OF  
TERVITA CORPORATION**

**TO BE HELD MAY 6, 2021**

**MARCH 25, 2021**

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## TERVITA CORPORATION

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 6, 2021

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Shares**") of Tervita Corporation ("**Tervita**") will be held as a virtual only Meeting via live audio webcast online at <https://web.lumiagm.com/283987040> at 2:00 p.m. (Calgary time) on May 6, 2021, for the following purposes:

1. to receive the consolidated financial statements of Tervita for the year ended December 31, 2020 and the independent auditors' report thereon;
2. to appoint Ernst & Young LLP as the auditors of Tervita for the ensuing year at a remuneration to be determined by the board of directors of Tervita (the "**Board**");
3. to fix the number of directors to be elected to the Board at the Meeting at ten (10);
4. to elect each director of Tervita for the ensuing year;
5. to consider and, if thought advisable, pass an ordinary resolution, the full text of which is set out in the accompanying Management Information Circular and Proxy Statement of Tervita dated March 25, 2021 (the "**Information Circular**"), approving all unallocated stock options under the Tervita Option Plan; and
6. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Further particulars of the matters referred to above are set forth in the Information Circular.

The record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is March 25, 2021. Only Shareholders whose names have been entered in the register of Shareholders ("**Registered Shareholders**") at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

Each Share entitled to be voted at the Meeting will entitle the holder thereof to one vote at the Meeting.

This year, in light of the continuing global Covid-19 public health emergency and to protect our employees, Shareholders and other stakeholders, Tervita will hold the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location.

Provided they are connected to the internet and comply with all of the requirements set out in the Information Circular, Registered Shareholders and duly appointed proxyholders will be able to attend and participate in the Meeting, ask questions and vote in real time at <https://web.lumiagm.com/283987040>. Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting. Shareholders that usually vote by proxy ahead of the Meeting will be able to do so in the normal way as described below.

Registered Shareholders may attend and participate in the Meeting virtually or may be represented by proxy. Registered Shareholders who are unable to attend the Meeting virtually or any adjournment or postponement thereof are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed form of proxy must be received by Odyssey Trust Company: (a) by mail using the enclosed return envelope or one addressed to Odyssey Trust Company, Stock Exchange Tower, 1230 – 300 5th Avenue SW, Calgary, Alberta, T2P 3C4, (b) by hand delivery to Odyssey Trust Company, Stock Exchange Tower, 1230 – 300 5th Avenue SW,

Calgary, Alberta, T2P 3C4, or (c) by facsimile to 800-517- 4553. If you vote through the internet, you may also appoint another person to be your proxyholder.

Please go to <https://login.odysseytrust.com/pxlogin> and follow the instructions. You will require your 12-digit control number found on your form of proxy. Your proxy or voting instructions must be received in each case no later than 48 hours before the Meeting (excluding Saturdays, Sundays and holidays in the Province of Alberta) or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays in the Province of Alberta) before the beginning of any adjourned or postponed Meeting. For information regarding voting or appointing a proxy by internet, see the form of proxy for Shareholders and the Information Circular under the heading "*General Matters*". Failure to so deposit a form of proxy by 2:00 p.m. (Calgary time) on May 4, 2021, or, if the Meeting has been adjourned or postponed, 48 hours prior to the time which the Meeting has been adjourned or postponed, excluding Saturdays, Sundays and holidays in the Province of Alberta (unless voting online using the instructions above) will result in its invalidation. The Chair of the meeting may waive or extend the proxy cut-off without notice.

Shareholders holding Shares that are registered in the name of a broker, custodian, bank, trust company or other intermediary or nominee ("**Beneficial Shareholders**") should complete and return the voting instruction form or other authorization provided to them in accordance with the instructions provided therein. Failure to do so may result in your Shares not being voted at the Meeting.

If you are a Beneficial Shareholder and have received these materials from your broker or another intermediary, please complete and return the voting information form or other authorization form provided to you by your broker or intermediary in accordance with the instructions provided. Failure to do so may result in your Shares not being eligible to be voted at the Meeting. See "*General Matters*" in the Information Circular.

A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form, to represent him, her or it at the Meeting may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you wish that a person other than the management nominees identified on the form of proxy or voting instruction form attend and participate at the Meeting as your proxy and vote your Shares, including if you are a Beneficial Shareholder and wish to appoint yourself as proxyholder to attend, participate and vote at the Meeting, you **MUST** register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting. To register a proxyholder, Shareholders **MUST** send an email to [tervita@odysseytrust.com](mailto:tervita@odysseytrust.com) and provide Odyssey Trust Company with their proxyholder's contact information, amount of Shares appointed, name in which the Shares are registered if they are a Registered Shareholder, or name of broker where the Shares are held if a Beneficial Shareholder, so that Odyssey Trust Company may provide the proxyholder with a Username via email.

The proxyholder has discretion under the enclosed form of proxy to consider matters to come before the Meeting. The persons named in the enclosed proxy will have discretionary authority with respect to: (a) any amendments or variations of the matters of business to be acted on at the Meeting; and (b) any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

At the date of this Information Circular, management of Tervita knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Tervita Notice of Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review this Information Circular carefully before submitting the form of proxy.

It is the intention of the persons named in the enclosed form of proxy for Shareholders, if not expressly directed to the contrary in such form of proxy, to vote FOR each of resolutions to be considered at the Meeting.

Dated at the City of Calgary, in the Province of Alberta, this 25<sup>th</sup> day of March, 2021.

**BY ORDER OF THE  
BOARD OF DIRECTORS OF TERVITA CORPORATION**

(signed) "*John Cooper*"

John Cooper  
President and Chief Executive Officer  
Tervita Corporation

## MANAGEMENT INFORMATION CIRCULAR

### GENERAL MATTERS

#### ***Introduction***

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Tervita for use at the annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of Common shares ("**Shares**") of Tervita. The Meeting will be held as a virtual only Meeting via live audio webcast online at <https://web.lumiagm.com/283987040> at 2:00 p.m. (Calgary time) on May 6, 2021 and at any adjournment or postponement thereof. Shareholders will not be able to attend the Meeting in person.

This year, in light of the continuing global Covid-19 public health emergency, and to protect our employees, Shareholders and other stakeholders, Tervita will hold the Meeting in virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate in the Meeting online regardless of their geographic location.

Provided they are connected to the internet and comply with all the requirements set out in this Information Circular, Shareholders whose names have been entered into the register of Shareholders as the owner of Shares as of the Record Date (as defined below) ("**Registered Shareholders**") and duly appointed proxyholders will be able to attend and participate in the Meeting, ask questions and vote in real time at <https://web.lumiagm.com/283987040>. Shareholders holding Shares that are registered in the name of a broker, custodian, bank, trust company or other intermediary or nominee ("**Beneficial Shareholders**") who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting. Shareholders that usually vote by proxy ahead of the Meeting will be able to do so in the normal way as described below.

All costs of the solicitation for the Meeting will be borne by Tervita.

The information contained in this Information Circular is given as at March 25<sup>th</sup>, 2021, except where otherwise noted.

The information set forth below generally applies to Shareholders whose names have been entered in the register of Shareholders as the owner of Shares ("**Registered Shareholders**"). If you are a Beneficial Shareholder (as defined below) of Tervita (i.e., your Shares are held through an Intermediary (as defined below)), please see "*General Matters - Information for Beneficial Shareholders*".

#### ***Record Date***

The record date for determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 25, 2021 ("**Record Date**"). Only Shareholders whose names have been entered in the register of Shareholders on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

#### ***Notice and Access Regime***

National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("**National Instrument 54-101**") and National Instrument 51-102 – *Continuous Disclosure Obligations* allow for the use of a "notice and access" regime for the delivery of proxy-related materials, annual financial statements and related management's discussion and analysis (the "**Annual Materials**").

Under the notice-and-access regime, reporting issuers are permitted to deliver the Annual Materials by posting them on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") as well as a website other than SEDAR and sending a notice package to each shareholder receiving the Annual Materials under this regime. The notice package must include: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on; (iii) instructions on how to obtain a

paper copy of the Annual Materials; and (iv) a plain-language explanation of how the new notice-and-access system operates and how the Annual Materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send this notice package to shareholders electronically. This notice package must be mailed to shareholders from whom consent to electronic delivery has not been received.

Tervita has elected to send its Annual Materials to Beneficial Shareholders using the notice-and-access regime. Accordingly, Tervita will send the above-mentioned notice package to Beneficial Shareholders which includes instructions on how to access Tervita's Annual Materials online and how to request a paper copy of these materials. Distribution of Tervita's Annual Materials pursuant to the notice-and-access regime has the potential to substantially reduce printing and mailing costs thus reducing our impact on the environment.

Notwithstanding the notice-and-access regime, the ABCA requires Tervita to: (i) deliver a paper copy of its annual financial statements to a Registered Shareholder unless such Registered Shareholder informs Tervita in writing that they do not want a copy of the annual financial statements or provides written consent to electronic delivery; and (ii) deliver a paper copy of the Information Circular to a Registered Shareholder unless such Shareholder provides written consent to electronic delivery. In order to ensure compliance with the ABCA, Registered Shareholders who have not yet consented to electronic delivery will be mailed a copy of the Information Circular, together with a mail card soliciting a Registered Shareholders' consent to electronic delivery in future years.

Tervita will not send its proxy-related materials directly to non-objecting beneficial owners under National Instrument 54-101. Tervita will pay for proximate intermediaries to forward the proxy-related materials and the voting instruction form to objecting beneficial owners under National Instrument 54-101.

#### ***Appointment and Revocation of Proxies***

Accompanying this Information Circular is a form of proxy for holders of Shares. The persons named in the enclosed form of proxy are directors and/or officers of Tervita.

A form of proxy will only be valid if it is duly completed, signed and then delivered to Odyssey Trust Company: (a) by mail using the enclosed return envelope or one addressed to Odyssey Trust Company, Stock Exchange Tower, 1230 – 300 5th Avenue SW, Calgary, Alberta, T2P 3C4, (b) by hand delivery to Odyssey Trust Company, Stock Exchange Tower, 1230 – 300 5th Avenue SW, Calgary, Alberta, T2P 3C4, or (c) by facsimile to 800-517-4553. If you vote through the Internet, you may also appoint another person to be your proxyholder. Please go to <https://login.odysseytrust.com/pxlogin> and follow the instructions. You will require your 12-digit control number found on your form of proxy. Your proxy or voting instructions must be received in each case no later than 48 hours before the meeting (excluding Saturdays, Sundays and holidays in the Province of Alberta) or, if the Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and holidays in the Province of Alberta) before the beginning of any adjourned or postponed Meeting. For information regarding voting or appointing a proxy by internet, also see the form of proxy for Shareholders and "*Voting by Internet*" below. Failure to so deposit a form of proxy by 2:00 p.m., May 4, 2021, or, if the Meeting has been adjourned or postponed, 48 hours prior to the time which the Meeting has been adjourned or postponed, excluding Saturdays, Sunday statutory holidays (unless voting online using the instructions above) will result in its invalidation. The Chair of the Meeting may waive or extend the proxy cut-off without notice.

**A Shareholder has the right to appoint a person (a "third party proxyholder", who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the accompanying form of proxy, including Beneficial Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting. Shareholders who wish to appoint a third party proxyholder to attend, participate or vote at the Meeting as their proxy and vote their Shares MUST submit their proxy or voting instruction form (as applicable) appointing such third party proxyholder AND register the third party proxyholder, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Username to attend, participate or vote at the Meeting.**

• **Step 1: Submit your proxy or voting instruction form:** To appoint a third party proxyholder, insert such person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you are a Beneficial Shareholder located in the United States, you must also provide Odyssey Trust Company with a duly completed legal proxy if you wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder. See below under this section for additional details.

• **Step 2: Register your proxyholder:** To register a proxyholder, Shareholders MUST send an email to [tervita@odysseytrust.com](mailto:tervita@odysseytrust.com) by 2:00 p.m. (Calgary time) on May 4, 2021 and provide Odyssey Trust Company with the required proxyholder contact information, amount of Shares appointed, name in which the Shares are registered if they are a Registered Shareholder, or name of broker where the Shares are held if a Beneficial Shareholder, so that Odyssey may provide the proxyholder with a Username via email. Without a Username, proxyholders will not be able to attend, participate or vote at the Meeting.

If you are a Beneficial Shareholder and wish to attend, participate or vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your Intermediary (as defined below), follow all of the applicable instructions provided by your Intermediary AND register yourself as your proxyholder, as described above. By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary. See also "*Attending, Participating and Voting at the Meeting*" below for further instructions.

A Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Shareholder or by its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited at the registered office of Tervita at any time up to and including the last Business Day preceding the day of the Meeting, or any adjournment or postponement of the Meeting, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner permitted by law.

### ***Signature of Proxy***

The form of proxy accompanying this Information Circular must be executed by the Shareholder or its attorney authorized in writing, or if the Shareholder is a corporation, the form of proxy should be signed in its corporate name under its corporate seal by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney or in some other representative capacity should reflect such person's capacity following its signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act.

### ***Voting of Proxies***

The Shares represented by the form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, then the Shares will be voted accordingly. **In the absence of such instructions, the Shares will be voted FOR the approval of each of the resolutions to be approved at the Meeting as described in this Information Circular.**

### ***Exercise of Discretion of Proxy***

The proxyholder has discretion under the accompanying form of proxy to consider matters to come before the Meeting. The persons named in the enclosed proxy will have discretionary authority with respect to any amendments or variations of the matters of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the



Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested.

At the date of this Information Circular, management of Tervita knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Tervita Notice of Meeting. Shareholders who are planning on returning the accompanying form of proxy are encouraged to review this Information Circular carefully before submitting the form of proxy.

### ***Voting by Internet***

Shareholders may use the internet to transmit their voting instructions at <https://login.odysseytrust.com/pxlogin> and follow the instructions. You will require your 12-digit control number found on your form of proxy. If Shareholders vote by internet, their vote must be received not later than forty-eight hours before the Meeting (excluding Saturdays, Sundays and holidays in the Province of Alberta) or, if the Meeting is adjourned or postponed, forty-eight hours (excluding Saturdays, Sundays and holidays in the Province of Alberta) before the beginning of any adjourned or postponed Meeting. The website may be used to appoint a proxyholder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxyholder and submits its voting instructions and subsequently wishes to change its appointment, a Shareholder may resubmit its proxy, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

### ***Attending, Participating and Voting at the Meeting***

Tervita is holding the Meeting as a completely virtual meeting, which will be conducted via live webcast. Shareholders will not be able to attend the Meeting in person. In order to attend, participate or vote at the Meeting (including for voting and asking questions at the Meeting), Shareholders must have a valid Username.

Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://web.lumiagm.com/283987040>. Such persons may then enter the Meeting by clicking "I have a login" and entering a Username and Password before the start of the Meeting:

- **Registered Shareholders:** The control number located on the form of proxy (or in the email notification you received) is the Username. The Password to the Meeting is "tervita2021" (case sensitive). If as a Registered Shareholder you are using your control number to log in to the Meeting and you accept the terms and conditions, you will be provided the opportunity to vote by online ballot on the matters put forth at the Meeting. If you do not wish to revoke a previously submitted proxy, as the case may be, you should not vote by online ballot.
- **Duly appointed proxyholders:** Odyssey Trust Company will provide the proxyholder with a Username by email after the voting deadline has passed. The Password to the Meeting is "tervita2021" (case sensitive). Only Registered Shareholders and duly appointed proxyholders will be entitled to attend, participate and vote at the Meeting. Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the meeting as a guest but not be able to participate or vote at the Meeting. **Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting (including Beneficial Shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting) MUST submit their duly completed proxy or voting instruction form AND register the proxyholder.** See "*Appointment and Revocation of Proxies*" above.
- **Guests:** Guests are welcome to attend and view the webcast, but will be unable to participate or vote at the Meeting. To join as a guest please visit the Meeting online at <https://web.lumiagm.com/283987040> and select "Join as a Guest" when prompted.

Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as a guest but will not be able to vote at the Meeting. This is because Tervita and its transfer agent do not have a record of the Beneficial Shareholders of Tervita, and, as a result, will have no knowledge of your shareholdings or entitlement to vote, unless you appoint yourself as proxyholder. If you are a Beneficial Shareholder and wish to vote at the Meeting, you have to appoint yourself as proxyholder by inserting your own name in the space provided on the voting instruction form sent to you and must follow all of the applicable instructions provided by your intermediary. See "*Appointment and Revocation of Proxies*" above.

### ***Asking Questions at the Meeting***

Registered Shareholders and duly appointed proxyholders who log in to the Meeting will have the opportunity to vote in real time and to ask questions. Questions or comments can be submitted in the text box (chat feature) of the webcast platform throughout the Meeting. Questions that relate to a specific motion must indicate to which motion they relate at the start of the question (e.g., "Directors") and must be submitted prior to voting on the motion so they can be addressed at the appropriate time during the Meeting. If questions do not indicate to which motion they relate or are received after voting on the relevant motion, they will be addressed after the formal business of the Meeting is concluded. Written questions or comments submitted through the text box of the webcast platform will be read or summarized by a representative of Tervita, after which the Chair will respond or direct the question to the appropriate person to respond. If several questions relate to the same or a very similar topic, Tervita may choose to group such questions and indicate that similar questions were received. An audio recording of the Meeting with real time captioning for the hearing impaired, including the general question and answer session, will be made available on Tervita's website.

These procedures may vary from time to time depending on logistics and with a view to following best governance practices. A representative of Tervita will provide an overview of these procedures before the Meeting is called to order.

If you attend the Meeting online and are entitled to vote, it is important that you are connected to the internet at all times during the Meeting in order to be able to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure.

### ***Information for Beneficial Shareholders***

If you hold Shares through a broker, investment dealer, bank, trust company, nominee or other intermediary (collectively, an "**Intermediary**"), you should contact your Intermediary for instructions and assistance in voting the Shares that you beneficially own.

Only those persons whose name appears on the register of Tervita as the owner of Shares on the Record Date, or are duly appointed proxyholders are permitted to vote at the Meeting, as applicable, unless any such holder of Shares transfers Shares after the Record Date and the transferee of those Shares, having produced properly endorsed certificates evidencing such Shares or having otherwise established that the transferee owns such Shares, demands not later than 10 days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting. Many Shareholders are "non-registered" Shareholders because the Shares they own are not registered in their names but are instead registered in the name of an Intermediary through which they hold the Shares. More particularly, a person is not a Registered Shareholder in respect of Shares which are held on behalf of that person but which are registered either: (a) in the name of an Intermediary that the Beneficial Shareholder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans or tax free savings accounts and similar plans); or (b) in the name of a clearing agency (such as CDS & Co. or Cede & Co.) of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS & Co., which company acts as nominee for many Canadian brokerage firms. Shares so held by Intermediaries can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions,

Intermediaries are prohibited from voting Shares held for Beneficial Shareholders. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person or that the Shares are duly registered in their name well in advance of the applicable meeting. See "*Attending, Participating and Voting at the Meeting*".

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the applicable meeting. Often, the voting instruction form supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails its voting instruction form. The Beneficial Shareholders will be requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number or access the internet to vote the Shares held by the Beneficial Shareholder. The toll-free number and website [www.proxyvote.com](http://www.proxyvote.com) are also included by Broadridge in its voting information form. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the applicable meeting. A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that voting instruction form to vote Shares directly at the Meeting as the voting instruction form must be returned as directed by Broadridge in advance of the Meeting in order to have the Shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of its Intermediary, it may attend at the Meeting as a proxyholder for the Registered Shareholder and vote its Shares in that capacity. Should a Beneficial Shareholder wish to vote at the Meeting, see "*Appointment and Revocation of Proxies*" and "*Attending, Participating and Voting at the Meeting*" above.

### ***Information for Beneficial Shareholders in the United States***

If you are a Beneficial Shareholder located in the United States and wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described above at "*Attending, Participating and Voting at the Meeting*", you must obtain a valid legal proxy from your Intermediary. Follow the instructions from your Intermediary included with the legal proxy form and the voting information form sent to you, or contact your intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Odyssey Trust Company. Requests for registration from Beneficial Shareholders located in the United States that wish to attend, participate or vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail to [tervita@odysseytrust.com](mailto:tervita@odysseytrust.com) and received by 2:00 p.m. (Calgary time) on May 4, 2021.

### ***Principal Shareholders of Tervita***

There are currently 115,654,851 Shares issued and outstanding, as at the date of this Information Circular.

To the best of the knowledge of the directors and senior officers of Tervita as of the date hereof, no persons, corporations or other entities (other than securities depositories) beneficially own, directly or indirectly, exercise control or direction over, or have a combination of direct or indirect beneficial ownership of and control or direction over voting securities carrying more than 10% of the voting rights of Tervita other than as follows:

Name	Number of Shares Held or Controlled	Percentage of Shares Held or Controlled
Solus <sup>(1)(2)</sup>	49,860,270	43.10%
Oaktree Capital Management, L.P. <sup>(3)</sup>	19,321,808	16.71%

**Notes:**

- (1) Includes Shares held of record by affiliates of Solus, which affiliates include Maple Street SARL and Recovery Opportunities S.à.r.l.
- (2) Mr. Colodner, a director of Tervita, is a Managing Director of Solus.
- (3) Includes Shares held of record by affiliates of Oaktree Capital Management, L.P., which affiliates include OCM Luxembourg Opps X S.à.r.l., Oaktree Cascade Investment Fund I, L.P., OCM Luxembourg Opps Xb SARL, and OCM Luxembourg Opps XI SARL.

## **BUSINESS OF THE MEETING**

### ***Financial Statements***

Shareholders will receive and consider the audited consolidated financial statements of Tervita for the year ended December 31, 2020 together with the independent auditors' report thereon. These financial statements have been mailed to the Shareholders requesting them together with this Information Circular. No formal action will be taken at the Meeting to approve audited consolidated financial statements for the year ended December 31, 2020. If any Shareholders have questions respecting the audited consolidated financial statements for the year ended December 31, 2020, such questions may be brought forward at the Meeting.

### ***Appointment of the Auditor***

Ernst & Young LLP have been Tervita's auditors since July 19, 2018 and were previously Legacy Tervita's auditors since formation of Legacy Tervita. Management of Tervita recommends the re-appointment of Ernst & Young LLP as the auditors of Tervita to hold office until the close of the next annual meeting of the Shareholders.

**In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Shares represented thereby FOR the appointment of Ernst & Young LLP as the auditors of Tervita at a remuneration to be fixed by the Board.**

### ***Fixing the Number of Directors***

At the Meeting, Shareholders will be asked to consider and, if thought advisable, approve a resolution fixing the number of directors for the present time at ten (10). The resolution in respect of fixing the number of directors to be elected at the Meeting at ten (10) must be passed by a majority of votes cast by the Shareholders either in person or by proxy.

**In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Shares represented thereby FOR the resolution to fix the number of directors of Tervita to be elected at the Meeting at ten (10).**

### ***Election of Directors***

Action is to be taken at the Meeting with respect to the election of directors. The Board presently consists of ten members. Tervita management proposes to nominate the persons named below for election as directors of Tervita. Each director elected will hold office until the next annual general meeting of Tervita or until their successor is duly elected or appointed, unless their office is earlier vacated in accordance with the by-laws of Tervita or he or she becomes disqualified to act as a director.

The ten (10) nominees are Grant Billing, Michael Colodner, John Cooper, Allen Hagerman, Cameron Kramer, Gordon Pridham, Douglas Ramsay, Susan Riddell Rose, Jay Thornton and Kevin Walbridge, each of whom are current directors of Tervita.

Each director must receive a majority of votes cast by the Shareholders either in person or by proxy or else tender his or her resignation pursuant to the Corporation's Majority Voting Policy. See "*Business of the Meeting – Election of Directors – Majority Voting Policy*".

Each nominee has consented to being named in this Information Circular and to serve as a director if elected.

**In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Shares represented thereby FOR the election of each of the ten nominees as a director of Tervita.**

The Board does not contemplate that any of such nominees will be unable to serve as a director; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve, the persons designated in the proxy will be able to vote in their discretion for any substitute nominee or nominees.

### **Nominees for Election**

The following tables set forth, for the ten persons proposed to be nominated for election as directors to the Board, any positions now held by such nominees on any standing committee of the Board, their principal occupations or employment during the preceding five years, the periods during which they have served as directors of Tervita, the number of Shares, Options, Incentive Units and Deferred Share Units beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction, as of the date of this Information Circular, and current public board memberships, if any. Each elected director will hold office until the close of the next annual meeting of Shareholders, or until his or her successor is duly elected or appointed.

#### **Grant Billing (Chair)**

Alberta, Canada (Age: 69)

Mr. Billing has been a director of Tervita since December 2016 and currently serves as the Chairman of the Tervita Board. From March 2017 until July 2017, Mr. Billing acted as Tervita's Interim Chief Executive Officer. Mr. Billing served as the Chairman and Chief Executive Officer of Superior Plus Corp. between July 2006 and November 2011 and Executive Chairman between 1998 and 2006. Mr. Billing was Chairman of the board of directors of Superior Plus Corp. until December 31, 2014. Mr. Billing is also currently a corporate director of Badger Daylighting Ltd. and MEG Energy Corp. In addition, Mr. Billing has served as Chairman and director of several public companies and as director and Chairman of the Canadian Association of Petroleum Producers.

<b>DIRECTOR SINCE:</b>	December 2016
<b>STATUS:</b>	Independent
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman
<b>BOARD COMMITTEES:</b>	None
<b>PUBLIC BOARD MEMBERSHIP:</b>	Badger Daylighting Inc. MEG Energy Corp.
<b>OWNERSHIP OF EQUITY:</b>	
	TERVITA SHARES (#) 75,000
	TERVITA OPTIONS (#) 93,204
	TERVITA INCENTIVE UNITS (#) Nil
	TERVITA DSUs (#) 103,821

## Michael Colodner

New York, USA (Age: 39)

Mr. Colodner joined Solus Alternative Management LP, formerly known as Stanfield Capital Partners, at its inception in July 2007, and has been a member of the hedge fund investment team since he joined Stanfield Capital Partners as an analyst covering the Utilities and Industrials sectors in March 2007. Prior to joining Stanfield, he was a senior analyst in the Power and Utilities Investment Banking Group at Deutsche Bank Securities Inc. since 2005. Mr. Colodner began his career at Legg Mason Wood Walker Incorporated in 2004, in the Strategic Advisory Investment Banking Group, specializing in Mergers and Acquisitions. He graduated summa cum laude with a B.Sc. in Finance from the University of Maryland in 2004.

<b>DIRECTOR SINCE:</b>	July 2018	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Managing Director of Solus, a privately held hedge fund sponsor	
<b>BOARD COMMITTEES:</b>	HRC Committee Governance Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	None	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	Nil
	TERVITA OPTIONS (#)	Nil
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	Nil

## John Cooper

Alberta, Canada (Age: 61)

Mr. Cooper was appointed as CEO in July 2017. Prior thereto, Mr. Cooper was the Chief Executive Officer of ClearStream Energy Services Inc. since November 2016, a company that provides construction, transportation and maintenance services to energy and industrial markets in Canada, and prior thereto, he served as the Chief Executive Officer of ClearStream Energy Holdings LP, a wholly-owned subsidiary of ClearStream Energy Services Inc., since April 2015. Prior to joining ClearStream Energy Holdings LP, Mr. Cooper has held various senior positions in the energy and industrial services industries, including Chief Operating Officer of Savanna Energy Services Corp., a publicly-traded drilling and completions company, President and Chief Executive Officer of Enermax Services Inc., a private company specializing in oil and gas logistics services, General Manager of Waste Management, a U.S. publicly-traded waste and environmental company and President of Superior Propane Inc., a publicly-traded propane energy and logistics distributor. Mr. Cooper holds a Bachelor of Arts degree in Mathematics and Economics from the University of Western Ontario.

<b>DIRECTOR SINCE:</b>	July 2017	
<b>STATUS:</b>	Non-Independent	
<b>PRINCIPAL OCCUPATION:</b>	President and CEO of Tervita	
<b>BOARD COMMITTEES:</b>	None	
<b>PUBLIC BOARD MEMBERSHIP:</b>	None	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	16,583
	TERVITA OPTIONS (#)	995,188
	TERVITA INCENTIVE UNITS (#)	381,151
	TERVITA DSUs (#)	Nil

## Allen Hagerman

Alberta, Canada (Age: 69)

Mr. Hagerman has been a director of Tervita since December 2016 and currently serves as Tervita's Chair of the Audit Committee. Mr. Hagerman is currently a director of TransAlta Renewables Inc. Mr. Hagerman was Executive Vice President of Canadian Oil Sands Limited, an oil sands mining and upgrading entity from May 2007 to December 2014. Prior to 2007, Mr. Hagerman was Chief Financial Officer of Canadian Oil Sands Limited. Mr. Hagerman is also past President of Financial Executives Institute, Calgary Chapter, as well as a past Chair of the Alberta Children's Hospital Foundation. Previous board positions include director and Chair of the audit committee of Precision Drilling Corporation, lead director of Capital Power Income L.P., director of Syncrude Canada Ltd., Governor of the University of Calgary and a director of the Calgary Exhibition and Stampede. Mr. Hagerman is a fellow of the Institute of Chartered Accountants of Alberta and received his Distinguished Service Award. Mr. Hagerman also holds an ICD.D designation from the Institute of Corporate Directors.

<b>DIRECTOR SINCE:</b>	December 2016	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	Audit Committee (Chair) HRC Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	TransAlta Renewables Inc.	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	Nil
	TERVITA OPTIONS (#)	65,339
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	72,597

## Cameron Kramer

Alberta, Canada (Age: 53)

Mr. Kramer has been a director of Tervita since December, 2016 and currently serves as the Chair of the HSER Committee. Mr. Kramer has variously served as the Chief Operations Officer and Senior Vice President of ARC Resources Ltd. between September 2011 and December 2013. Prior to joining ARC Resources Ltd, Mr. Kramer served in a number of executive roles with Canadian Natural Resources Limited from September 2002 to August 2011, including Senior Vice President of North America Operations, Vice President of Development Operations, Vice-President of Production Central and Vice President of Field Operations. Prior thereto, Mr. Kramer had various operational roles with Canadian Natural Resources Limited, Norden Energy Inc. and Schlumberger Canada Ltd. Mr. Kramer was awarded Alberta Oil's C-Suite Senior Operations Executive of the Year 2013.

<b>DIRECTOR SINCE:</b>	December 2016	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	Audit Committee HSER Committee (Chair)	
<b>PUBLIC BOARD MEMBERSHIP:</b>	None	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	Nil
	TERVITA OPTIONS (#)	79,648
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	59,362

## Gordon Pridham

Ontario, Canada (Age: 65)

Mr. Pridham is a current director of Tervita and was a director of Newalta since June 2004. Mr. Pridham has over 35 years of experience financing and advising companies in public and private markets across a broad range of industry sectors. He has an extensive background in the energy and natural resources sectors, having worked in the Energy and Minerals group in New York, Calgary and Toronto for Chemical Bank and National Bank. Mr. Pridham has also managed the Investment Banking groups of Deutsche Morgan Grenfell, Research Capital and Raymond James in Canada. He has a Bachelor of Arts degree from the University of Toronto and has completed the academic requirements for the Director Education Program for the Institute of Corporate Directors.

<b>DIRECTOR SINCE:</b>	July 2018 (Director of Newalta from June 2004 – July 2018)	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	Audit Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	Orvana Minerals Corp. America's Silver Corporation	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	22,362
	TERVITA OPTIONS (#)	15,624
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	56,418

## Douglas Ramsay

Alberta, Canada (Age: 65)

Mr. Ramsay has been a director of Tervita since January 2017. Mr. Ramsay currently serves on the board of directors of STARS Air Ambulance. Mr. Ramsay is a founder of Calfrac Well Services Ltd. and retired as Chief Executive Officer in December of 2013, a position he held since the company's inception in September of 1999. Mr. Ramsay has been a member of the board of directors of Calfrac Well Services Ltd. since September 1999, and has also served as Vice-Chair of the board of directors since January 2014. Mr. Ramsay has an extensive background in the oil and natural gas industry, having served as the President of Canadian Fracmaster Ltd. from 1992 to 1994, and was a member of that company's board of directors during such period. Mr. Ramsay was inducted into the Canadian Petroleum Hall of Fame in 2012 and the Calgary Business Hall of Fame in 2015. Mr. Ramsay is a past member of the board of directors of the Southern Alberta Institute of Technology.

<b>DIRECTOR SINCE:</b>	January 2017	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	Governance Committee (Chair) HSER Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	Calfrac Well Services Ltd.	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	Nil
	TERVITA OPTIONS (#)	60,600
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	59,362



## Susan Riddell Rose

Alberta, Canada (Age: 56)

Ms. Riddell Rose is a current director of Tervita and was a director of Newalta since May 2009. Ms. Riddell Rose is the President and Chief Executive Officer of Perpetual Energy Inc. Prior thereto she was a Corporate Operating Officer for Paramount Resources Ltd. and prior thereto a geological engineer with Shell Canada Limited. Ms. Riddell Rose graduated from Queen's University at Kingston, Ontario in 1986 with a Bachelor of Applied Science in Geological Engineering. She is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta, the Canadian Society of Petroleum Geologists and the American Association of Petroleum Geologists and serves as a governor for the Canadian Association of Petroleum Producers.

<b>DIRECTOR SINCE:</b>	July 2018 (Director of Newalta from May 2009 – July 2018)	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	President and CEO of Perpetual Energy Inc.	
<b>BOARD COMMITTEES:</b>	Governance Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	Paramount Resources Ltd. Perpetual Energy Inc.	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	50,142
	TERVITA OPTIONS (#)	15,624
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	56,418

## Jay Thornton

Alberta, Canada (Age: 64)

Mr. Thornton has been a director of Tervita since December 2016. Mr. Thornton has 30 years of oil and gas experience. Mr. Thornton held various operating and corporate executive positions with Shell Canada Limited and Suncor Energy Inc. Mr. Thornton formerly held a director position with the Canadian Association of Petroleum Producers. Mr. Thornton is a graduate of McMaster University with an Honours degree in Economics and has completed the Institute of Corporate Directors (ICD) Education Program.

<b>DIRECTOR SINCE:</b>	December 2016	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	HRC Committee (Chair)	
<b>PUBLIC BOARD MEMBERSHIP:</b>	None	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	50,000
	TERVITA OPTIONS (#)	62,443
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	63,461

## Kevin Walbridge

Indiana, USA (Age: 60)

Mr. Walbridge has been a director of Tervita since June 2017. Mr. Walbridge is currently on the board of directors of Wind River Environmental, LLC and is the past Chair of the Environmental Refuse and Education Foundation. Mr. Walbridge has over 20 years of experience in the waste services industry and served as the Chief Operating Officer and Executive Vice President of Progressive Waste Solutions Ltd. until January 16, 2016. Mr. Walbridge served as an Executive Vice President of Operations at Browning-Ferris Industries of Ohio, Inc. Mr. Walbridge has also served as Executive Vice President, Operations for Republic Services, a multibillion-dollar Fortune 500 company, where he was responsible for all field operations as well as overseeing the corporate safety program, landfill operations and environmental management.

<b>DIRECTOR SINCE:</b>	June 2017	
<b>STATUS:</b>	Independent	
<b>PRINCIPAL OCCUPATION:</b>	Independent Businessman	
<b>BOARD COMMITTEES:</b>	HSER Committee	
<b>PUBLIC BOARD MEMBERSHIP:</b>	None	
<b>OWNERSHIP OF EQUITY:</b>	TERVITA SHARES (#)	Nil
	TERVITA OPTIONS (#)	59,547
	TERVITA INCENTIVE UNITS (#)	Nil
	TERVITA DSUs (#)	65,737

### Corporate Cease Trade Orders, Bankruptcies and Penalties

To the knowledge of Tervita, no proposed directors of Tervita are, as at the date of this Information Circular, or have been, within the 10 years before the date of this Information Circular, a director, CEO or CFO of any company (including Tervita) that: (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "**Order**") that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or (b) was subject to an Order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO; or (c) are, as at the date of this Information Circular, or have been within 10 years before the date of this Information Circular, a director or executive officer of any company (including Tervita) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as described below.

Mr. Jay Thornton was formerly a director of Obsidian Energy Ltd. (formerly Penn West Petroleum Ltd. ("**Penn West**")) from June 26, 2013 to February 20, 2019. On July 29, 2014, Penn West announced that the audit committee of the board of directors of Penn West was conducting a voluntary, internal review of certain of Penn West's accounting practices and that certain of Penn West's historical financial statements and related management's discussion and analysis must be restated, which might result in the release of its second quarter 2014 financial results being delayed (which ultimately proved to be the case). Furthermore, Penn West advised that its historical financial statements and related audit reports and management's discussion and analysis should not be relied on. As a result, the Alberta Securities Commission issued a Management Cease Trade Order on August 5, 2014 (the "**ASC MCTO**") against certain directors of Penn West, including Mr. Thornton. On September 18, 2014, Penn West filed restated audited annual financial statements for the years ended December 31, 2013 and 2012, restated unaudited interim financial statements for the three months ended March 31, 2014 and 2013, restated management's discussion and analysis for the year ended December 31, 2013 and the quarter ended March 31, 2014, and related amended documents. Penn West also filed its unaudited interim financial statements for the

three and six-month periods ended June 30, 2014 and 2013 and the related management's discussion and analysis and management certifications. The ASC MCTO was revoked on September 23, 2014.

Mr. Gordon Pridham was formerly a director of CHC Student Housing Corp. from October 9, 2014 to September 20, 2018, which was subject to a management cease trade order commencing on May 5, 2017 for the failure to file its annual financial statements and related documentation, which management cease trade order subsequently lapsed/expired on July 4, 2017.

### **Personal Bankruptcies**

To the knowledge of Tervita, no proposed directors of Tervita are, as at the date of this Information Circular, or have been, within the 10 years before the date of this Information Circular, bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or have become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### **Majority Voting Policy**

The Board has adopted a Majority Voting Policy under which a director standing for election or re-election who does not receive the support of a majority of the votes cast at a meeting must immediately tender his or her resignation to the Board, which resignation will be effective upon acceptance of same by the Board. The Board will refer the resignation to the Governance Committee for consideration. The Board will promptly accept the resignation unless the Governance Committee determines that there are exceptional circumstances that should delay the acceptance of the resignation or justify rejecting it. The Board shall make a determination regarding the resignation of the director within 90 days of the shareholders' meeting. The director who tenders a resignation to the Board pursuant to the Majority Voting Policy will not participate in any meeting of the Board or of the Governance Committee at which the resignation is considered. This policy can be found on Tervita's website [www.tervita.com](http://www.tervita.com).

This Majority Voting Policy does not apply in circumstances involving contested director elections, which is a meeting at which the number of directors nominated for election is greater than the number of seats available on the Board.

### **Advance Notice**

A shareholder may nominate a director nominee for election pursuant to the process set forth for advance notice nominations in the Corporation's by-laws. The by-laws require shareholders provide the Corporation advance notice of any proposed nominees for election to the Board at an annual meeting of shareholders or a special meeting of shareholders that was called to elect directors (whether or not also called for other purposes) and may be waived by the Board. The by-laws do not affect the ability of shareholders to requisition a meeting or make a proposal under the ABCA.

In the case of an annual meeting of shareholders, notice to the Corporation pursuant to the by-laws must be given not less than 30 days and not more than 65 days before the meeting. If the meeting will be held less than 50 days after the meeting date is announced, notice must be given within 10 days of the announcement of the meeting. In the case of a special meeting of shareholders called to elect directors, notice must be given within 15 days of the announcement. In the event Notice-and-Access is used by the Corporation, different notice periods will apply. The notice must include certain prescribed information about the proposed nominee and the Shareholder making the proposal. This requirement ensures all Shareholders receive adequate notice and information about each nominated director so they can make an informed voting decision. As of the date of this Information Circular, the Corporation has not received any additional director nominations for the Meeting. A copy of the by-laws are available on Tervita's website [www.tervita.com](http://www.tervita.com).

## ***Tervita Option Plan***

The Tervita Option Plan provides employees and officers of Tervita with the opportunity to participate in the long-term success of Tervita and to promote a greater alignment of their interests of Shareholders. The Tervita Option Plan is described under “*Executive Compensation – Compensation Discussion and Analysis – Elements of the Executive Compensation Program – Long Term Incentive Program*” in this Circular and summarized at Appendix “B” of this Circular.

The Tervita Option Plan provides that the aggregate number of Common Shares that may be issued pursuant to the exercise of Options granted under the Tervita Option Plan and any other security-based compensation arrangement of the Corporation, including the Tervita Incentive Unit Plan and the Tervita DSU Plan is 10% of the Common Shares issued and outstanding from time to time. Because the Tervita Option Plan provides that a fixed percentage of the issued and outstanding Common Shares will be reserved for issuance thereunder rather than a fixed maximum number of Common Shares, the TSX requires a majority of the Board and Shareholders to approve the unallocated Options under the Tervita Option Plan every three years. The Tervita Option Plan was originally approved by Shareholders at the annual and special meeting held on April 30, 2018.

Assuming all Options, Incentive Units and DSUs are settled in Common Shares from treasury, the number of unallocated Options is calculated by subtracting the number of Options, Incentive Units and DSUs under each of the Tervita Option Plan, the Tervita Incentive Unit Plan and the Tervita DSU Plan, as applicable, that have been granted and are outstanding at any given time from the number that represents 10% of the issued and outstanding Common Shares at that time. As of the date of this Circular, Options that can be settled by issuance of 2,696,236 Common Shares were outstanding under the Tervita Option Plan, Incentive Units that can be settled by the issuance of 2,528,936 Common Shares were outstanding under the Tervita Incentive Unit Plan and DSUs that can be settled by the issuance of 606,809 Common Shares were outstanding under the Tervita DSU Plan, leaving unallocated Options that can be settled by issuance of an aggregate of 5,733,504 Common Shares (equal to approximately 5% of the outstanding Common Shares) available for future grants under the Tervita Option Plan based on the number of outstanding Common Shares as of such date. Assuming Shareholder approval for the unallocated Options is obtained at the Meeting, the actual number of Options that will be granted or awarded under the Tervita Option Plan will be determined by the HRC Committee and the Board in their discretion, keeping in mind grants under the Tervita Incentive Unit Plan and Tervita DSU Plan and subject to the 10% of issued and outstanding Common Shares limitation described above.

Shareholder approval will be sought at the Meeting to approve all unallocated Options under the Tervita Option Plan. If Shareholder approval is obtained at the Meeting, Tervita will not be required to seek further approval for the grant of unallocated Options under the Tervita Option Plan until May 6, 2024. If Shareholder approval is not obtained at the Meeting, the Corporation will no longer be able to issue Common Shares from treasury upon the exercise of Options which have not been allocated as of May 6, 2021, and all such unallocated Options and Options which are outstanding as of May 6, 2021, and subsequently expire or are exercised, terminated or cancelled will not be available for a new grant of Options. Previously granted and allocated Options will continue to be unaffected by the approval of, or the failure to approve, the proposed resolution below. The Board has unanimously approved all unallocated Options under the Tervita Option Plan.

In accordance with the requirements of the TSX, at the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to approve the following ordinary resolution relating to the approval of the unallocated Options under the Tervita Option Plan.

**“BE IT RESOLVED**, as an ordinary resolution, that:

1. all unallocated stock options under the stock option plan (the “**Tervita Option Plan**”) of Tervita Corporation (the “**Corporation**”), as amended from time to time, be and are hereby approved and authorized;

2. the Corporation have the ability to continue granting stock options under the Tervita Option Plan until May 6, 2024, being the date that is three years from the date upon which shareholder approval is being sought; and
3. any director or officer of Tervita be and is hereby authorized and directed, for and on behalf of Tervita, to execute and deliver all such documents and to do all such other acts and things as such director and officer may determine to be necessary or advisable to give effect to the foregoing resolutions.”

Shareholder approval of the unallocated Options under the Tervita Option Plan is required under the rules and policies of the TSX. To pass, the resolution must be approved by a majority of the votes cast by the Shareholders present in person or voting by proxy at the Meeting. The Board recommends that Shareholders vote FOR the ordinary resolution to approve the unallocated Options under the Tervita Option Plan.

**In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Shares represented thereby FOR the resolution to approve the unallocated Options under the Tervita Option Plan.**

## EXECUTIVE COMPENSATION

### *Compensation Discussion and Analysis*

#### Introduction

The purpose of this compensation discussion and analysis is to provide information about Tervita's philosophy, objectives and processes regarding the determination of compensation for Tervita's CEO, CFO and the three most highly compensated executive officers of Tervita other than the CEO and CFO (each, a "NEO") for the fiscal year ending December 31, 2020.

The following individuals comprise Tervita's NEOs for the fiscal year ended December 31, 2020:

Executive	Title
John Cooper	President and Chief Executive Officer (CEO)
Linda Dietsche	Chief Financial Officer (CFO)
Robert Dawson	Executive Vice President, Strategy and Corporate Development
Darilyn Landfried	Vice President, Energy Marketing
Shad Watts	Vice President, Operational Excellence and Drilling & Production Services

Unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to "dollars" or "\$" are to Canadian Dollars.

#### Executive Compensation Program Objectives

Tervita's compensation philosophy is to compensate executive officers based on a pay-for-performance model where executive compensation is directly correlated to the contribution they made to the success of the Corporation and the achievement of the overall business objectives. The goals of the compensation program are to align executive performance with the Corporation's business objectives, reward high performance, retain key executive talent and drive shareholder returns. Tervita's executive compensation program design is centered around the following objectives:

- Ensure Tervita's core values are reflected in the design and the results;
- Grow shareholder value by aligning short-term and long-term incentives with key performance metrics;
- Employ a pay mix for executives that provides a meaningful portion of pay-at-risk compensation that aligns the reward with the performance of the Corporation and the individual;
- Provide a market competitive compensation program that targets total compensation at the 50<sup>th</sup> percentile (P50, the market median) of the Corporation's peer group with the purpose of attracting, retaining and motivating the leadership to successfully deliver on the growth strategies of the Corporation; and
- Motivate executives to deliver results within their respective areas in addition to collaborating across the organization.

See "*Executive Compensation - Elements of the Executive Compensation Program*" for information on each element of Tervita's compensation program.

## Peer Group

The HRC Committee reviews Tervita's peer group on an annual basis to identify the companies that should be considered within Tervita's peer group. In considering potential comparators, the HRC Committee may look at a number of metrics, including industry and operational fit, revenue, market capitalization, total assets and Adjusted EBITDA. In consultation with Mercer, an independent compensation consultant, and based on the foregoing factors, the peer group was revised in 2020 to be comprised of publicly traded energy industry companies with revenue and market capitalization values comparable to those of Tervita following the acquisition of Newalta, such that Tervita's positioning approximates the median of this group. The peer group also represents a broader and more diversified group of companies than referenced in prior years, which is expected to provide greater stability in the market data year over year as the energy industry continues to experience significant changes. The HRC Committee's 2020 compensation review considers the following companies to be in Tervita's peer group as of the date of this Information Circular:

<b>Tervita Peer Group (all values in CAD millions)<sup>(4)</sup></b>		
<b>Company Name</b>	<b>Market Capitalization<sup>(1)</sup></b>	<b>Revenue<sup>(2)</sup></b>
ARC Resources Ltd.	\$2,629	\$1,134
Athabasca Oil Corporation	\$242	\$459
Badger Daylighting Ltd.	\$1,518	\$559
Baytex Energy Corp.	\$746	\$812
CES Energy Solutions Corp.	\$486	\$888
Crescent Point Energy Corp.	\$2,700	\$1,488
Enerflex Ltd.	\$770	\$1,217
Enerplus Corporation	\$1,440	\$687
Ensign Energy Services Inc.	\$244	\$937
MEG Energy Corp.	\$2,058	\$2,292
Mullen Group Ltd.	\$1,090	\$1,164
North American Construction Group Ltd.	\$391	\$500
Paramount Resources Inc.	\$1,472	\$595
Parex Resources Inc.	\$2,771	\$664
Precision Drilling Corporation	\$286 <sup>(3)</sup>	\$936
Secure Energy Services Inc.	\$519	\$1,824
Seven Generations Energy Ltd.	\$2,954	\$2,260
Shawcor Ltd.	\$437	\$1,179
STEP Energy Services Ltd.	\$32 <sup>(3)</sup>	\$424 <sup>(3)</sup>
Total Energy Services Inc.	\$186	\$366
Tourmaline Oil Corp.	\$7,341	\$2,225
Trican Well Service Ltd.	\$495	\$397
Vermilion Energy Inc.	\$1,435	\$1,013
Whitecap Resources	\$2,772	\$811
<b>Tervita Corporation</b>	<b>\$422</b>	<b>\$1,417</b>

### Notes:

- (1) Market Capitalization as of December 31, 2020, except as otherwise noted.
- (2) Trailing 12-month revenue as of December 31, 2020, except as otherwise noted.
- (3) Values provided as of September 30, 2020.
- (4) Source: S&P Capital IQ.

## Target Compensation

Tervita's pay-for-performance philosophy targets total compensation for the NEOs at the 50<sup>th</sup> percentile of the Corporation's peer group. Tervita will consider compensation exceeding the 50<sup>th</sup> percentile through the payment of higher incentive payouts when performance exceeds expectations. Conversely, compensation will be below the 50<sup>th</sup> percentile if performance is below expectations.

In assessing the compensation of each NEO, the HRC Committee (and the CEO as applicable) consider the following:

- Tenure of the NEO;
- Level and scope of responsibility;
- Experience and expertise;
- Performance of the NEO's business unit (if applicable);
- Contribution to the strategic plan;
- Leadership; and
- Alignment to Tervita's values.

## 2020 Compensation

With the completion of integration activities associated with Newalta's operations, and in support of cost management and operational efficiencies, the Corporation reduced the size of its executive team by 20% in 2020. This is in addition to the 17% reduction implemented in 2019. In conducting the annual review of executive compensation, the HRC Committee asked Mercer to complete an analysis of the competitiveness of the compensation levels for the NEOs and remaining Vice President positions in light of the resulting changes to responsibilities and Tervita's larger size. The analysis focused on base salary, target total cash and target total direct compensation compared to the Corporation's peer group (see "*Executive Compensation – Peer Group*").

The analysis assessed the competitiveness of Tervita's compensation against the 50<sup>th</sup> percentile or market median of the Corporation's peer group. Based on Mercer's analysis and additional considerations in determining compensation levels for each NEO (see "*Executive Compensation – Target Compensation*"), no changes to NEO target total direct compensation were made in 2020.

The HRC Committee reviewed the objectives of the LTIP in consideration of the Corporation's long-term strategic goals, alignment with shareholder interests, and current competitive practices. As a result of the review, Options were reduced from 50% to 25% of the LTIP mix and Restricted Share Units were introduced for executives, representing 25% of the LTIP mix. RSUs support the attraction and retention of key talent with unit value linked to share price performance. The remaining 50% was comprised of PSUs, maintaining emphasis on performance-based incentives under the LTIP.

As part of its commitment to strong corporate governance practices, the HRC Committee also undertook formalizing the CEO performance review process, which was approved by the Board, supporting a thorough and consistent approach to the evaluation of CEO performance in light of applicable objectives.

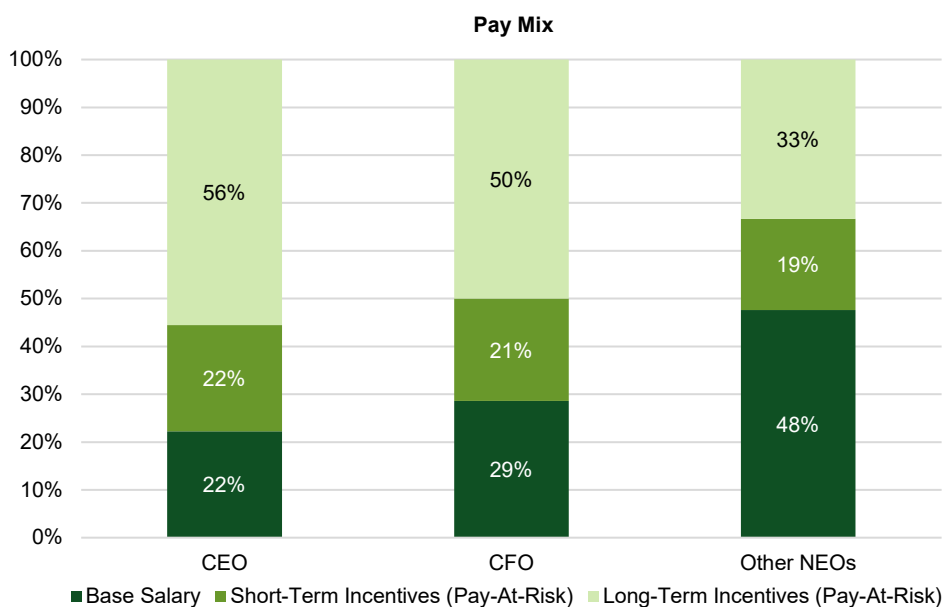
In response to 2020's economic decline, and in support of Tervita's efforts to proactively manage fixed costs, executives elected to take a 10% pay reduction (15% for the CEO) in April 2020, which was approved by the Board. Also, Board members agreed to take all fees as Deferred Share Units and to defer the recommendation from Mercer for a 15% increase to Annual Retainers, required to achieve 50<sup>th</sup> percentile market competitiveness.



The unprecedented world events of 2020 required Tervita's executives to quickly adapt the business plans and strategy of the Corporation, directly impacting execution efforts on pre-established AIP performance targets. The Board therefore necessarily applied discretion with respect to the achievement of performance results in support of linking executive pay to the execution of those adapted business plans and strategy and Tervita's pay-for-performance philosophy. Viewed in the context of the swift and significant economic decline experienced in 2020, AIP performance outcomes took into account executive actions taken to improve Tervita's financial stability and long-term resiliency, as well as actions taken to ensure the safety and health of employees through the pandemic. Upon review of these efforts and business unit success in achieving target results in financial performance and safety performance, the Board approved modest bonuses for NEOs (see "*Elements of the Executive Compensation Program – Annual Incentive Plan*").

## Pay Mix

Tervita's executive compensation program provides the Corporation with the ability to recognize and reward the contributions of senior leadership in addition to creating long-term shareholder value. The following chart shows the respective target pay mix for Tervita's NEOs in 2020. There is considerable emphasis on the pay-at-risk pay components (being short-term incentives and long-term incentives) as part of each NEO's total compensation. The pay mix for "Other NEOs" represents the average.



**Notes:** Ms. Landfried is also eligible for incentives under the Energy Marketing Incentive Plan based on a percentage of the bonus pool achieved and as such is not reflected above. See "*Executive Compensation – Compensation Discussion & Analysis – Elements of the Executive Compensation Program*" for the plan description.

## Elements of the Executive Compensation Program

The HRC Committee firmly believes in the importance of linking executive pay to the execution of Tervita's business plan and strategy, aligning the interests of executive officers and shareholders and building value for shareholders over the long term. Tervita's executive compensation program is comprised of direct and indirect compensation components. The purposes of these components are to align executive performance both to the short-term and long-term objectives of the Corporation and to the interests of shareholders.

## Direct Compensation

Component	Purpose	Form	Performance Period	Payout
Base Salary	Provides a market competitive fixed level of income based on the market value of the NEO's position and the responsibilities and duties of the position.	Cash	One year	<ul style="list-style-type: none"> <li>Fixed</li> </ul>
Annual Incentive Plan (pay-at-risk)	Aligns outcomes to the pre-determined annual goals of the corporation/business unit.	Cash	One year	<ul style="list-style-type: none"> <li>Variable</li> <li>Value based on corporate/business unit financial performance and safety performance</li> </ul>
Long-Term Incentives (pay-at-risk)	A longer-term mix of equity incentives consisting of Options, Performance Share Units and Restricted Share Units designed to align employee and shareholder interests over the long-term and reward the creation of shareholder value, and, in reference to Performance Share Units, the achievement of specific performance metrics.	Options	Five-year term with one third vesting each year over the first three years	<ul style="list-style-type: none"> <li>Variable</li> <li>Value depends on the appreciation of Tervita's share price relative to the exercise price</li> </ul>
		Performance Share Units	Three-year term with cliff vesting at the end of the term	<ul style="list-style-type: none"> <li>Variable</li> <li>Value depends on achievement of certain corporate financial performance metrics</li> <li>Settled in cash or Shares, or a combination of both</li> </ul>
		Restricted Share Units	Three-year term with one third vesting each year	<ul style="list-style-type: none"> <li>Variable</li> <li>Value depends on Tervita's share price at the time of vesting</li> <li>Settled in cash or Shares, or a combination of both</li> </ul>

## Indirect Compensation

Component	Purpose	Details
Savings Plan	Provides additional retirement savings by matching 50% of the employee's contributions to a maximum of 5% of base salary	Registered Retirement Savings Plan (RRSP) / Non-Registered Retirement Savings Plan (NREG)
Benefits	Invests in employee health and welfare	Includes Health and Dental Benefits, Life, Accidental Death, Dismemberment and Disability insurance, and Employee and Family Assistance Program
Other Personal Benefits	Attracts and retains talent	Vehicle allowance and parking

## Base Salaries

The base salary component of Tervita's executive compensation program is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities. It also provides a foundation upon which short-term and long-term incentive compensation elements are established and assessed.

## Annual Incentive Plan

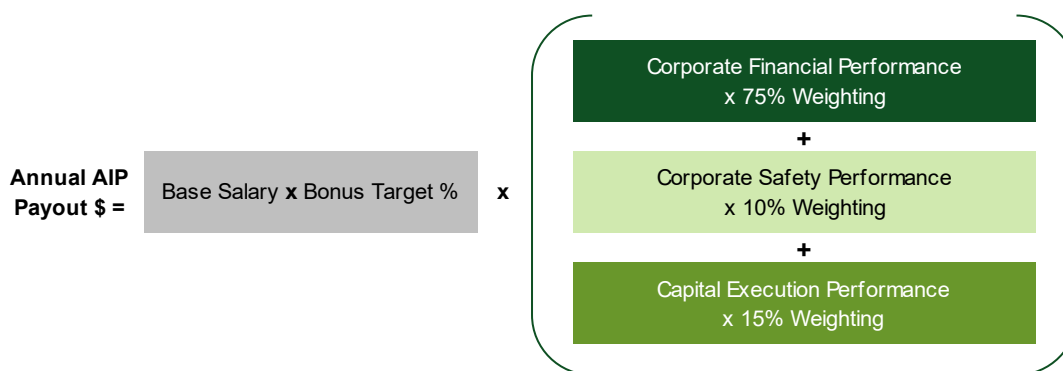
Tervita's annual incentive plan ("**AIP**") is an at-risk short-term incentive plan for eligible employee groups, including the NEOs, and is linked to the achievement of certain corporate, business unit and safety objectives. The performance objective targets for each year are approved by the Board. The purpose of the AIP is to reward employees based on the successful achievement of short-term objectives over the financial year and his or her contribution towards such objectives.

The AIP payable to each NEO is based on meeting or exceeding corporate, business unit and safety objectives and each objective is given a weighting for each NEO. These objectives are comprised of:

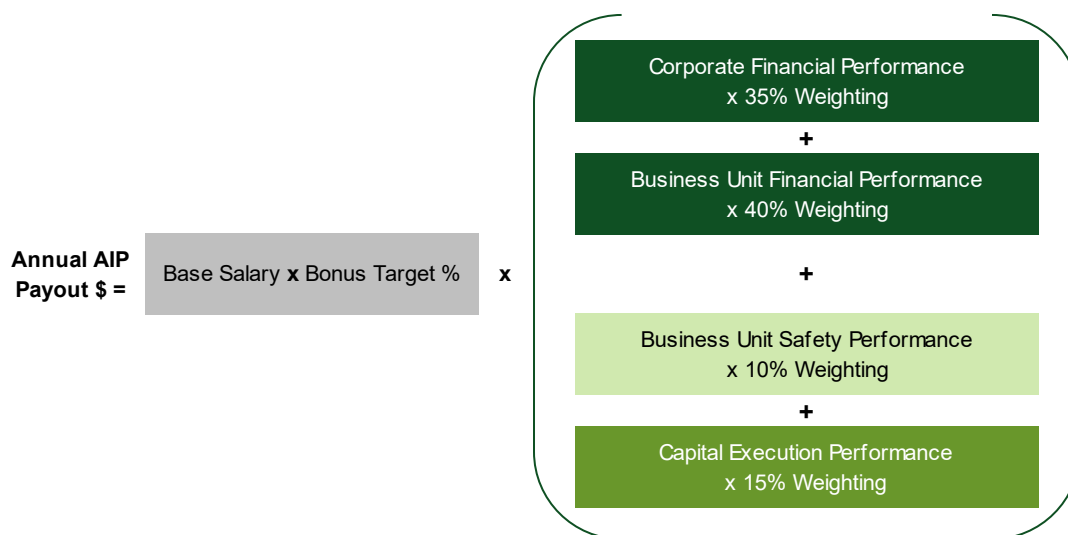
- (1) *Corporate and Business Unit Financial Performance:*
- **Adjusted EBITDA less maintenance capital:** the net profit (loss) plus severance, depreciation and amortization, impairment, finance costs, other expense (income), income taxes expense (recovery), loss (profit from discontinued operations), net of tax, and any other non-recurring items, less maintenance capital. This non-GAAP financial measure provides the results generated by Tervita's primary business activities and reflects the financial health and performance of the business.
- (2) *Corporate and Business Unit Safety:* the following two metrics reinforce Tervita's commitment to protect the health and safety of its employees, contractors, clients and others in the communities in which Tervita operates. Both metrics are equally weighted within this objective and reinforce that health and safety management are a core part of Tervita's culture.
- **TRIF:** total recordable injury frequency measured on an annual basis at either the corporate level or the business unit level, as applicable; and
  - **CACR:** corrective action closure rate being the rate at which corrective actions generated from incident investigations were closed on or before their due date.
- (3) *Capital Execution:* capital efficiency is measured by comparing the successful delivery of each of the capital projects approved by the Board for expansion and growth capital in terms of project schedule and budget.

The relative weight of each performance metric established for the NEOs for the financial year ended December 31, 2020 is set forth below. The AIP is cumulative, meaning that each performance metric is independent of the others and the AIP payout is the sum of the individual components.

**For CEO, CFO and Executive Vice President, Strategy and Corporate Development:**



**For Other NEOs:**



Upon completion of the financial year, the CEO reviews the corporate and business unit performance against the targets for the performance metrics and recommends the AIP payout for each executive officer to the HRC Committee. The HRC Committee in turn reviews the recommendation and has the discretion to adjust the AIP payout for the executives. The HRC Committee then recommends an AIP payout amount for each executive officer and the CEO to the Board for approval. The Board, based on the recommendations of the HRC Committee, approves the AIP payout amount payable to each executive officer and the CEO.

The AIP financial and safety performance objective targets set by the Board of Directors and subsequent results for the financial year ended December 31, 2020 are as follows:

Performance Metric	Performance Measure			2020 Performance Results	% of Target Performance Achieved
	Threshold	Target	Maximum		
Corporate Adjusted EBITDA Less Maintenance Capital <sup>(1)</sup>	\$179.7 million	\$224.6 million	\$314.4 million	\$155.6 million	69%
Corporate TRIF	1.00	0.72	0.44	0.62	114%
Corporate CACR	60%	80%	100%	99%	124%
Capital Execution <sup>(2)</sup>	Discretionary	Discretionary	Discretionary	100%	100%

**Notes:**

- (1) AIP targets for Ms. Landfried include business unit measures on financial performance. Disclosing these results could allow Tervita's competitors to isolate certain data and possibly harm Tervita's competitive position and negatively affect its financial situation. As well, the percentage of operating profit of the unit used to determine Ms. Landfried's compensation is also confidential and sensitive from a competitive point of view. Disclosure of business unit operating profit could provide indications to competitors of the strategic importance of one unit over others in terms of operating profit. Accordingly, Tervita has not disclosed these targets in accordance with applicable securities laws.
- (2) Performance against Tervita's capital execution initiatives is at the discretion of the Board and a decision after year end results are reported to the Board is made accordingly. Capital execution performance is based on a ranking of each growth or expansion capital initiative according to achievement of the original project schedule, budget and expected results, and development of a pipeline of pre-execution capital initiatives.

In addition to the AIP, Ms. Landfried, Vice President, Energy Marketing is also eligible for an incentive payout pursuant to the Energy Marketing Incentive Plan ("**EMIP**") based on a percentage of the net margin achieved and as such is not reflected above. The EMIP rewards participants for results achieved specifically within the Energy Marketing business.

Net margin for EMIP purposes is calculated as:

$$\text{Net Margin} = \text{Energy Marketing Adjusted EBITDA} - \text{Cost of letters of credit related to the Energy Marketing business} - \text{Bonus accrual}$$

The EMIP bonus pool is calculated at 3% of net margin greater than 80% of budget and is shared amongst EMIP participants based on individual performance and contribution to the Energy Marketing team.

Due to the economic conditions in 2020 and the resulting impact on Tervita's overall Adjusted EBITDA performance, the Board exercised its discretion to recognize the NEOs for successfully adjusting business plans and strategies and for mitigating risks to operations to ensure the health and safety of employees during the global Covid-19 pandemic. Resulting at or above target results on safety performance and capital execution was also reflected in the final determination of AIP awards. The annual incentive payout available to each NEO for the financial year ended December 31, 2020 and the amount subsequently paid is set forth below.

Executive	Base Salary <sup>(1)</sup>	Target Bonus	Potential AIP Payout Range	Actual AIP Earned <sup>(2)</sup>	Payout (\$)
John Cooper	\$519,231	100%	\$0 - \$1,012,500	58%	\$300,000
Linda Dietsche	\$301,154	75%	\$0 - \$440,438	42%	\$126,485
Robert Dawson	\$363,462	75%	\$0 - \$531,563	75%	\$272,595
Darilyn Landfried <sup>(3)</sup>	\$259,615	40%	\$0 - \$259,615	23%	\$58,880
Shad Watts	\$244,038	40%	\$0 - \$190,350	22%	\$54,665

**Notes:**

- (1) Base salary reflects the annual unreduced salary earned over 27 pay periods over the course of the year (with a pay period being two weeks, pay does not directly align with Tervita's fiscal year of January 1 to December 31). As a result, these base salary amounts differ from the salary reported in the Summary Compensation Table below, which also reflects the actual salaries earned including the pay reduction each NEO elected to receive in 2020.
- (2) As a percent of base salary, rounded to the nearest percentage.
- (3) Ms. Landfried's EMIP payout is based on performance and contribution to the energy marketing business and is subject to the HRC Committee's approval. In 2020, Ms. Landfried's payout earned was in respect of her business unit performance only as net margin results did not exceed 80% of budget. Disclosing the EMIP net margin could allow Tervita's competitors to isolate certain data and possibly harm Tervita's competitive position and negatively affect its financial situation.

Long Term Incentive Program

The Corporation's long-term incentive program is intended to align the interests of eligible employees with the interests of Shareholders, to motivate performance by tying a significant portion of compensation to enhancement in Share value and to provide employees with the opportunity to participate in the long-term success of Tervita.

Restricted Share Units, Performance Share Units and Integration Incentive Units are granted pursuant to the Tervita Incentive Unit Plan. Tervita granted Options, Performance Share Units and Restricted Share Units in 2020 to the NEOs and senior leadership team. The chart below provides the details in respect of the long-term incentives granted in 2020.

Long-Term Incentive	Features	Vesting	Recipients
<b>Options</b>	<ul style="list-style-type: none"> <li>• Incentive tied to the increase in share value. Options have value only if the share price at the time of exercise is higher than the grant price.</li> <li>• Granted after the March (Q1) Board Meeting and approval by the Board.</li> <li>• Grant requests are reviewed by the HRC Committee and recommended to the Board of Directors for approval.</li> <li>• Option value is reviewed by the HRC Committee and recommended to the Board for approval using a Black Scholes model.</li> </ul>	<ul style="list-style-type: none"> <li>• One-third vesting each year for three years</li> <li>• Options expire after the fifth year</li> </ul>	<ul style="list-style-type: none"> <li>• NEOs and Vice Presidents</li> </ul>
<b>Performance Share Units</b>	<ul style="list-style-type: none"> <li>• Performance-based incentive award to incentivize and retain certain key employees who are critical to business success.</li> <li>• 3-year performance period.</li> <li>• Performance metrics are Discretionary Free Cash Flow Per Share and ROCE</li> <li>• Performance multiplier ranging from 0% – 200%. At the end of the performance period, the HRC Committee will recommend a performance multiplier to the Board for approval.</li> <li>• The Board, at its discretion, may pay the award in cash or Shares, or a combination thereof.</li> </ul>	<ul style="list-style-type: none"> <li>• Cliff vest after the Performance Period on the third anniversary of the grant date (assuming the performance targets have been met)</li> </ul>	<ul style="list-style-type: none"> <li>• NEOs and Vice Presidents</li> </ul>
<b>Restricted Share Units</b>	<ul style="list-style-type: none"> <li>• Incentive award to incentivize and retain certain key employees who are critical to business success.</li> <li>• 3-year vesting period.</li> <li>• The Board, at its discretion, may pay the award in cash or Shares, or a combination thereof.</li> </ul>	<ul style="list-style-type: none"> <li>• One-third vesting each year for three years</li> </ul>	<ul style="list-style-type: none"> <li>• NEOs and Vice Presidents</li> </ul>

With respect to the performance metrics for the PSUs, Discretionary Free Cash Flow Per Share is a non-GAAP financial measure that represents the cash that Tervita is able to generate after deducting capital expenditures from its operating cash flow. Strong performance allows the Corporation to pursue opportunities that enhance shareholder value. ROCE is a non-GAAP financial measure that is used to analyze the operating performance and efficiency of the Corporation's capital allocation process. ROCE reflects the efficiency and profitability of Tervita's capital investments by measuring the level of earnings generated under a given capital structure and also provides a balanced management approach that encourages prudent entrepreneurial risk and efficient capital deployment.

On an annual basis, long-term incentive grants are awarded to each NEO based on a percentage of their base salary as noted in the table below. In 2020, the grants were comprised of 25% Options, 50% PSUs and 25% RSUs and were calculated based on the NEO's then current unreduced salary.

## 2020 Long-Term Incentive Grant Summary

Executive	Base Salary <sup>(1)</sup>	LTI Target (% of Salary)	Option Grant (\$)	Option Grant <sup>(2)(3)</sup> (#)	Performance Share Unit Grant (\$)	Performance Share Unit Grant <sup>(3)(4)</sup> (#)	Restricted Share Unit Grant (\$)	Restricted Share Unit Grant <sup>(3)(4)</sup> (#)
John Cooper	\$500,000	250%	\$312,420	190,500	\$625,066	165,800	\$312,533	82,900
Linda Dietsche	\$290,000	175%	\$126,936	77,400	\$253,721	67,300	\$127,049	33,700
Robert Dawson	\$350,000	175%	\$153,176	93,400	\$306,124	81,200	\$153,062	40,600
Darilyn Landfried	\$250,000	70%	\$43,788	26,700	\$87,464	23,200	\$43,732	11,600
Shad Watts	\$235,000	70%	\$41,164	25,100	\$82,186	21,800	\$41,093	10,900

### Notes:

- (1) Base salary reflects the salary used to calculate the grant of Options, PSUs and RSUs, which is the unreduced salary each NEO was entitled to as of the date of grant of the Options, PSUs and RSUs. These base salary amounts may differ from the amounts reported in the Summary Compensation Table below as a result of salary changes which occurred during the year ended December 31, 2020. See "Executive Compensation – Elements of Executive Compensation Program – Base Salaries" for additional information.
- (2) 2020 Options were granted on August 10, 2020 with a \$3.77 strike price and Black Scholes option value of \$1.64.
- (3) Grant quantities for Options, PSUs and RSUs are rounded to the nearest hundred.
- (4) PSUs and RSUs were granted on August 10, 2020 using a 5-day VWAP on the TSX of \$3.77.

For a summary of each of the Tervita Option Plan and the Tervita Incentive Unit Plan, please see Appendix "B" attached to the Information Circular.

### Other Compensation

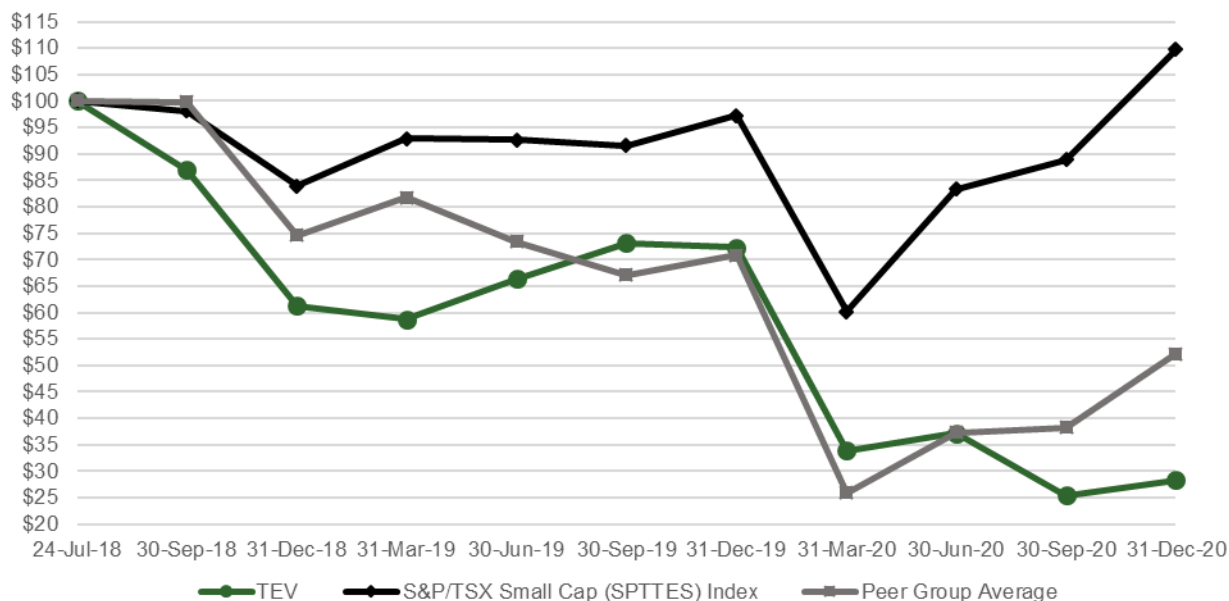
In 2018, certain key executives including Messrs. Cooper, Dawson and Watts and Ms. Landfried, who were critical to successfully completing the integration of the Arrangement with Newalta were awarded a one-time only grant of Integration Incentive Units. The IIUs were awarded based on a performance period of September 1, 2018 to December 31, 2020, at which time, if Discretionary Free Cash Flow Per Share and Net Debt to Adjusted EBITDA performance targets were met, a payout multiple of 0% to 200% would apply. Overall, the integration of Newalta was successful in creating synergies and greater efficiencies. Given that the IIU performance measures were focused on financial outcomes and the majority of the performance period occurred prior to 2020, no adjustment or discretion was applied to the established performance targets. With achievement below threshold on both performance measures, the Board approved a payout multiplier of zero.

Tervita offers all of its officers and employees a savings plan (the "**Tervita Savings Plan**") to provide a means by which employees can save for their retirement. Pursuant to the Tervita Savings Plan, Tervita will match 50% of the employee's contribution in a Registered Retirement Savings Plan ("**RRSP**") or a Non-Registered Savings Plan ("**NREG**"), up to a maximum of five percent of the employee's base salary. Employees are permitted to withdraw their contributions from the RRSP or NREG, as applicable; however, any of Tervita's contributions to the RRSP or NREG, as applicable, are not permitted to be withdrawn so long as the individual is an employee of Tervita. Employees are also able to direct savings to a Tax-Free Savings Account plan which is not matched by Tervita.

As part of their employment with the Corporation, executive officers are also provided with a taxable monthly vehicle allowance (to cover any lease payments, insurance, maintenance, fuel and depreciation), parking (taxable benefit) and an optional annual health assessment.

## Performance Graph

The following graph compares the value of \$100 invested in Tervita Shares over the period beginning July 24, 2018, the date the Shares commenced trading on the TSX, and ending on December 31, 2020 to \$100 invested in the S&P/TSX SmallCap Index and \$100 invested equally among Tervita's peer group organizations (set out above).



The Corporation does not use total shareholder return as a formal measure in its compensation programs, however, the value realized from its long-term incentive awards is correlated to Tervita's total shareholder return because the value is directly tied to the value of Shares, which is aligned with shareholder interests. See "Executive Compensation - Compensation Discussion and Analysis – Elements of the Executive Compensation Program" for more information.

## Compensation Governance

The HRC Committee is currently comprised of three independent directors, Jay Thornton (Chair), Allen Hagerman and Michael Colodner. Each of Messrs. Thornton and Hagerman have served as a senior executive officer and/or director of a number of organizations and have extensive knowledge of the energy industry and direct experience in executive and corporate compensation programs, and Mr. Colodner, through his position with Solus, has been exposed to a variety of compensation models across industries, all of which provide Messrs. Thornton, Hagerman and Colodner with the necessary skills and experience to make decisions on the appropriateness of Tervita's compensation policies and practices. Reference should be made to the biographies of each of the members of the HRC Committee found under "Business of the Meeting – Election of Directors".

On an annual basis, the Board reviews and approves recommendations from: (i) the HRC Committee regarding the salary, short term and long term incentive compensation of the CEO; and (ii) the HRC Committee regarding the compensation for the NEOs of Tervita, other than the CEO, which are based upon recommendations of the CEO. When approving salaries, short-term and long-term incentive compensation for the NEOs, the Board approves the corporate goals and objectives relevant to their respective compensation. Previous incentive grants are taken into account by the HRC Committee when considering new incentive grants.

In conducting its annual compensation review, the HRC Committee uses published industry surveys, independent reports, Tervita's peer group and other publicly available data to assess current compensation



levels and practices. The HRC Committee also retains an independent compensation consultant annually or as otherwise needed to assist the HRC Committee in fulfilling its responsibilities, with a view to ensuring that the compensation arrangements support Tervita in achieving its business objectives and are consistent with current market trends and best practices.

Upon the receipt of the recommendations from the HRC Committee with respect to executive compensation, the Board reviews and considers the recommendations and compensation data from external sources and determines whether to accept the recommendations or make any changes.

## **2021 Compensation Changes**

In 2020, as part of its annual review and in light of the significant changes to the global economic landscape, the HRC Committee undertook a thorough assessment of Tervita's executive compensation programs to ensure the programs continue to be aligned with the best interests of Shareholders, the Corporation's performance and industry best practices. As a result, and in consultation with Mercer, the HRC Committee recommended and the Board approved certain changes with respect to Tervita's 2021 AIP program to create increased focus and greater emphasis on controllable, internal metrics. The 2021 AIP program will measure performance on the achievement of corporate strategic objectives, rather than the former capital execution objective. Performance on financial, operational, growth, and people and culture strategic initiatives, among which capital execution is embedded, will be assessed at a 30% weighting. Including strategic objectives reinforces the importance of annual progress towards the achievement of medium and long-term goals in alignment with the Corporation's long-term success and increasing Shareholder value. The annual Adjusted EBITDA objective remains with a 60% weighting (comprised of a 30% business unit and 30% corporate weighting for business unit executives), and safety performance metrics remain with a 10% weighting.

With improvements to Tervita's financial results and the completion of refinancing efforts in late 2020, the Board fully reinstated pay levels for executives and the choice for Directors to receive fees in a combination of cash and Deferred Share Units for 2021. The Board approved Mercer's previously recommended increases to Annual Retainers, effective January 1, 2021, and approved a salary increase for the CFO to \$315,000, effective March 7, 2021 which was supported by analysis performed by Mercer.

## **Risk Assessment**

As described above, the HRC Committee reviews Tervita's executive compensation practices on an annual basis and in doing so, considers the implications of the risks associated with Tervita's compensation policies and practices. Tervita's compensation practices give weight to both long-term incentives and short-term incentives and fixed and variable compensation which the HRC Committee believes are appropriate to mitigate the risk of encouraging short-term goals at the expense of long-term sustainability and the enhancement of shareholder value. The discretionary nature of the annual bonus awards, Option grants and Incentive Unit grants are significant elements of Tervita's compensation plans and provide the Board and the HRC Committee with the ability to reward individual and corporate performance and individual behaviour that the Board and the HRC Committee consider to be aligned with the best interests of Tervita. The HRC Committee has not identified any risks associated with Tervita's compensation programs that are reasonably likely to have a material adverse effect on the Corporation.

The HRC Committee believes the following compensation practices and policies of Tervita assists to mitigate inappropriate or excessive risks by executive officers:

- performance metrics used for determining compensation are consistent with Tervita's business objectives and values;
- the use of safety metrics used for determining compensation promote a culture of safety and responsibility;

- total direct compensation for executives provide an appropriate balance of fixed and variable compensation;
- Options vest over three years and have a term of five years, in line with Tervita's goal of creating long term sustainable value for Shareholders;
- Tervita's long-term incentives, including Options and Incentive Units, are granted annually, providing an overlap of performance periods that require sustained levels of performance to achieve value;
- Shareholder ownership guidelines require executives to have direct personal interest in creating shareholder value; and
- Tervita's benchmarking against their peer group ensures the Corporation's compensation practices remain competitive.

## Hedging

Directors and officers of Tervita are not permitted to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset decreases in market value of Shares.

## Compensation Consultant

Legacy Tervita initially retained Mercer on February 24, 2017. Mercer provides support and recommendations to the HRC Committee in respect of changes to be made to the Corporation's compensation practices, as described above, through benchmark market data, attendance at HRC Committee meetings, including certain *in camera* portions of such meetings, as well as other discussions to review market trends. For the financial years ended December 31, 2020 and 2019, the Corporation paid the following consulting fees to Mercer:

Fees	2020	2019
Executive Compensation Related Fees <sup>(1)</sup>	\$168,187	\$53,565
All Other Fees <sup>(2)</sup>	\$24,069	\$120,198

### Notes:

- (1) In 2020, Executive Compensation Related Fees were related to a comprehensive review conducted by Mercer, including the review of Tervita's peer group, analysis of Board and executive compensation against Tervita's peer group, review of the LTIP design and changes to the LTIP mix, and review of share ownership guidelines. In 2019, fees relate to Board and executive compensation program compared to peer groups.
- (2) In 2020, All Other Fees included, among other things, industry specific compensation surveys and analyses. In 2019, All Other Fees included, among other things, industry-specific compensation surveys and analyses, the EMIP design, and a comprehensive review of Tervita's compensation policies and practices following the Arrangement with Newalta.

## Share Ownership Guidelines

With a view to further aligning management's interests with those of Shareholders, Tervita implemented share ownership guidelines for executive officers, including all NEOs, effective January 1, 2019. The share ownership guidelines were amended in late 2020 such that compliance is determined by valuing eligible equity held based on the higher of (i) the acquisition cost or grant value, as applicable, of the form of equity, and (ii) the 20-day VWAP on the TSX preceding and including the last trading day of the calendar year. The levels of ownership required are as follows, which must be met within five years after first becoming subject to the share ownership guidelines or after the date of appointment to his or her position.

	Share Ownership Guideline	Securities Which Satisfy Guideline
Directors	3x Annual Retainer	Shares Deferred Share Units
CEO	3x Base Salary	Shares Performance Share Units Restricted Share Units
CFO	2x Base Salary	Shares Performance Share Units Restricted Share Units
Vice Presidents	1x Base Salary	Shares Performance Share Units Restricted Share Units

Compliance is reviewed annually and, as at December 31, 2020, the Corporation's directors and executives are in compliance with the share ownership guidelines.

### Summary Compensation Table

The following table sets forth information concerning the total compensation paid by Tervita to the NEOs for the fiscal year ended December 31, 2020, 2019 and 2018.

Executive	Year	Salary <sup>(1)</sup> (\$)	Share-Based Awards <sup>(7)</sup> (\$)	Option-Based Awards <sup>(8)</sup> (\$)	Non-Equity Incentive Plan Compensation	All Other Compensation <sup>(10)</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans <sup>(9)</sup> (\$)		
<b>John Cooper</b> <sup>(2)</sup> President & Chief Executive Officer	2020	\$467,308	\$937,599	\$312,420	\$465,000	\$121,980	\$2,304,307
	2019	\$485,577	\$562,500	\$562,500	\$399,640	\$42,279	\$2,052,496
	2018	\$450,000	\$270,000	\$1,125,000	\$397,935	\$40,500	\$2,283,435
<b>Linda Dietsche</b> <sup>(3)</sup> Chief Financial Officer	2020	\$294,204	\$380,770	\$126,936	\$126,485	\$18,935	\$947,330
	2019	\$172,884	\$253,750	\$253,750	\$106,720	\$15,519	\$802,623
	2018	-	-	-	-	-	-
<b>Robert Dawson</b> <sup>(4)</sup> Executive Vice President, Strategy & Corporate Development	2020	\$353,728	\$459,186	\$153,176	\$388,595	\$19,233	\$1,373,917
	2019	\$315,000	\$275,625	\$275,625	\$194,435	\$39,865	\$1,100,550
	2018	\$315,000	\$189,000	\$551,250	\$227,206	\$28,910	\$1,311,366
<b>Darilyn Landfried</b> <sup>(5)</sup> Vice President, Energy Marketing	2020	\$253,624	\$131,196	\$43,788	\$144,880 <sup>(11)</sup>	\$19,787	\$593,275
	2019	\$246,077	\$82,250	\$82,250	\$215,685 <sup>(11)</sup>	\$24,154	\$647,416
	2018	\$224,231	\$141,000	\$164,500	\$135,000 <sup>(11)</sup>	\$21,515	\$686,246
<b>Shad Watts</b> <sup>(6)</sup> Vice President, Operational Excellence and Drilling & Production Services	2020	\$228,096	\$123,279	\$41,164	\$133,665	\$25,790	\$554,014
	2019	\$215,000	\$75,249	\$75,249	\$60,725	\$32,285	\$460,527
	2018	\$215,000	\$129,002	\$150,499	\$74,115	\$27,116	\$597,750

#### Notes:

- (1) Effective April 19, 2020, a 15% salary reduction was implemented for Mr. Cooper; a 5% salary reduction and suspension of the 5% employer matching under the Tervita Savings Plan was implemented for Ms. Dietsche, Mr. Dawson, and Ms. Landfried; and a 10% salary reduction was implemented for Mr. Watts. Base salary earned in 2020 represents 27 pay periods occurring in the fiscal year (with a pay period being two weeks, pay does not directly align with Tervita's fiscal year of January 1 to December 31 and, as a result, certain years may represent 26 pay periods and others 27 pay periods).
- (2) Mr. Cooper received a base salary increase from \$450,000 to \$500,000 as a result of the executive compensation review conducted by Mercer in 2018 with such increase effective April 1, 2019 and as a result, for the year ended December 31, 2019, he was paid a prorated amount of his 2018 base salary and 2019 base salary, being the amount reflected in this Summary Compensation Table. Mr. Cooper does not receive any compensation for his role as a director.
- (3) Ms. Dietsche joined Tervita and was appointed CFO on May 13, 2019 and therefore received a prorated share of her base salary in 2019, being the amount reflected in this Summary Compensation Table.

- (4) Mr. Dawson received a base salary increase from \$315,000 to \$350,000 effective December 15, 2019 due to his appointment to Executive Vice President, Strategy and Corporate Development in May 2019.
- (5) Ms. Landfried received a base salary increase from \$235,00 to \$250,000 as a result of the executive compensation review conducted by Mercer in 2018 with such increase effective June 2, 2019 and, as a result, for the year ended December 31, 2019, she was paid a prorated amount of her 2018 base salary and 2019 base salary, being the amount reflected in this Summary Compensation Table.
- (6) Mr. Watts received a base salary increase from \$215,000 to \$235,000 effective December 15, 2019. as a result of the executive compensation review conducted by Mercer in 2019.
- (7) 2020 amounts reported represent the grant date fair value of PSUs and RSUs, 2019 amounts reported represent the grant date fair value of PSUs and 2018 amounts reported represent the grant date fair value of IUs. PSUs and RSUs granted to each NEO on August 10, 2020 have a unit value of \$3.77, which represented the 5-day VWAP of the Shares on the TSX on August 10, 2020. PSUs granted to each NEO on March 31, 2019 have a unit value of \$6.17, which represented the 5-day VWAP of the Shares on the TSX on March 31, 2019. Integration Incentive Units granted to each NEO on December 31, 2018 had a unit value of \$6.54, which represented the 5-day VWAP of the Shares on the TSX on December 31, 2018.
- (8) Amounts reported represent the grant date fair value of Options. The Options expiring in 2023 were issued to each NEO on April 5, 2018 with an exercise price of \$9.35, which represented the inferred price of the Legacy Shares based on the market capitalization and outstanding shares of Legacy Tervita. The grant date fair value of the Options granted to each NEO in 2018 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 40.3%, risk-free interest rate of 2.04% and an expected life of 5 years. The Options expiring in 2024 were issued to Messrs. Cooper, Dawson and Watts and Ms. Landfried on March 31, 2019 with an exercise price of \$6.17. The grant date fair value of the Options granted to Messrs. Cooper, Dawson and Watts and Ms. Landfried in 2019 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 54.0%, risk-free interest rate of 1.60% and an expected life of 5 years. The Options expiring in 2024 were issued to Ms. Dietsche on May 14, 2019 with an exercise price of 6.21. The grant date fair value of the Options granted to Ms. Dietsche in 2019 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 50.0%, risk-free interest rate of 0.75% and an expected life of 5 years. The Options expiring in 2025 were issued to each NEO on August 10, 2020 with an exercise price of \$3.77. The grant date fair value of the Options granted to each NEO in 2020 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 50.0%, risk-free interest rate of 0.75% and an expected life of 5 years.
- (9) The reported amount represents the NEO's AIP payment that was earned for performance for the covered financial year. The AIP payment is paid out the following year. Amounts reported in 2020 also include one-time discretionary bonuses paid to Messrs. Cooper (\$165,000), Dawson (\$116,000) and Watts (\$79,000) and Ms. Landfried (\$86,000) for their contributions toward the Corporation's success in streamlining costs through operational efficiencies.
- (10) Including vehicle allowances, payments made by Tervita to the Tervita Savings Plan, access to private health assessment, and vacation payouts. Amounts reported in 2020 represent the following: (i) for Mr. Cooper: \$18,692 vehicle allowance, \$1,454 parking taxable benefit, \$1,545 private health assessment, \$23,365 Savings Plan match, \$76,923 vacation payout; (ii) for Ms. Dietsche: \$12,462 vehicle allowance, \$1,454 parking taxable benefit, \$5,019 Savings Plan match; (iii) for Mr. Dawson: \$12,462 vehicle allowance, \$1,454 parking taxable benefit, \$5,317 Savings Plan match; (iv) for Ms. Landfried: \$12,462 vehicle allowance, \$1,454 parking taxable benefit, \$1,545 private health assessment, \$4,327 Savings Plan match; and (v) for Mr. Watts: \$12,462 vehicle allowance, \$1,454 parking taxable benefit, \$11,875 Savings Plan match. Amounts reported in 2019 for Mr. Watts represent the following: \$12,000 vehicle allowance, \$5,400 parking taxable benefit, \$10,750 Savings Plan match, \$4,135 vacation payout. Amounts reported in 2018 for Mr. Watts represent the following: \$12,000 vehicle allowance, \$5,400 parking taxable benefit, \$9,716 Savings Plan match.
- (11) Ms. Landfried's annual incentive payment consisted of an AIP payout only; her annual incentive payment for 2019 consisted of an AIP payout of \$97,698 and an EMIP payout of \$117,985; and her annual incentive payment for 2018 consisted of an AIP payout only.

## Outstanding Share-Based Awards and Option-Based Awards - NEOs

The following table sets forth, for each NEO, the value of all option-based and share-based awards that are outstanding as of December 31, 2020. Grants of Options are considered to be "option-based awards" under applicable securities laws. Grants of Restricted Share Units, Performance Share Units and Integration Incentive Units are considered to be "share-based awards" under applicable securities laws.

Executive	Option-Based Awards				Share-Based Awards		
	Number of Shares Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Number of units that have not settled (#)	Market or payout value of units that have not settled <sup>(5)</sup> (\$)	Market or payout value of vested units not paid out or distributed <sup>(6)</sup> (\$)
John Cooper	276,413	\$10.00 <sup>(1)</sup>	July 14, 2022	-	41,284 IIUs	-	\$0
	316,011	\$9.35 <sup>(2)</sup>	April 05, 2023	-	82,900 RSUs	\$240,410	-
	212,264	\$6.17 <sup>(3)</sup>	March 31, 2024	-	256,967 PSUs	\$745,204	-
	190,500	\$3.77 <sup>(4)</sup>	March 31, 2025	-			
Linda Dietsche	95,037	6.21 <sup>(3)</sup>	May 14, 2024	-	33,700 RSUs	\$97,730	-
	77,400	\$3.77 <sup>(4)</sup>	March 31, 2025	-	103,203 PSUs	\$299,289	-
Robert Dawson	135,442	\$10.00 <sup>(1)</sup>	January 01, 2022	-	28,899 IIUs	-	\$0
	154,846	\$9.35 <sup>(2)</sup>	April 05, 2023	-	40,600 RSUs	\$117,740	-
	104,009	\$6.17 <sup>(3)</sup>	March 31, 2024	-	125,872 PSUs	\$365,029	-
	93,400	\$3.77 <sup>(4)</sup>	March 31, 2025	-			
Darilyn Landfried	46,208	\$9.35 <sup>(2)</sup>	April 05, 2023	-	21,560 IIUs	-	\$0
	31,038	\$6.17 <sup>(3)</sup>	March 31, 2024	-	11,600 RSUs	\$33,640	-
	26,700	\$3.77 <sup>(4)</sup>	March 31, 2025	-	36,531 PSUs	\$105,940	-
Shad Watts	30,958	\$10.00 <sup>(1)</sup>	January 01, 2022	-	19,725 IIUs	-	\$0
	42,275	\$9.35 <sup>(2)</sup>	April 05, 2023	-	10,900 RSUs	\$31,610	-
	28,396	\$6.17 <sup>(3)</sup>	March 31, 2024	-	33,996 PSUs	\$98,588	-
	25,100	\$3.77 <sup>(4)</sup>	March 31, 2025	-			

### Notes:

- (1) The Options expiring in 2022 were issued in 2017 with an exercise price of \$10.00, which is the price at which the Legacy Shares were issued to Shareholders as part of a recapitalization transaction completed by Legacy Tervita in December 2016. The grant date fair value of the Options granted to each NEO in 2017 was estimated using the Black Scholes option pricing model with the following assumptions: expected volatility of 45.7%, risk-free interest rate of 1.10% and an expected life of 5 years.
- (2) The Options expiring in 2023 were issued on April 5, 2018 with an exercise price of \$9.35, which represented the inferred price of the Legacy Shares based on market capitalization and outstanding shares of Legacy Tervita. The grant date fair value of the Options granted to each NEO in 2018 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 40.3%, risk-free interest rate of 2.04% and an expected life of 5 years.
- (3) The Options expiring on March 31, 2024 were issued on March 31, 2019 with an exercise price of \$6.17. The Options expiring on May 14, 2024 were issued on May 14, 2019 with an exercise price of \$6.21. The grant date fair value of the Options granted to each NEO in 2019 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 54.0%, risk-free interest rate of 1.60% and an expected life of 5 years.
- (4) The Options expiring in 2025 were issued on August 10, 2020 with an exercise price of \$3.77. The grant date fair value of the Options granted to each NEO in 2020 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 50.0%, risk-free interest rate of 0.75% and an expected life of 5 years.
- (5) The value of the unvested RSUs and PSUs have been determined by multiplying the number of units held by the closing price of the Shares on December 31, 2020 of \$2.90, as reported by the TSX. A payout multiplier of 1.0 was assumed in respect of the PSUs. Actual RSUs and PSUs payouts will vary depending upon the price of the Shares, dividend equivalents and, in the case of IIUs and PSUs, performance relative to the performance measures at the end of the performance period.
- (6) The value of the vested IIUs has been determined by multiplying the number of units held by the closing price of the Shares on December 31, 2020 of \$2.90, as reported by the TSX. A payout multiplier of zero was applied in respect of the IIUs. See "Executive Compensation – Compensation Discussion & Analysis – Elements of the Executive Compensation

*Program – Other Compensation*". PSU payouts will vary depending upon the price of the Shares, dividend equivalents, and performance relative to the performance measures at the end of the performance period.

### **Incentive Plan Awards - Value Vested or Earned**

The following table sets forth the option-based awards or share-based awards of Tervita held by each of the NEOs that have vested during the year ended December 31, 2020.

<b>Executive</b>	<b>Option-Based Awards Value Vested During Year<sup>(1)</sup> (\$)</b>	<b>Share-Based Awards Value Vested During Year (\$)</b>	<b>Non-Equity Incentive Plan Compensation Value Earned During Year<sup>(4)</sup> (\$)</b>
John Cooper	Nil	\$65,000 <sup>(2)</sup>	\$465,000
Linda Dietsche	Nil	-	\$126,485
Robert Dawson	Nil	-	\$388,595
Darilyn Landfried	Nil	\$19,751 <sup>(3)</sup>	\$144,880
Shad Watts	Nil	-	\$133,665

**Notes:**

- (1) One-third of Options held by each NEO vested during 2020, none of which were in-the-money. This amount represents the value the NEO would have realized for Options that vested in 2020 if the Options had been exercised on the applicable vesting date, notwithstanding that such Options may not have actually been exercised by the NEO on the vesting date. The value vested during the year for Options has been calculated by determining the difference between the trading price of the Shares on the TSX and the exercise price of the vested options on the applicable vesting dates (or the next trading day if the Options vested on a date when the TSX was closed).
- (2) Mr. Cooper had 25,000 RSUs vest on July 14, 2020 and the units were released to him as a cash payment on October 1, 2020 at a release price of \$2.60 which represented the 5-day VWAP of the Shares on the TSX on September 24, 2020.
- (3) Ms. Landfried had 4,950 RSUs vest on January 1, 2020 and the units were released as a cash payment on March 27, 2020 at a release price of \$3.99 which represented the 5-day VWAP of the Shares on the TSX on March 24, 2020.
- (4) The reported amount represents the NEO's AIP payment that was earned for performance for the year ended December 31, 2020 and a one-time discretionary bonus paid to each of Messrs. Cooper, Dawson and Watts and Ms. Landfried. See "Executive Compensation – Compensation Discussion & Analysis – Summary Compensation Table". The payments are paid out the following year.

### **Pension Plan Benefits**

Tervita does not have a pension plan that provides for payments to employees (including the NEOs) at, following or in connection with retirement.

### **Termination of Employment and Change of Control Benefits**

#### **Termination and Change of Control Under Executive Employment Agreements**

Tervita has entered into executive employment agreements with each of the NEOs, except Ms. Landfried and Mr. Watts. Each of the executive employment agreements contains provisions for payments on termination of employment and on an Employment Agreement Change of Control of Tervita (as defined below).

The executive employment agreements with the NEOs provide that:

- (1) upon the occurrence of an Employment Agreement Change of Control, and if within six months of the Employment Agreement Change of Control there is an event or events which would constitute Good Reason (as defined below), the NEO has the election to resign from his or her employment with Tervita by providing Tervita with seven days' advance written notice (which election must occur within one month following the event or events constituting Good Reason) and, if such written notice is provided, Tervita shall, within five days of the Termination Date (as defined below), pay to the NEO an amount equal to:

- (a) *pro rata* annual salary earned but not yet paid up to and including the Termination Date;
  - (b) accrued and unused vacation, and reimbursable expenses;
  - (c) a retiring allowance equal to the sum of:
    - (i) in the case of Mr. Cooper: (x) two times his annual base salary plus (y) 17% of the amount calculated in (x) for loss of benefits; plus (z) two times the Average Bonus (as defined below);
    - (ii) in the case of Ms. Dietsche and Mr. Dawson: (x) one and one-half times his or her annual base salary plus (y) 17% of the amount calculated in (x) for loss of benefits; plus (z) one and one-half times the Average Bonus (as defined below); and
  - (d) if the Termination Date is on or after July 1st in any calendar year or after the end of a calendar year for which the Board has not yet determined the Bonus to be paid to the NEO, the NEO shall receive an additional payment equal to the Average Bonus times the number of days worked by the NEO in that calendar year, divided by 365;
- (2) upon termination of employment for Just Cause (as defined below), the NEO shall receive, within 10 days of the Termination Date, his *pro rata* annual salary earned but not yet paid up to and including the Termination Date, and any accrued and unused vacation and reimbursable expenses. All unvested Options terminate and are null and void as of the Termination Date and all vested Options will be exercisable in accordance with their terms;
  - (3) upon termination of employment without Just Cause, the NEO is to receive the amount calculated for the respective NEO as set out paragraph (1) above; and
  - (4) the NEO may resign at any time upon one month's advance written notice to Tervita. Upon receipt of such notice, Tervita may elect to earlier terminate the NEO's employment prior to the date specified in the NEO's notice to Tervita, upon payment to the NEO of an amount equal to the *pro rata* annual salary earned but not yet paid up to and including what would have been the Termination Date. All unvested Options will immediately terminate and be null and void on the earlier of the resignation date stated in the notice or any date Tervita elects to earlier terminate the NEO's employment agreement and employment.

For the purposes of the executive employment agreements with the NEOs:

- "**Average Bonus**" means the average of the bonus received by the NEO in the two years prior to the Termination Date and if the Termination Date is prior to the conclusion of the second calendar year after the NEO's start date, then the Average Bonus shall mean that amount of any such cash bonus paid to the NEO in the one year prior to the Termination Date;
- "**Constructive Dismissal**" means any negative change or negative changes to the terms of the NEO's employment which the NEO does not agree to and which would constitute constructive dismissal at common law;
- "**Good Reason**" means: (i) the NEO is assigned responsibilities or duties materially or negatively inconsistent with the NEO's position, duties, responsibility and status with Tervita or its affiliates in place immediately prior to an Employment Agreement Change of Control, or there is a material change in the NEO's position, duties, responsibilities, titles or offices as contemplated by the respective executive employment agreement, other than changes that are consistent with a promotion, a lateral move, or increased responsibilities; (ii) any failure of Tervita or its affiliates to continue to provide the NEO any benefit, bonus, compensation, rights to options, or alternative plans, incentives, benefits and compensation which are in the aggregate comparable to those which the NEO was entitled to participate prior to an Employment Agreement Change of Control;

- Tervita or its affiliates requiring the NEO to relocate to any city or community other than within 100 kilometres of Tervita's business location that the NEO primarily worked out of prior to the Employment Agreement Change of Control; or (iv) any acts or omissions which constitute Constructive Dismissal;
- **"Employment Agreement Change of Control"** means: (i) a private sale of at least two-thirds of the equity securities of Tervita or its affiliates, taken as a whole, excluding an IPO (as defined below) or an internal reorganization; or (ii) a private sale of at least two-thirds of the assets of Tervita or its affiliates, taken as a whole, that gives rise to cash proceeds to the shareholders, excluding an IPO and an internal reorganization;
- **"IPO"** in the case of Ms. Dietsche and Mr. Dawson means an initial public offering, whether on a treasury or secondary basis, resulting in the holding of equity securities of Tervita or an affiliate of Tervita, directly or indirectly, by the public or a transaction giving rise to a stock exchange listing.
- **"Just Cause"** means any action or inaction by the NEO which would constitute just cause at common law; and
- **"Termination Date"** means the NEO's last day actively at work for Tervita regardless of the reason for cessation of employment or whether advance notice was given.

The employment agreements with each of the NEOs provide that each NEO: (i) shall retain in confidence and not disclose the confidential and proprietary information of Tervita and its affiliates following the Termination Date; (ii) shall not, without prior written consent of the Board, for a period of one year following the Termination Date, canvass or solicit the business of any person who is a customer of Tervita or any of its affiliates, or has been a customer of Tervita or any of its affiliates during the one year period prior to the Termination Date, or has been canvassed or solicited by Tervita or any of its affiliates in the one year period prior to the Termination Date; (iii) shall not, without prior written consent of the Board, for a period of one year following the Termination Date, solicit the employment or engagement of or otherwise entice away from the employment or consulting relationship with Tervita or any of its affiliates any individual who is employed with or consulting for Tervita or any of its affiliates; and (iv) shall not, without the prior written consent of the Board, for a period of six months following the Termination Date engage in, have any financial or other interest in or be otherwise commercially involved in any endeavour, activity or business which is similar to or in competition with Tervita's business.

### **Termination and Change of Control Under the Tervita Option Plan**

If the employment of the NEO with Tervita is terminated by the Corporation without Cause, or upon the NEO's resignation from the Corporation, each unvested Option will automatically terminate and become void immediately upon the termination date, and each vested Option will cease to be exercisable on the earlier of: (i) the original expiry date of the Option; and (ii) thirty (30) days following the termination date.

If the employment of the NEO with Tervita ceases as a result of his or her death or Disability each unvested Option held by the NEO will automatically terminate and become void immediately upon the termination date and each vested Option will cease to be exercisable (in the case of death the legal representative of the NEO may exercise the NEO's vested Options) on the earlier of: (i) the original expiry date of the Option; and (ii) one hundred and eighty (180) days following the termination date.

If the employment of the NEO is terminated by Tervita for Cause, all Options held by such NEO as at the date of the termination, whether vested or unvested, will be cancelled effective on the NEO's last day of active employment with Tervita.

In the event of a Change of Control, the surviving, continuing, successor or purchasing corporation, as the case may be, may either assume Tervita's rights and obligations under outstanding Options or substitute for outstanding Options substantially equivalent options in the successor corporation. In the event that an assumption or substitution of Options is not made by the successor corporation prior to a Change of Control, any Options held by an NEO as at the date of the Change of Control, whether vested or unvested, will



continue to vest in accordance with their terms and the Tervita Option Plan will continue in full force and effect, or, at the discretion of the Board, the vesting of the Options shall be accelerated in full. If the employment of the NEO is terminated by Tervita during the one (1) year period after the Change of Control for any reason other than for Cause, or the NEO resigns as a result of Constructive Dismissal, then any unvested Options held by the NEO as at the date of the Change of Control will accelerate and will fully vest effective on the date of the Change of Control and all Options that are vested or deemed to be vested may be exercised by the NEO within 30 days of termination.

For the purposes of the Tervita Option Plan:

- **"Cause"** means any act, omission or conduct of the employee which would at common law permit an employer to, without notice, payment in lieu of notice or any form of termination or severance pay, terminate the employment of an employee for just cause, including without limitation: wilful and serious misconduct; habitual and deliberate neglect of duty; incompetent performance of duties; wilful disobedience of the Corporation's instructions; or dishonesty, including, without limitation, any circumstance in which the employee is convicted of a criminal act relating to or otherwise affecting the Corporation or the employee's employment with the Corporation.
- **"Change of Control"** has the meaning described in *"Appendix B – Summary of Equity Compensation Plans – Summary of Tervita Option Plan"*.
- **"Constructive Dismissal"** means constructive dismissal as defined at common law, however, it does not include any of the following with respect to an NEO: a reduction in compensation unless greater than 15% of the NEO's total compensation; a reduction in compensation, regardless of quantum, where such reduction in compensation has been applied in a similar manner to all or substantially all employees of the Corporation; a change in duties where such change is reasonably required pursuant to a reorganization or restructuring of the Corporation; a re-location of position; any material change to the NEO's terms and conditions of employment made with the consent of the NEO; and a promotion.
- **"Disability"** has the meaning given to such term in any written employment or retainer agreement between such employee and the Corporation, and absent any such agreement containing such definition, means a mental or physical disability whereby such employee: (a) is unable, due to illness, disease, mental or physical disability or similar cause, to fulfill such employee's obligations as an employee of the Corporation either for three consecutive months or for a cumulative period of six months out of 12 consecutive calendar months, or (b) is declared by a court of competent jurisdiction to be mentally incompetent or incapable of managing such employee's affairs.

#### **Termination and Change of Control Under the Tervita Incentive Unit Plan**

If a NEO has his or her employment with Tervita terminated for Cause or resigns from Tervita for any reason other than Constructive Dismissal, any unvested Incentive Units held by such holder will automatically terminate and become void immediately upon the date that the NEO ceases to be employed by Tervita.

In the event the NEO has his or her employment with Tervita terminated without Cause, resigns as a result of Constructive Dismissal or has his or her employment with Tervita terminated due to death or Disability, then any unvested Incentive Units will vest on the date that the NEO ceases to be employed by Tervita and the number of underlying Shares shall be proportionately adjusted by the time such holder spent at work during the applicable grant cycle.

If a Change of Control occurs and the NEO's employment with Tervita is terminated by Tervita during the one (1) year period after a Change of Control for any reason other than Cause, or the NEO resigns as a result of Constructive Dismissal, then any unvested Incentive Units held by the NEO as at the date of the Change of Control will accelerate and will fully vest effective on the date of the Change of Control and all Incentive Units that are vested or deemed to be vested shall be settled by the holder within 30 days from such termination date.

For the purposes of the Tervita Incentive Unit Plan:

- **"Cause"** means any act, omission or conduct of the employee which would at common law permit an employer to, without notice, payment in lieu of notice or any form of termination or severance pay, terminate the employment of an employee for just cause, including without limitation: wilful and serious misconduct; habitual and deliberate neglect of duty; incompetent performance of duties; wilful disobedience of the Corporation's instructions; or dishonesty, including, without limitation, any circumstance in which the employee is convicted of a criminal act relating to or otherwise affecting the Corporation or the employee's employment with the Corporation.
- **"Change of Control"** has the meaning described in has the meaning described in *"Appendix B – Summary of Equity Compensation Plans – Summary of Tervita Incentive Unit Plan"*.
- **"Constructive Dismissal"** means constructive dismissal as defined at common law, however, it does not include any of the following with respect to an NEO: a reduction in compensation unless greater than 15% of the NEO's total compensation; a reduction in compensation, regardless of quantum, where such reduction in compensation has been applied in a similar manner to all or substantially all employees of the Corporation; a change in duties where such change is reasonably required pursuant to a reorganization or restructuring of the Corporation; a re-location of position; any material change to the NEO's terms and conditions of employment made with the consent of the NEO; and a promotion.
- **"Disability"** has the meaning given to such term in any written employment or retainer agreement between such employee and the Corporation, and absent any such agreement containing such definition, means a mental or physical disability whereby such employee: (a) is unable, due to illness, disease, mental or physical disability or similar cause, to fulfill such employee's obligations as an employee of the Corporation either for three consecutive months or for a cumulative period of six months out of 12 consecutive calendar months; or (b) is declared by a court of competent jurisdiction to be mentally incompetent or incapable of managing such employee's affairs.

## Estimated Termination and Change of Control Amounts

The following table illustrates the estimated incremental payments, payables and benefits that that would have been made to each of the NEOs pursuant to their respective NEO employment agreements and pursuant to Options and Incentive Units held by them as a result of the triggering events identified below, in each case assuming that such event occurred on December 31, 2020.

The table does not include the value of payments, payables and benefits already available to the NEO as at December 31, 2020, such as any Options that had already vested at such date. The meaning of each triggering event shall have the meaning ascribed thereto in the applicable NEO employment agreement, the Tervita Option Plan and the Tervita Incentive Unit Plan, as applicable.

Executive	Triggering Event	Payment pursuant to NEO Agreement (\$)	Payment pursuant to Accelerated Vesting of Options and/or Incentive Units Triggered by Termination (\$)	Total (\$)
John Cooper	Termination without Cause	\$2,367,455	\$169,250	\$2,536,705
	Termination with Cause			\$0
	Change of Control	\$2,367,455	\$1,105,338	\$3,472,793
	Resignation			\$0
Linda Dietsche	Termination without Cause	\$776,042	\$20,132	\$796,174
	Termination with Cause			\$0
	Change of Control	\$776,042	\$397,019	\$1,173,061
	Resignation			\$0
Robert Dawson	Termination without Cause	\$1,141,879	\$108,063	\$1,249,942
	Termination with Cause			\$0
	Change of Control	\$1,141,879	\$566,576	\$1,708,455
	Resignation			\$0
Darilyn Landfried <sup>(1)</sup>	Termination without Cause		\$69,455	\$69,455
	Termination with Cause			\$0
	Change of Control		\$202,104	\$202,104
	Resignation			\$0
Shad Watts <sup>(1)</sup>	Termination without Cause		\$63,713	\$63,713
	Termination with Cause			\$0
	Change of Control		\$187,400	\$187,400
	Resignation			\$0

**Notes:**

- (1) Ms. Landfried and Mr. Watts do not have an executive employment agreement, therefore any severance arrangements are subject to Tervita's standard severance policy.

## DIRECTOR COMPENSATION

### **General**

Director compensation is reviewed by the HRC Committee and the Board on an annual basis. Tervita directors are paid an Annual Retainer and must elect to receive at least 60%, and up to 100%, of such Annual Retainer in the form of equity-based compensation.

Pursuant to the DSU Plan, the number of DSUs to be credited to a non-executive director's notional account in respect of the equity portion of the Annual Retainer is determined and granted on a quarterly basis by dividing the amount of the Annual Retainer earned within the subject calendar quarter to be paid in Deferred Share Units, as elected by the director, by the 5-day VWAP of the Shares on the grant date and the elected Deferred Share Units vest immediately upon grant. See "Appendix "B" for further information and a summary of the Tervita DSU Plan.

### **Directors' Summary Compensation Table**

The following table sets out information concerning the compensation paid by Tervita to its current directors for the year ended December 31, 2020. Mr. Cooper, who is an executive officer of Tervita, does not receive any compensation for his role as a director.

Name	Fees Earned <sup>(1)</sup> (\$)	Share-Based Awards <sup>(2)</sup> (\$)	Option-Based Awards <sup>(3)</sup> (\$)	All Other Compensation (\$)	Total (\$)
Grant Billing	\$5,625	\$219,377	-	-	\$225,002
Michael Colodner <sup>(4)</sup>	Nil	Nil	-	-	Nil
Allen Hagerman	\$15,875	\$142,874	-	-	\$158,749
Cameron Kramer	\$15,125	\$136,125	-	-	\$151,250
Gordon Pridham	\$14,375	\$129,373	-	-	\$143,748
Douglas Ramsay	\$15,125	\$136,125	-	-	\$151,250
Susan Riddell Rose	\$14,375	\$129,373	-	-	\$143,748
Jay Thornton <sup>(5)</sup>	Nil	\$151,251	-	-	\$151,251
Kevin Walbridge	\$14,375	\$129,373	-	-	\$143,748

#### **Notes:**

- (1) Represents the portion of each director's 2020 Annual Retainer he or she elected to receive in cash.
- (2) Represents the portion of each director's 2020 Annual Retainer that he or she elected to receive in DSUs. DSUs were issued on March 31, 2020 (grant date fair value of \$3.69), June 30, 2020 (grant date fair value of \$3.63), September 30, 2020 (grant date fair value of \$2.52) and December 31, 2020 (grant date fair value of \$2.89). The grant date fair values represented the 5-day VWAP of the Shares on the TSX on the respective grant dates.
- (3) No Options were granted to directors in 2020.
- (4) In consideration for the services rendered by Mr. Colodner as director of Tervita, which services were provided on behalf of Solus by Mr. Colodner, the Corporation granted 46,335 DSUs. DSUs were issued on March 31, 2020 (grant date fair value of \$3.69), June 30, 2020 (grant date fair value of \$3.63), September 30, 2020 (grant date fair value of \$2.52) and December 31, 2020 (grant date fair value of \$2.89). The grant date fair values represented the 5-day VWAP of the Shares on the TSX on the respective grant dates.
- (5) Mr. Thornton elected to take 100% of his Annual Retainer in DSUs for the financial year ended December 31, 2020. As a result, no cash fees were paid to Mr. Thornton.

## Directors' Outstanding Option-Based and Share-Based Awards

The following table sets forth, for each director of Tervita, the value of all option-based and share-based (DSUs) awards of Tervita that are outstanding as of December 31, 2020, either granted during 2020 or prior thereto.

Name	Option-Based Awards				Share-Based Awards		
	Number of Common Shares Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>(4)</sup> (\$)	Number of share-based awards that have not vested (#)	Market value of share-based awards that have not vested (\$)	Market value of vested share-based awards not paid out <sup>(5)</sup> (\$)
Grant Billing	55,283	10.00 <sup>(1)</sup>	January 1, 2022	-			\$301,081
	37,921	9.35 <sup>(2)</sup>	April 5, 2023	-			
Michael Colodner <sup>(6)</sup>	-	-	-	-			-
Allen Hagerman	39,005	10.00 <sup>(1)</sup>	January 1, 2022	-			\$210,531
	26,334	9.35 <sup>(2)</sup>	April 5, 2023	-			
Cameron Kramer	37,162	10.00 <sup>(1)</sup>	January 1, 2022	-			\$172,150
	42,486	9.35 <sup>(2)</sup>	April 5, 2023	-			
Gordon Pridham	15,624	6.54 <sup>(3)</sup>	December 31, 2023	-			\$163,612
Douglas Ramsay	35,319	10.00 <sup>(1)</sup>	January 1, 2022	-			\$172,150
	25,281	9.35 <sup>(2)</sup>	April 5, 2023	-			
Susan Riddell Rose	15,624	6.54 <sup>(3)</sup>	December 31, 2023	-			\$163,612
Jay Thornton	37,162	10.00 <sup>(1)</sup>	January 1, 2022	-			\$184,037
	25,281	9.35 <sup>(2)</sup>	April 5, 2023	-			
Kevin Walbridge	35,319	10.00 <sup>(1)</sup>	June 21, 2022	-			\$190,637
	24,228	9.35 <sup>(2)</sup>	April 5, 2023	-			

### Notes:

- (1) The Options expiring on January 1, 2022 and June 21, 2022 were issued in 2017 with an exercise price of \$10.00, which is the price at which the Legacy Shares were issued to Shareholders pursuant to the Recapitalization Transaction. The valuation of the Legacy Shares at the time of issuance was based on Tervita's review of trailing and forecast EBITDA relative to market-based multiples for public companies in Tervita's peer group.
- (2) The Options expiring on April 5, 2023 were issued on April 5, 2018 with an exercise price of \$9.35, which represented the inferred price of the Legacy Shares based on market capitalization and outstanding shares of Legacy Tervita. The grant date fair value of the Options granted to each NEO in 2018 was estimated using the Black Scholes option model with the following assumptions: expected volatility of 40.3%, risk-free interest rate of 2.04% and an expected life of 5 years.
- (3) The Options expiring on December 31, 2023 were issued on December 31, 2018 with an exercise price of \$6.54, which represented the 5-day VWAP of the Shares on the TSX on December 31, 2018.
- (4) The value of the unexercised in-the money options has been determined by subtracting the exercise price of the Options from the closing price of the Shares on December 31, 2020 of \$2.90, as reported by the TSX, and multiplying such amount by the number of Shares that may be acquired upon the exercise of the Options.
- (5) DSUs were granted on March 31, 2020 (grant date fair value of \$3.69), June 30, 2020 (grant date fair value of \$3.63), September 30, 2020 (grant date fair value of \$2.52), and December 31, 2020 (grant date fair value of \$2.89). The grant date fair values represented the 5-day VWAP of the Shares on the TSX on the respective grant dates. The value of all outstanding DSUs is determined by multiplying the number of DSUs by the closing price of the Shares on December 31, 2020 of \$2.90, as reported by the TSX.
- (6) Mr. Colodner, as a director of Tervita, provides services on behalf of Solus for which the Corporation granted 26,040 Options expiring on December 31, 2023, none of which are in-the-money. The market value of vested DSUs granted by the Corporation to Solus and not paid out or distributed is \$134,372.

### ***Incentive Plan Awards - Value Vested or Earned – Directors***

The following table sets forth the option-based and share-based awards of Tervita held by each of the directors that have vested during the year ended December 31, 2020.

<b>Name</b>	<b>Option-Based Awards Value Vested During Year<sup>(2)</sup> (\$)</b>	<b>Share-Based Awards Value Vested During Year<sup>(3)</sup> (\$)</b>
Grant Billing	Nil	\$219,377
Michael Colodner <sup>(1)</sup>	-	-
Allen Hagerman	Nil	\$142,874
Cameron Kramer	Nil	\$136,125
Gordon Pridham	Nil	\$129,373
Douglas Ramsay	Nil	\$136,125
Susan Riddell Rose	Nil	\$129,373
Jay Thornton	Nil	\$151,251
Kevin Walbridge	Nil	\$129,373

**Notes:**

- (1) In consideration for the services rendered by Mr. Colodner as director of Tervita, the Corporation granted 46,335 DSUs to Solus in 2020. Such DSUs were issued on March 31, 2020 (grant date fair value of \$3.69), June 30, 2020 (grant date fair value of \$3.63), September 30, 2020 (grant date fair value of \$2.52) and December 31, 2020 (grant date fair value of \$2.89). The grant date fair values represented the 5-day VWAP of the Shares on the TSX on the respective grant dates.
- (2) One-third of Options held by each director vested during 2020. This amount represents the value the director would have realized for Options that vested in 2020 if the Options had been exercised on the applicable vesting date, notwithstanding that such Options may not have been exercised by the NEO on the vesting date. The value vested during the year for Options has been calculated by determining the difference between the trading price of the Shares on the TSX and the exercise price of the vested options on the applicable vesting dates (or the next trading day if the Options vested on a date when the TSX was closed).
- (3) All DSUs granted in 2020 vested upon grant. DSUs were granted on March 31, 2020 (grant date fair value of \$3.69), June 30, 2020 (grant date fair value of \$3.63), September 30, 2020 (grant date fair value of \$2.52) and December 31, 2020 (grant date fair value of \$2.89). The grant date fair values represent the 5-day VWAP of the Shares on the TSX on the respective grant dates. The value of all outstanding DSUs is determined by multiplying the number of DSUs by the 5-day VWAP of the Shares on the TSX on the respective grant date.

### **ADDITIONAL BUSINESS**

At the Meeting, the Shareholders will also transact such further or other business as may properly come before the Meeting or any adjournment or postponement thereof. Management of Tervita knows of no amendments, variations or other matters to come before the Meeting, other than the matters referred to in the Tervita Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote on such amendments, variations and other matters and the persons named in the accompanying form of proxy, if named as proxy, will vote on such matter in accordance with their best judgment.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as disclosed herein, management of Tervita is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or proposed nominee for director, or executive officer or anyone who has held office or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER INCENTIVE PLANS

Set forth below is information in respect of Tervita's equity compensation plans as at December 31, 2020.

Plan Category	Number of Shares to be issued upon exercise of outstanding Options, Incentive Units and Deferred Share Units	Percentage of shares to be issued upon exercise for outstanding Options, Incentive Units, and Deferred Share Units	Weighted-average exercise price of outstanding Options	Number of securities remaining for future issuance under equity compensation plans
Equity compensation plans approved by Shareholders				
Tervita Option Plan	2,696,236		\$7.64	
Tervita Incentive Unit Plan	2,528,936			
Tervita DSU Plan	606,809			
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A	N/A
<b>Total</b>	<b>5,831,981</b>	<b>5.0%</b>		<b>5,733,504</b>

### **Burn Rates**

The annual burn rates over the last three financial years for Shares granted under each of the Tervita Option Plan, the Tervita DSU Plan, and the Tervita Incentive Unit Plan are as set out in the table below. In accordance with TSX rules, the burn rate is calculated by dividing the number of share-based awards granted under the share-based compensation arrangement during the applicable fiscal year by the weighted average number of securities outstanding for the applicable fiscal year, expressed as a percentage.

Share-settled compensation arrangement	2020	2019	2018
Tervita Option Plan	0.43%	0.88%	1.19%
Tervita Incentive Unit Plan <sup>(1)</sup>	1.11%	1.11%	0.70%
Tervita DSU Plan <sup>(2)</sup>	0.38%	0.15%	-
<b>Total</b>	<b>1.92%</b>	<b>2.15%</b>	<b>1.89%</b>

**Notes:**

- (1) Certain Incentive Units issued pursuant to the Tervita Incentive Unit Plan are subject to performance multipliers ranging from 0 to 200% of the number of units granted on the grant date. For the purposes of the table above, the performance multiplier is assumed to be 100%.
- (2) Directors elected to receive all or a portion of their 2019 and 2020 compensation in DSUs. No DSUs were granted under the Tervita DSU Plan in 2018.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of Tervita, or its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since January 1, 2020, indebted to Tervita or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor is, or at any time since January 1, 2020 has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Tervita or any of its subsidiaries.

## CORPORATE GOVERNANCE PRACTICES

### **Composition of the Board**

The Board currently consists of ten directors who provide Tervita with a wide diversity of business experience. Additional information for each of the directors can be found under the heading "*Business of the Meeting - Election of Directors*" in this Information Circular. Nine of the board members (representing 90% of the Board), being Messrs. Billing, Colodner, Hagerman, Kramer, Pridham, Ramsay, Thornton and Walbridge and Ms. Riddell Rose are independent directors as such term is set out in National Instrument 58-101 - *Disclosure of Corporate Governance Practices*. The independent directors have no direct or indirect material relationship with Tervita, including any business or other relationship, which could reasonably be expected to interfere with the director's ability to act with a view to the best interest of Tervita or which could reasonably be expected to interfere with the exercise of the director's independent judgement.

Mr. Cooper is not considered independent given his current position as CEO. As per Section 1.4(7) of National Instrument 52-110 – *Audit Committees*, Mr. Billing's short tenure as interim CEO of Tervita from March 2017 to June 2017 is not considered to be a material relationship with Tervita and the Board is also of the view that it has not interfered and will not interfere with his exercise of independent judgment with respect to other matters that have come and will come before the Board.

To facilitate the Board functioning independently of management, the following structures and process are in place: only one of the ten directors of the Board is a member of management; and if a director or executive officer has a material interest in the transaction or the agreement being considered by Tervita, such individual, if a director, is precluded from voting on the matter and the Board considers such matter without the individual present.

### **Other Directorships**

The following table sets forth the current directors of Tervita who presently hold directorships with reporting issuers and the names of those reporting issuers.

<b>Name of Director</b>	<b>Reporting Issuer</b>
Grant Billing	Badger Daylighting Ltd. MEG Energy Corp.
Allen Hagerman	TransAlta Renewables Inc.
Gordon Pridham	Orvana Minerals Corp. America's Silver Corporation
Douglas Ramsay	Calfrac Well Services Ltd.
Susan Riddell Rose	Paramount Resources Ltd. Perpetual Energy Inc.

The following table sets out the Board meeting attendance record for those individuals who are directors of Tervita for all Board meetings held in the financial year ended December 31, 2020.

<b>Name of Director</b>	<b>Meetings Attended</b>
Grant Billing	15/15
Michael Colodner	15/15
John Cooper	15/15
Allen Hagerman	15/15
Cameron Kramer	15/15
Gordon Pridham	15/15
Douglas Ramsay	15/15
Susan Riddell Rose	14/15
Jay Thornton	15/15
Kevin Walbridge	15/15

The Board and its standing committees conduct *in camera* sessions at each meeting, at which no members of management or directors who are currently members of management are present. The *in-camera* sessions are intended not only to encourage the Board and its standing committees to fully and



independently fulfill their mandates, but also to facilitate the performance of the fiduciary duties and responsibilities of the Board and its committees on behalf of Shareholders.

The following table sets out the standing committee meeting attendance records for those individuals who are members of each standing committee for each standing committee meeting held in the financial year ended December 31, 2020.

<b>Name of Director</b>	<b>Audit</b>	<b>HRC</b>	<b>HSER</b>	<b>Governance</b>
Grant Billing	-	-	-	-
Michael Colodner	-	3/3	-	2/2
John Cooper	-	-	-	-
Allen Hagerman	6/6	3/3	-	-
Cameron Kramer	6/6	-	4/4	-
Gordon Pridham	6/6	-	-	-
Douglas Ramsay	-	-	4/4	2/2
Susan Riddell Rose	-	-	-	2/2
Jay Thornton	-	3/3	-	-
Kevin Walbridge	-	-	4/4	-

### ***Board Mandate and Position Descriptions***

A written mandate has been established for the Board and is attached hereto as Appendix "C". The Board mandate as well as the mandates of each of Tervita's four standing committees discussed below are reviewed annually and approved with any changes deemed appropriate at the time of review and approval.

Additionally, the Board has developed written terms of reference for the Chair of the Board, the Chair of each committee and the CEO. The Chair of the Board provides overall leadership to the Board. Among other things, the Chair maintains communication with the CEO to ensure that the Board receives adequate and regular updates from the CEO on all issues important to the welfare and future of Tervita. The Chair is also responsible for the overall management of the Board.

### ***Orientation and Continuing Education***

All new Tervita directors receive an orientation as to their expected duties, the role of the Board and its committees, and the business of Tervita and its subsidiaries. This baseline of knowledge serves as a foundation for informed decision-making. Orientation includes a combination of written material, one-on-one meetings with management of Tervita and briefings from other members of the Board. Further, Tervita's directors have ongoing opportunities to increase their knowledge and understanding of Tervita's business through briefings from management, third-party consultants and advisors on industry issues and trends as well as relevant legal and financial developments.

### ***Ethical Business Conduct***

In accordance with the ABCA, directors who are a party to or are a director or an officer of a person who is a party to a material contract or material transaction or a proposed material contract or proposed material transaction are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction.

As part of Tervita's implementation of its new corporate values in 2020, Tervita adopted a new written Code of Conduct and Whistleblower Policy (the "**Tervita Code**") in early 2021 to ensure that Tervita's directors, officers, employees, contractors and consultants adhere to ethical standards and obey laws. Each director,

officer, employee, contractor and consultant must acknowledge in writing receipt of the Tervita Code and are required on an annual basis to confirm compliance with the Tervita Code or to describe any deviations known to them. Officers and employees of Tervita can access the Tervita Code via Tervita's internal intranet site. Directors are provided a copy of the Tervita Code upon their appointment as a director of Tervita. Contractors and consultants are provided access to the Tervita Code on Tervita's website as part of their onboarding package.

The Tervita Code also outlines the Corporation's expectations of its directors, officers, employees, contractors, consultants and business partners with regard to anti-corruption and anti-bribery requirements and recognizes the principles of respect, integrity and professionalism in all the Corporation's public and private business dealings. More specifically, the Tervita Code prohibits offering or receiving, directly or indirectly, any bribes, kickbacks, or facilitation payments, or participating in the solicitation of bribes or any act or manner of extortion, economic crime, deception, collusion, money-laundering, embezzlement, misappropriation, fraud or other related offenses. The Tervita Code also requires reasonable steps be taken to avoid engaging in business with business partners unless the Corporation is satisfied that they are reputable, honest and qualified.

The Tervita Code permits any director, officer, employee, consultant, third party business partner, customer, vendor, shareholder or other stakeholder to submit a complaint or concern with respect to violations of the Corporation's various business and ethics policies, including the Tervita Code, and all applicable laws and regulations. The Chair of the Audit Committee and the Vice President, People & Culture will promptly conduct or cause to be conducted a thorough investigation of all complaints and concerns received and may escalate the complaint or concern to the Audit Committee, which may, in turn, escalate the complaint or concern to the Board. All persons involved in investigations are required to maintain confidentiality and anonymity to the fullest extent reasonable and practicable.

### **Nomination of Directors**

In consultation with the CEO, the Governance Committee is responsible for identifying qualified candidates for nomination to the Board. The Governance Committee is responsible to ensure outstanding candidates with desired talents can be identified to fill planned and unplanned vacancies on the Board and to ensure plans are in place for the orderly succession of directors to keep the Board appropriately balanced in terms of skills and experience.

The Governance Committee uses a comprehensive skills matrix to assess Board composition and in preparation to recruit new director candidates as part of Board succession. The skills matrix below shows for each director nominee the principal areas of experience and expertise that the nominees have indicated they bring to the Board.

Director Skills and Experience	Billing	Colodner	Hagerman	Kramer	Pridham	Ramsay	Riddell Rose	Thornton	Walbridge	Cooper
<b>Leadership – with companies of a scale similar to Tervita</b>										
<b>Executive Experience (CEO or President)</b>										
Experience within the last 15 years working as a CEO of a public company. This includes establishing ongoing concern processes, measuring business objectives and executive performance accountability	✓				✓	✓	✓		✓	✓
<b>Strategic Planning and Focus</b>										
Experience with planning, evaluation and implementation of a strategic plan. This includes a demonstrated ability to focus on longer term goals, developing missions and visions and long-term strategic outcomes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

<b>Director Skills and Experience</b>	<b>Billing</b>	<b>Colodner</b>	<b>Hagerman</b>	<b>Kramer</b>	<b>Pridham</b>	<b>Ramsay</b>	<b>Riddell Rose</b>	<b>Thornton</b>	<b>Walbridge</b>	<b>Cooper</b>
<b>Business Development</b> Experience relating to business development, opportunity generation, value creation and augmenting sales and marketing to improve customer acquisition and retention	✓		✓	✓	✓	✓	✓	✓	✓	✓
<b>Industry – within last 15 years</b>										
Exploration and Production	✓		✓	✓			✓	✓		
Midstream	✓			✓				✓		
Energy Marketing	✓		✓				✓	✓		✓
Oilfield Services	✓					✓				✓
Waste Management									✓	✓
Finance		✓	✓		✓	✓	✓		✓	
<b>Business – within last 15 years</b>										
<b>Entrepreneurial</b> Demonstrated entrepreneurial skills				✓	✓	✓	✓	✓	✓	✓
<b>Operations</b> Operations experience, including operational optimization, safety, health, environmental and security of operations	✓			✓		✓	✓	✓	✓	✓
<b>Logistics</b> Senior executive experience in logistics and transportation matters	✓		✓	✓		✓		✓	✓	✓
<b>Information Technology</b> Experience with technology tools and platforms to enhance business operations, products, services, solutions and security				✓		✓		✓		✓
<b>International</b> Experience with an organization with operations outside of Canada	✓		✓		✓	✓		✓	✓	✓
<b>Capital Markets and M&amp;A Restructuring</b> Experience in corporate finance with significant experience and a demonstrated knowledge of debt and equity markets as well as mergers and acquisitions and restructuring	✓	✓	✓		✓	✓	✓			✓
<b>Accounting</b> Executive experience in financial accounting and reporting and knowledge of other considerations and issues associated with the auditing requirements of public companies. Familiarity with internal financial controls	✓		✓		✓	✓	✓			✓
<b>HR and Compensation</b> Executive experience or board compensation committee participation with a thorough understanding of compensation, benefit and pension programs, legislation and agreements including specific expertise in executive compensation programs, incentives, equity and perquisites	✓		✓	✓	✓	✓	✓	✓	✓	✓
<b>Health, Safety and Environment and Social Responsibility</b> Thorough understanding of industry regulations and public policy related to workplace health, safety, environment and social responsibility. Demonstrated commitment to Tervita's HSER values			✓	✓	✓	✓	✓	✓	✓	✓

Director Skills and Experience	Billing	Colodner	Hagerman	Kramer	Pridham	Ramsay	Riddell Rose	Thornton	Walbridge	Cooper
<b>Legal</b> Experience in corporate securities and mergers and acquisitions, litigation, contract law, international law, intellectual property and regulatory/public policy			✓			✓	✓			✓
<b>Board and Governance</b>										
<b>Public Company Director</b> Prior or current experience as a director of a public company as well as serving on board committees	✓		✓	✓	✓	✓	✓	✓		✓
<b>Risk Assessment</b> Experience in the process of identifying principal corporate risks and to ensure that management has implemented the appropriate systems to manage risk	✓		✓	✓		✓	✓	✓	✓	✓
<b>Corporate Governance</b> Thorough understanding of corporate governance gained through experience as a senior executive officer or board member of public or private organizations	✓		✓	✓	✓	✓	✓	✓		✓
<b>Government Relations</b> Experience in strategic government relations and effective communications for public sector and private sector			✓			✓	✓			✓
<b>Board Certificates</b> Possesses Board certifications from NACD, ICD or similar institutions			✓					✓		

### Other Board Committees

The Board has four standing committees:

- the Audit Committee;
- the HRC Committee;
- the Governance Committee; and
- the HSER Committee.

The role of the Audit Committee is to assist the Board in fulfilling its financial oversight obligations, including the responsibility: to assist the Board in fulfilling its responsibility to oversee the Corporation's accounting and financial reporting processes and audits of the Corporation's financial statements; to review the Corporation's financial reports and other financial information, disclosure controls and procedures and internal accounting and financial controls; to oversee the work of the external auditor in preparing or issuing an audit report or related work, monitor the independence of the external auditor and pre-approve all auditing services and permitted non-audit services provided by the external auditor; and to serve as an independent and objective party to monitor the Corporation's financial reporting processes and internal control systems. The Audit Committee is currently comprised of Allen Hagerman (Chair), Gordon Pridham and Cameron Kramer, each of whom are financially literate for the purposes of National Instrument 52-110 – *Audit Committees*. For criteria for the determination of financial literacy, the Board looked at the ability to read and understand a balance sheet, an income statement and cash flow statement of a public company as well as the director's past experience in reviewing or overseeing the preparation of financial statements. The education and experience of each director relevant to the performance of his duties as a member of the Audit Committee is set forth under "*Business of the Meeting – Election of Directors*" in the Information Circular.

The HRC Committee has responsibility for, among other things, setting goals and objectives relevant to compensation, assessing the performance of the CEO and the Board, reviewing and approving or making recommendations to the Board with respect to, as applicable, the compensation and benefits of Tervita's employees, executives, directors and consultants, and administering other of Tervita's compensation plans. The HRC Committee is currently comprised of Jay Thornton (Chair), Allen Hagerman and Michael Colodner. See "*Executive Compensation – Compensation Discussion and Analysis*" for a description as to how the Board and HRC Committee determine compensation of directors and officers.

The Governance Committee has responsibility for, among other things, the implementation and assessment of effective corporate governance principles, and to assist and provide advice and recommendations to the Board with respect to the nomination of directors, Board and committee composition and such other governance initiatives as may be necessary or desirable to enable the Board to provide effective governance for Tervita. The Governance Committee is currently comprised of Douglas Ramsay (Chair), Michael Colodner and Susan Riddell Rose.

The HSER Committee has responsibility for, among other things, recommending, reviewing and monitoring the environmental, health and safety policies, programs and procedures of Tervita to minimize exposure to risk and ensure its compliance with legislative requirements and industry standards. The HSER Committee is currently comprised of Cameron Kramer (Chair), Kevin Walbridge and Douglas Ramsay.

From time to time, the Board may form ad hoc committees to undertake special initiatives. The chairs and members of any ad hoc committee may receive fees that are determined by the Board. An ad hoc committee (the **Ad Hoc Committee**) was formed in May 2020 to review and consider certain strategic initiatives, including, among other matters, the senior debt refinancing transaction completed by the Corporation in November 2020 and the arrangement agreement entered into by the Corporation with SECURE Energy Services Inc. that was announced on March 9, 2021. The Ad Hoc Committee is currently comprised of Grant Billing, Michael Colodner, Allen Hagerman and Gordon Pridham.

### ***Board Assessments***

Tervita conducts board assessments on an annual basis whereby each director completes a survey to evaluate whether each of the Board, its committees, the Chair of the Board and each committee chair are performing their duties effectively and to encourage continuous improvement, as well as a self-evaluation by each director. The Board establishes assessment criteria based on the recommendations of each committee, and takes into account, among other things, self-assessments and confidential peer-review surveys completed by each director.

### ***Director Term Limits***

The Board believes that issues relating to board effectiveness, board renewal and board succession planning are best addressed by a strong Chair and independent-thinking board members. Rather than imposing term limits and in order to maintain flexibility over Board composition, the Board relies on the experience of its members to determine when changes to the Board's composition are appropriate. In addition, although the Board may consider setting term limits for directors in future years, due to the fact that each of the directors was appointed to the Board in December 2016 or subsequent thereto, the Board does not believe that setting term limits for its directors is practical at this time.

### ***Diversity on the Board and in Executive Officer Positions***

Tervita values the benefits that diversity can bring to its Board and its senior management. In 2020, Tervita adopted a Diversity Policy (the "**Diversity Policy**") in order to outline its commitment to diversity and to fostering an inclusive culture that is based on merit and free of conscious and unconscious bias.

In accordance with the Diversity Policy, the Governance Committee evaluates potential nominees to the Board by reviewing the individual qualifications of prospective board members, by considering such person's diversity, skills, competencies, experience and leadership, and then, based on that review, determines if the candidate's qualifications are relevant, taking into consideration the current board

composition and the anticipated skills required to round out the capabilities of the Board. In the process of searching for qualified persons to serve on the Board, the Governance Committee strives for the inclusion of diverse groups, knowledge and viewpoints.

The Diversity Policy further provides that, through Board renewal over time, and considering the evolving requirements to maintain exemplary board-level strategic leadership and governance, Tervita is seeking to maintain a Board in which each gender represents at least 30% of the Board. As at the date of this Information Circular, one (or 10%) of the members of the Board is a woman, which number is consistent with the prior year.

In addition, Tervita seeks to maintain a senior management team in which each gender represents at least 30% of the total number of executive officers in accordance with the Diversity Policy. As disclosed above, Tervita evaluates candidates for an executive officer position by considering each person's diversity, skills, competencies, experience and leadership, and then, based on that review, determines if the candidate's qualifications are relevant taking into consider the current composition of the senior management team and the requirements of the position. Tervita is an equal opportunity employer committed to treating people fairly, with respect and dignity, and to offering equal employment opportunities based upon an individual's experience, skill and ability. As at the date hereof, three (or 33%) of the executive officers of Tervita are women, which number is consistent with the prior year.

On a periodic basis, the Governance Committee and the Board review the progress of Tervita's diversity efforts and monitor the implementation of the Diversity Policy.

#### **ADDITIONAL INFORMATION**

Additional information relating to Tervita is available through the internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com). Information relating to the charter of the Audit Committee, the composition of the Audit Committee, whether such members are independent and financially literate, their relevant education and experience and the service fees paid by Tervita to its external auditor is provided under the heading "*Audit Committee Information*" of the Annual Information Form of Tervita for the most recently completed financial year.

Financial information of Tervita is provided in the comparative financial statements and management's discussion and analysis of Tervita for the most recently completed financial year. Copies of the Annual Information Form, financial statements and management's discussion and analysis of Tervita may be obtained free of charge from Tervita at 1600, 140-10 Ave S.E., Calgary, AB T2G 0R1 or by facsimile at (403) 261-5612.

#### **OTHER INFORMATION**

The contents and sending of this Information Circular, including the Tervita Notice of Meeting, have been approved by the Board.

**DATED** at Calgary, Alberta, this 25<sup>th</sup> day of March, 2021.

**BY ORDER OF THE  
BOARD OF DIRECTORS OF TERVITA CORPORATION**

(signed) "*John Cooper*"

John Cooper  
President and Chief Executive Officer  
Tervita Corporation

## Appendix A

### GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular.

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B 9, as amended, including the regulations promulgated thereunder.

"**Ad Hoc Committee**" has the meaning set forth under the heading "*Corporate Governance Practices – Other Board Committees*".

"**Adjusted EBIT**" means net profit (loss) plus impairment, finance costs, other expense (income), income taxes expense (recovery), loss (profit) from discontinued operations, net of tax, and corporate services allocations.

"**Adjusted EBITDA**" is a non-GAAP measure that means net profit (loss) plus severance, depreciation and amortization, impairment, finance costs, other expense (income), income taxes expense (recovery), loss (profit from discontinued operations), net of tax, and any other non-recurring items.

"**AIP**" has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion & Analysis – Elements of the Executive Compensation Program*" in this Information Circular.

"**Annual Materials**" has the meaning set forth under the heading "*General Matters – Notice and Access Regime*" in this Information Circular.

"**Annual Retainer**" has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of Tervita DSU Plan*" in this Information Circular.

"**Arrangement**" means the arrangement between Legacy Tervita and Newalta, pursuant to a corporate plan of arrangement under Section 193 of the ABCA, pursuant to which Legacy Tervita completed an acquisition of Newalta on July 19, 2018, culminating in an amalgamation of the two companies into the current, publicly-traded, Tervita.

"**Audit Committee**" means the Audit Committee of the Board.

"**Beneficial Shareholder**" has the meaning set forth under the heading "*General Matters – Introduction*" in this information circular.

"**Black-Out Period**" has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

"**Board**" means the board of directors of Tervita as it may be constituted from time to time.

"**Broadridge**" has the meaning set forth under the heading "*General Matters – Information for Beneficial Shareholders*" in this Information Circular.

"**Business Day**" means a day other than a Saturday, Sunday or other than a day when banks in the City of Calgary, Alberta are not generally open for business.

"**CACR**" has the meaning set forth under the heading "*Executive Compensation – Compensation Governance – Elements of the Executive Compensation Plan*".

"**Capital Employed**" means total assets less cash and total liabilities.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Deferred Share Units**" or "**DSUs**" means deferred share units, whether or not vested, granted pursuant to the Tervita DSU Plan.

"**Discretionary Free Cash Flow**" means funds from operations, less cash spent on maintenance capital and payment of principal portion of lease liabilities, plus cash proceeds on the sale of long-lived assets and sublease payments received.

"**Discretionary Free Cash Flow Per Share**" means Discretionary Free Cash Flow divided by the weighted average Shares outstanding.

"**Diversity Policy**" has the meaning set forth under the heading "*Corporate Governance Practices – Diversity on the Board and in Executive Officer Positions*" in this Information Circular.

"**EMIP**" has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion & Analysis – Elements of the Executive Compensation Program*" in this Information Circular.

"**Governance Committee**" means the Governance Committee of the Board.

"**HRC Committee**" means the Human Resources and Compensation Committee of the Board.

"**HSER Committee**" means the Health, Safety, Environment and Regulatory Committee of the Board.

"**IIU Settlement Date**" has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

"**IIU Vesting Date**" has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

"**Incentive Units**" means Restricted Share Units, Performance Share Units and Integration Incentive Units.

"**Information Circular**" means the Tervita Notice of Meeting and this management information circular and proxy statement of Tervita to be sent to the Shareholders in connection with the Meeting, including the Appendices hereto, together with any amendments thereto or supplements hereof.

"**Integration Incentive Units**" or "**IUs**" means the integration incentive units, whether or not vested, granted pursuant to the Tervita Incentive Unit Plan.

"**Intermediary**" has the meaning set forth under the heading "*General Matters – Information for Beneficial Shareholders*" in this Information Circular.

"**Legacy Tervita**" means Tervita Corporation, a private company, that existed prior to the completion of the Arrangement and is one of the two companies that was amalgamated to form Tervita (the other being Newalta);

"**Majority Voting Policy**" means the Majority Voting Policy adopted by the Board.

"**Meeting**" has the meaning set forth under the heading "*General Matters – Introduction*" in this Information Circular.

"**Mercer**" means Mercer (Canada) Limited.



**"National Instrument 54-101"** has the meaning set forth under the heading "*General Matters – Notice and Access Regime*" in this information circular.

**"NEO"** has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion and Analysis*" in this Information Circular.

**"Net Debt"** means debt and derivative liabilities associated with such debt less cash and cash equivalents.

**"Net Debt to Adjusted EBITDA"** means Net Debt divided by Adjusted EBITDA.

**"Newalta"** means Newalta Corporation, a corporation that existed prior to the completion of the Arrangement and is one of the two companies that was amalgamated to form Tervita (the other being Legacy Tervita).

**"NREG"** has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion and Analysis – Elements of Executive Compensation Program*" in this Information Circular.

**"Optionholder"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Option Plan*" in this information circular.

**"Options"** means the outstanding stock options, whether or not vested, to acquire Shares, as applicable, granted pursuant to the Tervita Option Plan.

**"Order"** has the meaning set forth under the heading "*Business of the Meeting – Election of Directors – Corporate Cease Trade Orders, Bankruptcies and Penalties*" in this Information Circular.

**"Payment Date"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of Tervita DSU Plan*" in this Information Circular.

**"Performance Share Units" or "PSUs"** means performance share units, whether or not vested, granted pursuant to the Tervita Incentive Unit Plan.

**"PSU Vesting Date"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

**"Record Date"** has the meaning set forth under the heading "*General Matters – Record Date*" in this Information Circular.

**"Registered Shareholder"** has the meaning set forth under the heading "*General Matters - Introduction*" in this Information Circular.

**"Restricted Share Units" or "RSUs"** means restricted stock units, whether or not vested, granted pursuant to the Tervita Incentive Unit Plan, as the case may be.

**"ROCE"** means Adjusted EBIT divided by Capital Employed.

**"RRSP"** has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion and Analysis – Elements of Executive Compensation Program*" in this Information Circular.

**"RSU Vesting Date"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

**"SEDAR"** has the meaning set forth under the heading "*General Matters – Notice and Access Regime*" in this Information Circular.

**"Settlement Date"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of the Tervita Incentive Unit Plan*" in this Information Circular.

**"Shareholders"** has the meaning set forth under the heading "*General Matters – Introduction*" in this Information Circular.

**"Shares"** has the meaning set forth under the heading "*General Matters – Introduction*" in this Information Circular.

**"Solus"** means Solus Alternative Asset Management LP.

**"subsidiary"** has the meaning set forth in the *Securities Act*, R.S.A. 2000, c. S-4.

**"Termination Date"** has the meaning set forth under the heading "*Appendix B – Summary of Equity-Based Compensation Plans – Summary of Tervita DSU Plan*" in this Information Circular.

**"Tervita"** or the **"Corporation"** means Tervita Corporation, a corporation existing under the ABCA.

**"Tervita Code"** has the meaning set forth under the heading "*Corporate Governance Practices – Ethical Business Conduct*" in this Information Circular.

**"Tervita DSU Plan"** means Tervita's deferred share unit plan dated December 31, 2018, as amended.

**"Tervita Incentive Unit Plan"** means Tervita's incentive unit plan.

**"Tervita Notice of Meeting"** means the Notice of Annual and Special Meeting of the Shareholders dated March 25, 2021 accompanying this Information Circular.

**"Tervita Option Plan"** means Tervita's option plan dated January 1, 2017, as amended.

**"Tervita Savings Plan"** has the meaning set forth under the heading "*Executive Compensation – Compensation Discussion and Analysis – Elements of Executive Compensation Program*" in this Information Circular.

**"TRIF"** means total reportable injury frequency on an annual basis.

**"TSX"** means the Toronto Stock Exchange.

**"TSX Company Manual"** means the Company Manual of the TSX, as amended from time to time, including such Staff Notices of the TSX from time to time which may supplement the same.

**"VWAP"** means the volume weighted average trading price of the common shares on the TSX.

## Appendix B

### **SUMMARY OF EQUITY-BASED COMPENSATION PLANS**

The information presented in this Appendix "B" is prescribed disclosure concerning Tervita's equity-based compensation plans, being the Tervita Incentive Unit Plan, the Tervita DSU Plan and the Tervita Option Plan, as required under Form 51-102F5 – *Information Circular* and TSX Company Manual Section 613 – *Security-Based Compensation Arrangements*.

#### ***Summary of the Tervita Incentive Unit Plan***

The following summary is qualified in its entirety by the full text of the Tervita Incentive Unit Plan.

#### **General Information**

The Tervita Incentive Unit Plan enables the Board to grant Restricted Share Units, Performance Share Units and Integration Incentive Units to eligible participants. The purpose of the Restricted Share Units and Performance Share Units are to promote a proprietary interest in the Corporation and greater alignment of interests between officers and employees of the Corporation and the Shareholders, to provide variable compensation contingent on Tervita's long-term performance and to attract and retain experienced individuals. The purpose of the one-time Integration Incentive Units is to incentivize certain key executives to successfully complete the integration of Legacy Tervita and Newalta and to achieve the expected synergies from the Arrangement.

#### **Eligible Participants**

The Incentive Units are granted at the discretion of the Board, subject to the terms of the Tervita Incentive Unit Plan. Eligible participants in respect of Restricted Share Units and Performance Share Units are officers and employees of Tervita or its affiliates and eligible participants in respect of Integration Incentive Units are the CEO, the CFO and the Vice Presidents of Tervita. Non-employee directors are not eligible to participate in the Tervita Incentive Unit Plan.

#### **Securities Issuable**

The number of Shares to be reserved for issuance pursuant to Incentive Units to be granted under the Tervita Incentive Unit Plan, and under all other security based compensation arrangements of Tervita (including, but not limited to, the Tervita Option Plan and the Tervita DSU Plan described in this Information Circular) will not exceed 10% of the issued and outstanding Shares from time to time (on a non-diluted basis). Any Shares that will be subject to Tervita Incentive Units that have been settled or cancelled or terminated (for any reason) without having been settled, will again be available for grants under the Tervita Incentive Unit Plan and all other security-based compensation arrangements of Tervita.

The maximum number of Shares that may be issued and reserved for issuance to insiders pursuant to Incentive Units granted under the Tervita Incentive Unit Plan and securities granted under any other share based compensation arrangement of Tervita (including, but not limited to, the Tervita Option Plan and the Tervita DSU Plan described in this Information Circular) will be subject to the "insider participation limits" prescribed by the policies of the TSX. Accordingly, the number of Shares issuable to insiders at any time on exercise or settlement of all outstanding Incentive Units, Options, Deferred Share Units and other securities granted under any other security based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis), and the number of Shares issued to insiders within any one-year period on exercise or settlement of all outstanding Incentive Units, Options, Deferred Share Units and other securities granted under any other security based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis).

The number of Shares underlying the outstanding Incentive Units under the Tervita Incentive Unit Plan as at December 31, 2020 is 2,528,936, representing 2.2% of the Shares outstanding.

The number of Shares available for future grants under the Tervita Incentive Unit Plan as at December 31, 2020 is 5,733,504, representing 5.0% of the Shares outstanding. The number of Shares available for future grants under the Tervita Incentive Unit Plan shall be proportionately reduced to the extent additional grants of securities are made under the Tervita Option Plan and the Tervita DSU Plan.

## **Vesting**

Unless otherwise determined by the Board: (i) Restricted Share Units will vest as to one third on the first, second and third anniversaries of the grant date (each a "**RSU Vesting Date**"); (ii) Performance Share Units will vest on the third anniversary of the grant date ("**PSU Vesting Date**"); and (iii) Integration Incentive Units vested on December 31, 2020 ("**IU Vesting Date**").

## **Settlement Provisions**

All vested Restricted Share Units and Performance Share Units will be settled within 60 days of the RSU Vesting Date or PSU Vesting Date, as applicable, and, in any event, no later than December 15 of the calendar year in which the RSU Vesting Date or the PSU Vesting Date, as applicable, occurred (the "**Settlement Date**"). All vested Integration Incentive Units will be settled as soon as practicable following the annual Board meeting held in the first quarter of 2021 to approve annual 2020 matters, and in any event, within thirty (30) days of such Board meeting (the "**IU Settlement Date**").

At the time of settlement, each Tervita Incentive Unit will be adjusted for: (i) any dividends paid since the grant date; and (ii) time spent at work by the holder thereof during the applicable period since the grant date.

At the time of settlement of the Performance Share Units, the Board will apply a payout multiplier to the Performance Share Units which may increase or decrease the number of Shares notionally underlying such Performance Share Units. The payout multiplier may range from zero to 2.0 and will be based on Tervita's performance during the applicable performance period.

At the time of settlement of the Integration Incentive Units, the Board will apply a payout multiplier to the Integration Incentive Units which may increase or decrease the number of Shares notionally underlying such Integration Incentive Units. The payout multiplier may range from zero to 2.0 and will be based on Tervita's performance during the integration period being from September 1, 2018 to December 31, 2020. The performance measures which will be used to calculate the payout multiplier for the outstanding Integration Incentive Units are (i) 50% weighted towards Discretionary Free Cash Flow Per Share and (ii) 50% weighted towards Net Debt to Adjusted EBITDA, subject to Board discretion.

If a Settlement Date or an IU Settlement Date falls on, or within nine business days immediately following a date upon which a holder of Incentive Units will be subject to trading restrictions due to a black-out period or other trading restriction imposed by Tervita (a "**Black-Out Period**"), then the Settlement Date will be automatically extended to the 10th business day following the date the relevant Black-Out Period ends.

Tervita may, in its sole and absolute discretion, settle the vested Incentive Units by either: (i) delivering to the Tervita Incentive Unit holder a cash payment equal to the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the Settlement Date or IU Settlement Date, as applicable; or (ii) delivering to the Tervita Incentive Unit holder a number of Shares issued from treasury or purchased on the market equal to the number of vested Incentive Units to be settled.

Incentive Units will not be assignable, other than by legally valid will or according to the laws of descent and distribution.

## **Termination of Rights**

The Tervita Incentive Unit Plan provides that in the event a holder of Incentive Units has his or her employment with Tervita terminated for Cause (as such term is defined in the "*Executive Compensation – Termination of Employment and Change of Control Benefits*") or resigns from Tervita for any reason other than Constructive Dismissal (as such term is defined in the "*Executive Compensation – Termination of Employment and Change of Control Benefits*"), any unvested Incentive Units held by such holder will automatically terminate and become void immediately upon the date that such holder ceases to be employed by Tervita. In the event a holder of Incentive Units has his or her employment with Tervita terminated without Cause, resigns as a result of Constructive Dismissal or has his or her employment with Tervita terminated due to death or Disability (as such term is defined in the "*Executive Compensation – Termination of Employment and Change of Control Benefits*"), then any unvested Incentive Units will vest on the date that such holder ceases to be employed by Tervita and the number of underlying Shares shall be proportionately adjusted by the time such holder spent at work during the applicable grant cycle.

## **Change of Control**

A Change of Control is defined in the Tervita Incentive Unit Plan as: (i) the consummation of any transaction pursuant to which any person or group of persons acquires 50% or more of the aggregate voting power of all of Tervita's then outstanding securities entitled to vote in the election of directors of Tervita; (ii) a consummated arrangement, amalgamation, merger, consolidation, takeover bid, compulsory acquisition or similar transaction involving (directly or indirectly) Tervita if, immediately after the consummation of such transaction, the shareholders of Tervita do not own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such transaction; (iii) the sale, lease, exchange, license or other disposition of all or substantially all of Tervita's assets to a person that is not an affiliate of Tervita at the time of such sale, other than a sale to an entity in which more than fifty percent of the combined voting securities are beneficially owned by shareholders of Tervita immediately prior to such sale; (iv) the passing of a resolution by the Board or holders of Shares to substantially liquidate or wind up the business or significantly rearrange Tervita's affairs; (v) the election at a meeting of Tervita's Shareholders of a number of directors of the Corporation, who were not director nominees proposed to the Shareholders by the Corporation's prior Board, and would represent a majority of the Board; or (vi) the appointment of a number of directors which would represent a majority of the board and which were nominated by any holder of Shares or by any group of holders of Shares acting jointly or in concert and not approved by the Corporation's prior board.

If a Change of Control occurs and a holder of Incentive Units' employment with Tervita is terminated by Tervita during the one (1) year period after a Change of Control for any reason other than Cause, or the holder of Incentive Units resigns as a result of Constructive Dismissal (as such term is defined in the Tervita Incentive Unit Plan), then any unvested Incentive Units held by such holder as at the date of the Change of Control will accelerate and will fully vest effective on the date of the Change of Control and all Incentive Units that are vested or deemed to be vested shall be settled by the holder within 30 days from such termination date.

## **Adjustments**

The Board shall have sole discretion to adjust the Shares issuable under the Incentive Units as a result of a stock split, consolidation, recapitalization, amalgamation, reorganization, arrangement or other transaction that is not a Change of Control transaction. As described above, Tervita Incentive Unit holders' accounts will also be credited with additional units in accordance with the Tervita Incentive Unit Plan in the event Tervita pays dividends on the Shares and holders' accounts shall also be adjusted based on time spent at work by such holder during the applicable grant cycle. Any such adjustments are subject to TSX approval.

## **Amendment**

The Tervita Incentive Unit Plan will be able to be amended, suspended or discontinued by the Board at any time provided that no such amendment that may be considered to be materially adverse to any Tervita Incentive Unit previously granted will be made without the consent of the holder thereof. Any amendment to the Tervita Incentive Unit Plan will be subject to any required approval of the TSX and holders of Shares. However, amendments relating to the following matters may be approved by the Board without the approval of Shareholders, provided that such amendments do not contravene the requirements of the TSX or applicable securities law: (i) changing the vesting provisions of any Incentive Units; (ii) amendments respecting the administration of the Tervita Incentive Unit Plan; and (iii) other amendments of a "housekeeping" nature.

## ***Summary of the Tervita DSU Plan***

The following summary is qualified in its entirety by the full text of the Tervita DSU Plan.

### **General Information**

The Tervita DSU Plan enables the Board to grant Deferred Share Units to non-employee directors of Tervita and any shareholder with a director representative serving on the Board. The purpose of the Deferred Share Units is to promote a proprietary interest in the Corporation and greater alignment of interests between directors of the Corporation and the Shareholders and to attract and retain experienced individuals.

### **Eligible Participants**

The Tervita DSU Plan provides that non-executive directors shall receive at least 60%, and up to 100%, of their annual retainer fee in Deferred Share Units (the "**Annual Retainer**"). For the year ended December 31, 2020, the number of Deferred Share Units credited to a non-executive director's notional account in respect of the Annual Retainer was determined and granted on a quarterly basis by dividing the amount of the Annual Retainer (payable in respect of the applicable quarter) to be paid in Deferred Share Units as elected by the director by the Fair Market Value (as defined in the Tervita DSU Plan) of the Shares on the grant date.

### **Securities Issuable**

The number of Shares to be reserved for issuance pursuant to Deferred Share Units to be granted under the Tervita DSU Plan, and under all other security based compensation arrangements of Tervita (including, but not limited to, the Tervita Option Plan and Tervita Incentive Unit Plan described in this Information Circular) will not exceed 10% of the issued and outstanding Shares from time to time (on a non-diluted basis). Any Shares that will be subject to Deferred Share Units that have been settled or cancelled or terminated (for any reason) without having been settled will again be available for grants under the Tervita DSU Plan and all other security-based compensation arrangements of Tervita.

The maximum number of Shares that may be issued and reserved for issuance to insiders pursuant to Deferred Share Units granted under the Tervita Incentive Unit Plan and securities granted under any other share based compensation arrangement of Tervita (including, but not limited to, the Tervita Option Plan and Tervita Incentive Unit Plan described above) will be subject to the "insider participation limits" prescribed by the policies of the TSX. Accordingly, the number of Shares issuable to insiders at any time on exercise or settlement of all outstanding Deferred Share Units, Options, Incentive Units and other securities granted under any other security based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis), and the number of Shares issued to insiders within any one-year period on exercise or settlement of all outstanding Deferred Share Units, Options, Incentive Units and other securities granted under any other security based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis).

The number of Shares underlying the outstanding Deferred Share Units under the Tervita DSU Plan as at December 31, 2020 is 606,809, representing 0.5% of the Shares outstanding.

The number of Shares available for future grants under the Tervita DSU Plan as at December 31, 2020 is 5,733,504, representing 5.0% of the Shares outstanding. The number of Shares available for future grants under the Tervita DSU Plan shall be reduced to the extent additional grants of securities are made under either the Tervita Incentive Unit Plan or the Tervita Option Plan.

### **Vesting**

Effective March 12, 2020, Deferred Share Units fully vest on the date of grant.

### **Settlement Provisions**

At such time as a holder of Deferred Share Units has ceased to be a director of Tervita (the "**Termination Date**"), except as a result of death, the holder shall elect a date after such Termination Date, provided such date may not be earlier than the 90<sup>th</sup> day following the Termination Date (the "**Payment Date**") upon which date Tervita shall deliver to the holder as reasonably as practicable after the Payment Date, either a lump sum cash payment equal to the number of Deferred Share Units credited to the holder's notional account multiplied by the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the Payment Date, less any applicable withholding taxes, or a number of Shares issued from treasury or purchased on the market equal to the number of DSUs credited to the holder's notional account on such date.

If a Payment Date falls on, or within nine business days immediately following a date upon which a holder of Deferred Share Units will be subject to a Black-Out Period then the Payment Date will be automatically extended to the 10th business day following the date the relevant Black-Out Period ends.

At the time of payment, each Deferred Share Unit will be adjusted for any dividends paid since the grant date.

Deferred Share Units will not be assignable, other than by legally valid will or according to the laws of descent and distribution.

### **Adjustments**

The Board shall have sole discretion to adjust the Shares issuable under the Deferred Share Units as a result of a stock split, spin-out, share dividend or combination, or reclassification, recapitalization, merger or similar event that results in a holder of Deferred Share Units being entitled to a different class or type of security or other property.

### **Amendment**

The Tervita DSU Plan will be able to be amended, suspended or discontinued by the Board at any time provided that no such amendment that may be considered to be materially adverse to any Tervita DSU previously granted will be made without the consent of the holder thereof. Any amendment to the Tervita DSU Plan will be subject to any required approval of the TSX and holders of Shares. However, amendments relating to the following matters may be approved by the Board without the approval of Shareholders, provided that such amendments do not contravene the requirements of the TSX or applicable securities law: (i) amendments respecting the administration of the Tervita Incentive Unit Plan; and (ii) other amendments of a "housekeeping" nature.

## **Summary of the Tervita Option Plan**

The Tervita Option Plan, effective January 1, 2017, as amended, provides employees, directors or officers of Tervita with the opportunity to participate in the long-term success of Tervita and to promote a greater alignment of their interests with the interests of Shareholders. The following summary is qualified in its entirety by the full text of the Tervita Option Plan (please see Appendix "C" attached to the Information Circular). The Tervita Option Plan was most recently amended in March 2020 and such amendments did not require shareholder approval pursuant to the TSX Company Manual.

### **General Information**

The Tervita Option Plan enables the Board to grant to employees and Shareholders Options to acquire Shares, provided however that any member of the Board who holds an outstanding Option shall be a "participant" for the purposes of the Tervita Option Plan. The number of Shares to be reserved for issuance pursuant to Options granted under the Tervita Option Plan and under all other security-based compensation arrangements of Tervita (including, but not limited to, the Tervita Incentive Unit Plan and Tervita DSU Plan described in this Information Circular) shall not exceed 10% of the issued and outstanding Shares from time to time (on a non-diluted basis). Any Shares that will be subject to a Tervita Option that will be exercised by a holder thereof or cancelled or terminated (for any reason) without having been exercised will again be available for grants under the Tervita Option Plan and all other security-based compensation arrangements of Tervita.

The maximum number of Shares that may be issued and reserved for issuance to insiders pursuant to Options granted under the Tervita Option Plan and any other share based compensation arrangement of Tervita (including, but not limited to, the Tervita Incentive Unit Plan and Tervita DSU Plan described in this Information Circular) will be subject to the "insider participation limits" prescribed by the policies of the TSX. Accordingly, the number of Shares issuable to insiders at any time on exercise or settlement of all outstanding Options, Restricted Share Units, Performance Share Units, Integration Incentive Units and other securities granted under any other security based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis), and the number of Shares issued to insiders within any one-year period on exercise or settlement of all outstanding Options,

Restricted Share Units, Performance Share Units, Integration Incentive Units and other securities granted under any other security-based compensation arrangements will not exceed 10% of the outstanding Shares (on a non-diluted basis).

### **Exercise Provisions**

The exercise price of a Tervita Option will not be less than the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the date of grant of the Tervita Option. To exercise, holders of Options ("**Optionholders**") will be able to either: (i) pay the exercise price for the Options, in full, to Tervita or; (ii) if permitted by Tervita, surrender their Options for a payment in cash or Shares, in an amount equal to the excess, if any, between (A) the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the date of surrender of the Options and (B) the aggregate exercise price for the number of Shares in respect of which the Options will be surrendered. Upon such surrender of Options, the right to the underlying Shares will be forfeited.

In order for Tervita to comply with applicable income tax and related withholding obligations with respect to Tervita Option exercises, Optionholders will be required, when exercising Options, to provide Tervita with the necessary funds to satisfy such obligations and Tervita will have the irrevocable right to set off any amounts required to be withheld against amounts otherwise owed to Optionholders or to make such other arrangements as will be satisfactory to Tervita.



Options will be able to be exercised only by the Optionholder and will not assignable, except on death in which case the personal representative of the Optionholder may exercise such options to the extent the holder was entitled at the date of death.

### **Option Vesting and Term**

The Tervita Option Plan provides that Tervita Option grants will be made for a term not exceeding 5 years from the date of the grant. Unless otherwise determined by the Board, Options will vest in equal thirds on each of first three anniversaries of the date of grant.

### **Termination of Rights**

The Tervita Option Plan provides that in the event an Optionholder ceases to be a director of Tervita, or an Optionholder's employment with Tervita has been terminated without Cause (as such term is defined in the "*Executive Compensation – Termination of Employment and Change of Control Benefits*"), or the Optionholder resigns from Tervita, each unvested Tervita Option held by such Optionholder will automatically terminate and become void immediately upon the date that such Optionholder will cease to be a director or will cease to be employed by Tervita and each vested Tervita Option will cease to be exercisable on the earlier of: (i) the original expiry date of the Tervita Option; and (ii) 30 days from the date of such termination. In the event an Optionholder's employment with Tervita is terminated for Cause, each Tervita Option, whether vested or unvested, will automatically be terminated and become void upon the date of termination. If an Optionholder ceases to be a director or an employee as a result of death or Disability (as such term is defined in the "*Executive Compensation – Termination of Employment and Change of Control Benefits*"), each unvested Tervita Option held by such Optionholder will automatically terminate and become void upon the termination date and each vested Tervita Option will cease to be exercisable on the earlier of: (i) the original expiry date of the Tervita Option; and (ii) 180 days following the date of death or Disability. In the case of death, an Optionholder's legal representative may exercise the Optionholder's vested Options.

### **Adjustments**

Options will be able to be adjusted in the sole discretion of the Board as a result of a stock split, consolidation, recapitalization, amalgamation, reorganization, arrangement or other transaction that is not a Change of Control transaction.

### **Change of Control**

A Change of Control is defined in the Tervita Option Plan as: (i) the consummation of any transaction pursuant to which any person or group of persons acquires 50% or more of the aggregate voting power of all of Tervita's then outstanding securities entitled to vote in the election of directors of Tervita; (ii) a consummated arrangement, amalgamation, merger, consolidation, takeover bid, compulsory acquisition or similar transaction involving (directly or indirectly) Tervita if, immediately after the consummation of such transaction, the shareholders of Tervita do not own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving or resulting entity in such transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving or resulting entity in such transaction; (iii) the sale, lease, exchange, license or other disposition of all or substantially all of Tervita's assets to a person that is not an affiliate of Tervita at the time of such sale, other than a sale to an entity in which more than fifty percent of the combined voting securities are beneficially owned by shareholders of Tervita immediately prior to such sale; (iv) the passing of a resolution by the Board or holders of Shares to substantially liquidate or wind up the business or significantly rearrange Tervita's affairs; (v) the election at a meeting of Tervita's Shareholders of a number of directors of the Corporation, who were not director nominees proposed to the Shareholders by the Corporation's prior Board, and would represent a majority of the Board; or (vi) the appointment of a number of directors which would represent a majority of the board and which were nominated by any holder of Shares or by any group of holders of Shares acting jointly or in concert and not approved by the Corporation's prior board.

If a Change of Control occurs and an Optionholder's employment with Tervita is terminated by Tervita during the one (1) year period after of a Change of Control for any reason other than Cause, or the Optionholder resigns as a result of Constructive Dismissal (as such term is defined in the Tervita Option Plan), then any unvested Options held by such Optionholder as at the date of the Change of Control will accelerate and will fully vest effective on the date of the Change of Control and all Options that are vested or deemed to be vested may be exercised by the Optionholder within 30 days from such termination date.

### **Amendment**

The Tervita Option Plan will be able to be amended, suspended or discontinued by the Board at any time provided that no such amendment that may be considered to be materially adverse to any Tervita Option previously granted shall be made without the consent of the holder thereof. Any amendment to the Tervita Option Plan is subject to any required approval of the TSX and holders of Tervita. However, amendments relating to the following matters will be able to be approved by the Board without the approval of holders of Shares, provided that such amendments do not contravene the requirements of the TSX or applicable securities law: (i) changing the vesting provisions of any Options; (ii) changing the termination provisions of any Options, provided that the change does not entail an extension beyond the original expiry date of such Options; (iii) amendments respecting the administration of the Tervita Option Plan; and (iv) other amendments of a "housekeeping" nature.

Options are not transferable other than by will or according to the laws of descent and distribution.

As at December 31, 2020 there were 2,696,236 Options outstanding and 2,696,236 Shares underlying such Options, representing 2.3% of the Shares outstanding.

The number of Shares available for future grants under the Tervita Option Plan as at December 31, 2020 is 5,733,504, representing 5.0% of the Shares outstanding. The number of Shares available for future grants under the Tervita Option Plan shall be reduced to the extent additional grants of securities are made under either the Tervita Incentive Unit Plan or the Tervita DSU Plan.

Appendix C

**MANDATE OF THE BOARD OF DIRECTORS**

(See attached)

# **MANDATE OF THE BOARD OF DIRECTORS OF TERVITA CORPORATION**

Last Approved by Board: March 5, 2021  
Last Reviewed by Governance Committee: March 4, 2021



**EARTH MATTERS**



## MANDATE OF THE BOARD OF DIRECTORS

### 1. PURPOSE

This mandate (this "**Mandate**") has been prepared to provide guidance to the board of directors (the "**Board**") of Tervita Corporation (the "**Corporation**") and its chair (the "**Chair of the Board**"), as well as the various committees (the "**Committees**") of the Board and their chairpersons (the "**Committee Chairs**"), on corporate governance matters. It shall also serve as the primary source of information concerning governance in the orientation of newly appointed directors.

These guidelines are intended to be flexible and to provide direction to the Board as a whole and to individual Board members in connection with their legal obligations and mandate from the shareholders to oversee and direct the business and affairs of the Corporation.

The Board will review and modify this Mandate, as applicable, to reflect changes to the business environment, industry standards on matters of corporate governance, accountability to the Corporation's shareholders and the adoption and implementation of relevant laws and policies.

### 2. COMPOSITION AND MEMBERSHIP

The composition of the Board, including the qualifications of each director, will comply with all requirements of the *Business Corporations Act* (Alberta) (the "**ABCA**"), the articles and by-laws of the Corporation, applicable securities legislation and the rules of any stock exchange upon which the shares of the Corporation are listed for trading.

All Board members will have the skills and abilities appropriate to their appointment as directors. It is recognized that the proper balance of experiences, competencies and attributes will allow the Board to carry out its duties and responsibilities in the most effective manner.

To ensure the effectiveness of Board and the Committees, each director will:

- (a) prepare for each Board and Committee meeting by reading the reports and background materials provided for the meeting; and
- (b) maintain a strong Board and Committee meeting attendance record.<sup>(1)</sup>

#### 2.1 Size of Board

The number of directors shall be not less than the minimum and not more than the maximum number specified in the Corporation's articles and the number of directors

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<sup>(1)</sup> The target is 100% attendance. Anything less than 80%, without extenuating circumstances, would require further discussion with the Chair of the Board.



shall be fixed from time to time within such limits by resolutions of the shareholders or as may be permitted by the Corporation's constating documents and applicable law.

The Board shall consider the size and composition of the Board for the purpose of establishing a Board comprised of members who facilitate effective decision making and have or obtain sufficient knowledge of the Corporation and its business and operations to assist in providing advice and counsel on relevant issues.

## **2.2** Independence

The majority of the Board shall be "independent" of the Corporation, as such standard is set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, which follows the definition of independence found at section 1.4 of National Instrument 52-110 *Audit Committees*. Independent directors have no direct or indirect material relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of independent judgment in carrying out their responsibilities.

The Board will analyze the application of the "independent" standard to individual members of the Board on an annual basis.

The Board will consider and approve such structures and procedures as may be deemed necessary to permit the Board to function independently of management.

## **2.3** Nomination and Appointment of Directors

Directors are elected to hold office until the next annual meeting of shareholders of the Corporation at which directors are elected or until their successors are either elected or appointed. At least 25% of the directors must be Canadian residents in accordance with the ABCA.

The Board shall consider, and if deemed appropriate, adopt a process to:

- (a) consider what competencies and skills the Board, as a whole, should possess; and
- (b) assess what competencies and skills each existing director possesses and which the Board therefore as a whole possesses.

## **3. MEETINGS**

The Board shall have a minimum of four (4) regularly scheduled meetings annually. Additional or special meetings shall be called as necessary.

A Board meeting may be called by the Chair of the Board, any two directors, or the Chief Executive Officer of the Corporation (the "**CEO**").

The CEO shall be available to advise the Board on the business and operations of the Corporation. The Board may invite to a meeting any other officers or employees of the Corporation, legal counsel, advisors or other persons whose attendance it considers necessary or advisable in order to carry out its responsibilities. The Board, and each



individual Board member, shall have authority to (i) engage independent counsel and other advisors or consultants as they may determine necessary in the discharge of their respective duties and responsibilities, and (ii) set and authorize the payment of the compensation for any advisors so engaged.

The Board shall, as practicable, hold an *in camera* meeting of independent directors in connection with all Board and Committee meetings.

### **3.1**     Notice

A notice of time and place of every meeting of the Board shall be given in writing or electronic communication to each director at least 48 hours prior to the time fixed for such meeting, unless waived. Attendance of a director at a meeting of the Board shall constitute waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not properly called.

### **3.2**     Quorum

A quorum for meetings of the Board shall be a majority of its members present in person or by telephone or video conference. However, the directors shall not transact business at a meeting other than filling a vacancy, unless at least 25% of the directors present are resident Canadians; unless the required resident Canadian(s) unable to attend provide(s) approval of the business to be transacted at the meeting.

### **3.3**     Decisions

Decisions of the Board shall be determined by a majority of the votes cast.

Subject to the requirements of any applicable laws, regulations or rules, any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if consent in writing, setting forth the action so taken, is signed by all of the members of the Board. Such written consent shall have the same force as a unanimous vote of the Board. A copy of any such written consent shall be kept with the minutes of the proceedings of the Board.

### **3.4**     Minutes

The Board shall appoint a director or officer of the Corporation, the corporate secretary of the Corporation, legal counsel or another person acceptable to the Board to act as secretary at each meeting for the purpose of recording the minutes of each meeting. Minutes of every meeting shall be kept with the Corporation's corporate records.

The minutes of Board meetings shall be in sufficient detail to convey the substance of all discussions held, and shall accurately record the decisions reached, as well as attendance of members of the Board at each meeting.



#### **4. SPECIFIC DUTIES**

As recommended by the provisions of National Policy 58-201 *Corporate Governance Guidelines*, the Board explicitly acknowledges responsibility for the stewardship of the Corporation as set out below.

##### **4.1 Oversight and Management Duties**

In fulfilling its responsibilities to the Corporation, the Board shall be specifically responsible for:

- (a) overseeing management of the business and affairs of the Corporation, and to act with a view to the best interests of the Corporation, growing value and maximizing returns to its shareholders;
- (b) overseeing management who ensure that legal requirements have been met, and documents and records have been properly prepared, approved and maintained;
- (c) overseeing the management of the business and affairs of the Corporation including the relationships among the Corporation, its affiliates and their executives, shareholders, directors and officers;
- (d) approving and assessing the Corporation's policies and procedures and monitoring compliance with such policies and procedures;
- (e) developing an approach to corporate governance;
- (f) developing the terms of references for the following positions:
  - (i) Chair of the Board;
  - (ii) Committee Chairs; and
  - (iii) CEO;
- (g) approving budgets, monitoring operating performance and ensuring that the Board has the necessary information, including key business and competitive indicators, to enable it to discharge this duty and take any remedial action necessary; and
- (h) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers of the Corporation and ensuring the CEO and other executive officers create and promote a culture of integrity throughout the Corporation.





## 4.2 Legal Requirements

- (a) The Board has the responsibility to oversee the Corporation's legal requirements for the proper preparation, approval and maintenance of the Corporation's documents and records.
- (b) The Board has a fiduciary responsibility to:
  - (i) manage or oversee the management of the business and affairs of the Corporation;
  - (ii) to act honestly and in good faith with a view to the best interests of the Corporation;
  - (iii) exercise the care, diligence and skill that responsible, prudent people would employ in comparable circumstances; and
  - (iv) act in accordance with its obligations as set out in the ABCA, the articles and by-laws of the Corporation, applicable laws and regulations and any restrictions imposed by any applicable regulatory authority or stock exchange requirements.
- (c) The Board has the statutory responsibility to consider the following matters as a full Board which may not (by law) be delegated to management or to a Committee:
  - (i) any submission to the shareholders of a question or matter requiring the approval of the shareholders;
  - (ii) the filling of a vacancy among the directors;
  - (iii) the appointment of additional directors;
  - (iv) the issuance of securities except in the manner and on the terms authorized by the Board;
  - (v) the declaration of dividends;
  - (vi) the purchase, redemption or any other form of acquisition of shares issued by the Corporation, except in the manner and on the terms authorized by the Board;
  - (vii) the payment of a commission to a person in consideration of such person's purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any shares of the Corporation;



- (viii) the approval of management proxy circulars and annual financial statements to be placed before the shareholders of the Corporation at an annual general meeting; and
- (ix) the adoption, amendment or repeal of any by-laws of the Corporation.

#### **4.3** Strategic Duties

The Board shall adopt a strategic planning process for the Corporation, approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business and monitoring of performance against the plan.

#### **4.4** Managing Risks

The Board oversees management who are responsible for identifying the principal risks of the Corporation's business and ensuring that appropriate risk management systems are in place, adopting policies and procedures to identify business risks, addressing which risks are acceptable to the Corporation and ensuring that systems are put in place to manage them. Risks to be considered include both:

- (a) strategic risks such as those related to: acquisitions, expansion and divestitures; competition; Tervita's market share; political matters; commodity prices; economic factors; onsite contract development; and third party contracts; and
- (b) operational risks such as those related to: the integration of operations following acquisitions; project evaluation and pricing; matters affecting business reputation and innovation and technology development.

#### **4.5** Managing Communication and Reporting

The Board shall be responsible for developing and overseeing policies regarding the effective and timely disclosure of information (consistent with the guidance provided in National Instrument 51-102 *Continuous Disclosure Obligations*) to shareholders, other stakeholders, analysts and the public generally, as well as the Corporation's measures for receiving feedback on the business of the Corporation and other matters, whether through investor relations, the CEO or other mechanics independent of management.

#### **4.6** Internal Controls and Management Information Systems

The Board, through discussions with management, the audit committee (the "**Audit Committee**") of the Board and the external auditor, shall be responsible for reviewing and monitoring management's implementation of internal controls and management information systems adequate for ensuring financial reporting is done in a way that is reliable, complete, accurate and transparent.



#### 4.7 Code of Business Conduct and Ethics

The Board shall be responsible for adopting a written code of business conduct and ethics (the Corporation's *Code of Conduct and Whistleblower Policy* (the "**Code**")) applicable to directors, officers and employees which contains standards that are reasonably designed to promote integrity and deter wrongdoing, and address:

- (a) conflicts of interest (including transactions and agreements in which a director or executive officer has a material interest);
- (b) protection and proper use of the Corporation's assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with shareholders, customers, suppliers, competitors, employees and other stakeholders of the Corporation;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Board monitors compliance with the Code by receiving Management's assurance regarding completion of annual Code certification by directors, officers, employees, consultants and contractors. Any waivers sought by directors or executive officers are required to be approved only by the Board or by a Committee. In the instance that there is a material departure from the Code which constitutes a material change to the issuer, the Board shall file a material change report containing the date of the departure, the parties involved, the reason why the Board has or has not sanctioned the departure, and any measures the Board has taken to address or remedy the departure.

#### 4.8 Monitoring Management

The Board has the responsibility to:

- (a) in consultation with the governance committee (the "**Governance Committee**") of the Board, develop a succession plan for the Board;
- (b) in consultation with the human resources and compensation committee (the "**Human Resources and Compensation Committee**") of the Board and the CEO, develop a succession plan for the senior management of the Corporation; and
- (c) in consultation with the Human Resources and Compensation Committee and the Governance Committee, review and approve the compensation of directors as deemed appropriate; and
- (d) in consultation with the Governance Committee and the Human Resources and Compensation Committee, develop terms of reference for the CEO that delineates management's responsibilities. The Board annually



develops or approves the corporate goals and objectives that the CEO is responsible for meeting.

#### **4.9** Orientation and Education

The Board shall provide new directors with a comprehensive orientation regarding both the business of the Corporation. Furthermore, directors shall be provided with continuing education opportunities so they may maintain or enhance their skills and abilities as directors, as well as their knowledge and understanding of the Corporation's business.

#### **4.10** Other Activities

The Board may perform any other activities consistent with this Mandate, the articles and by-laws of the Corporation and any applicable laws and regulatory or stock exchange requirements as the Board deems necessary or appropriate including, but not limited to:

- (a) preparing and distributing the schedule of Board meetings for each upcoming year;
- (b) calling meetings of the Board at such time and place and providing notice of such meetings to all members of the Board in accordance with the by-laws of the Corporation; and
- (c) ensuring that all regularly scheduled Board meetings and Committee meetings are properly attended by directors, in person or by telephone.

### **5. COMMITTEES**

#### **5.1** Standing Committees

Appointment of members to the Committees shall be the responsibility of the Board, based upon consultations with the members of the Board. Committee Chairs will be selected in accordance with the mandates of the Committees. The Committee Chairs will be responsible for determining the agenda of meetings of the respective Committees and determining the frequency and length of meetings, provided that each Committee must meet at least semi-annually. Committee meetings may be called at any time upon 48 hours' notice, by the Chair of the Board, the applicable Chair or any member of the applicable Committee.

The Board shall, at this time, have the following standing committees to assist in the discharge of its duties:

- (i) Audit Committee;
- (ii) Governance Committee;
- (iii) Human Resources and Compensation Committee; and
- (iv) Health, Safety, Environment and Regulatory Committee.



Each standing committee of the Corporation has a written mandate that establishes the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure and operations (including any authority to delegate to individual members or subcommittees), and the manner of reporting to the Board.

## **5.2** Additional Committees

The Board may establish any additional Committees or *ad hoc* Committees to deal with special purposes, as required from time to time in the discretion of the Board. Appointment of members to such Committees shall be the responsibility of the Board. The Board shall prepare written mandates for any additional or *ad hoc* Committee as it deems necessary.

## **6. STANDARD OF LIABILITY**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Corporation. Subject to all applicable laws, regulations and listing requirements, as well as the Corporation's articles and by-laws, it is not intended to establish any legally binding obligations.